Amended 5/5/2026 at 3:50 pm – Materials added for Item 16 (Pages 214-215)

AMENDED AGENDA

Peninsula Corridor Joint Powers Board

Board of Directors Meeting

May 07, 2026, 9:30 am

Santa Clara City Hall, Council Chambers
1500 Warburton Avenue, Santa Clara, CA 95050

Members of the public may participate remotely via Zoom at https://us02web.zoom.us/j/86449951709?pwd=kW9KjaursJbQibDV7B3JSrxl17okbi.1 or by entering Webinar ID: **864 4995 1709,** Passcode: **884563** in the Zoom app for audio/visual capability or by calling 1-669-900-6833 (enter webinar ID and press **#** when prompted for participant ID) for audio only. The video live stream will be available after the meeting at https://www.caltrain.com/video-board-directors

Members of the public also may participate in person at: Santa Clara City Hall, Council Chambers, 1500 Warburton Avenue, Santa Clara, CA 95050, or any other noticed location.

Public Comments: Written public comments may be emailed to publiccomment@caltrain.com or mailed to 1250 San Carlos Avenue, San Carlos, CA 94070, and will be compiled and posted weekly along with any Board correspondence. Any written public comments received within two hours prior to the start of the meeting will be included in the weekly Board correspondence reading file, posted online at: https://www.caltrain.com/about-caltrain/meetings.

Verbal public comments will also be accepted during the meeting in person and through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Participants using Zoom over the Internet should use the Raise Hand feature to request to speak. For participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise Hand feature for public comment. Each commenter will be recognized to speak, and callers should dial *6 to unmute themselves when recognized to speak.

Each public comment is limited to one minute for Public Comment for Items Not on the Agenda, Informational Items, and the Consent Calendar, and limited to two minutes for Motion or Resolution items. The Board Chair has the discretion to manage the Public Comment process in a manner that

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

achieves the purpose of public communication and assures the orderly conduct of the meeting.

May 07, 2026 - Thursday 9:30 am

All items to which Government Code section 84308 applies have been marked with an asterisk.

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

PART I OF MEETING (CALL TO ORDER): 9:30 am

1. Call to Order

2. Roll Call

3. Pledge of Allegiance / Safety Briefing

4. Request to Change Order of Business

5. Public Comment for Items Not on the Agenda
   Comments by each individual speaker shall be limited to one (1) minute. Items raised that require a response will be deferred for staff reply.

PART II OF MEETING (CLOSED SESSION): 9:35 am estimated

6. Closed Session: Conference with Legal Counsel – Existing Litigation (§ 54956.9(d)(1)): [Khoung Le, et al vs. Peninsula Corridor Joint Powers Board, et al, San Mateo Superior Court, Case No. 24-CIV-07931]

7. Closed Session: Conference with Legal Counsel – Existing Litigation (§ 54956.9(d)(1)): [Towle vs. Peninsula Corridor Joint Powers Board, et al, San Mateo Superior Court, Case No. 24-CIV-07094]

8. Closed Session: Closed Session: Conference with Legal Counsel – Existing Litigation (§ 54956.9(d)(1)) [Rogers v. Peninsula Corridor Joint Powers Board, San Mateo County Superior Court, Case No. 23-CIV-03335]

PART III OF MEETING (REGULAR SESSION): 10:20 am estimated

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

10. Report of the Executive Director — Informational

11. Consent Calendar

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

11.a.	Approval of Meeting Minutes for April 2, 2026	Motion

Approved by the Finance Committee

11.b.	Accept Results of Annual Audit of Measure RR Tax Revenues and Expenditures for Fiscal Year 2025	Motion
11.c.	Authorize Executive Director to Execute Amendment to Extend the Term of the Current Agreement for Law Enforcement Services for Five Years at an Estimated Cost of $41,076,586 and to Enter into an Agreement for Dispatch Services for Five Years at an Estimated Cost of $3,007,689 with the San Mateo County Sheriff's Office**	Resolution
11.d.	Award a Contract to CR Fence Company, Inc. for Right of Way Fencing Projects for a Total Amount of $1,738,400*	Resolution
11.e.	Adopt Resolution Designating Caltrain as a Non-Applicant Public Entity Payee for the Affordable Housing and Sustainable Communities (AHSC) Program	Resolution

Approved by the Technology, Operations, Planning, and Safety (TOPS) Committee

11.f.	Adopt Updated Policy Regarding Conveyance of Property Interests Involving Property Owned by the Peninsula Corridor Joint Powers Board and Fee Schedule	Resolution

12.	Authorize the Issuance of Peninsula Corridor Joint Powers Board Measure RR Sales Tax Revenue Refunding Bonds in a Principal Amount Not to Exceed $17,000,000; Approve the Forms of a Fifth Supplemental Indenture of Trust, an Escrow Agreement, a Bond Purchase Agreement, a Preliminary Official Statement and a Continuing Disclosure Agreement to be Executed in Connection Therewith; Authorize the Execution and Delivery Thereof; and Authorize the Taking of All Other Actions Necessary in Connection with the Issuance of Measure RR Sales Tax Revenue Refunding Bonds	Resolution
13.	Adopt Caltrain Salary Ordinance	Resolution
14.	Receive State and Federal Legislative Update; Consider Positions on Senate Bill (SB) 1375 (Cortese), Assembly Bill (AB) 1941 (González), and AB 2308 (Haney); and Receive Update on SB 63 Phase 1 Financial Efficiency Review	Motion

15. Receive Update on Fiscal Year 2027 Preliminary Operating Budget — Informational

16. Receive Update on Draft Framework for Caltrain's "No External Funding" Scenario — Informational

17. Reports

    17.a. Report of the Chair — Informational

    17.b. Report of the Citizens Advisory Committee — Informational

    17.c. Report of the Local Policy Maker Group (LPMG) — Informational

    17.d. Report of the Transbay Joint Powers Authority (TJPA) — Informational

18. Correspondence

19. Board Member Requests

20. Date / Time / Location of Next Regular Meeting: Thursday, June 4, 2026 at 9:00 am.

    The meeting will be accessible via Zoom and in person at the San Mateo County Transit District, Public Hearing Room, 5th Floor, 166 North Rollins Road, Millbrae, CA 94030

21. Adjournment

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

Information for the Public

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board. If you have questions on the agenda, please contact the JPB Secretary at 650.551.6108. Agendas are available on the Caltrain website at https://www.caltrain.com. Communications to the Board of Directors can be e-mailed to board@caltrain.com.

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

Date and Time of Board and Committee Meetings
JPB Board of Directors: First Thursday of the month, 9:00 am; JPB Finance Committee: Two Mondays before the Board Meeting, 2:30 pm; JPB Technology, Operations, Planning, and Safety (TOPS) Committee: Two Wednesdays before the Board meeting, 1:30 pm. JPB Advocacy and Major Projects (AMP) Committee: Two Wednesdays before the Board meeting, 3:30 pm. The date, time, and location of meetings may be changed as necessary. Meeting schedules for the Board and Committees are available on the website.

Location of Meeting
Members of the Public may attend this meeting in person or remotely via Zoom. Should Zoom not be operational, please check online at https://www.caltrain.com/about-caltrain/meetings for any updates or further instruction.

Public Comment
Members of the public are encouraged to participate remotely or in person. Public comments may be submitted by comment card in person and given to the JPB Secretary. Written public comments may be emailed to publiccomment@caltrain.com or mailed to 1250 San Carlos Avenue, San Carlos, CA 94070, and will be compiled and posted weekly along with any Board correspondence. Any written public comments received within two hours prior to the start of the meeting will be included in the weekly Board correspondence reading file, posted online at: https://www.caltrain.com/about-caltrain/meetings.

Oral public comments will also be accepted during the meeting in person or through Zoom or the teleconference number listed above. Online commenters will be automatically notified when they are unmuted to speak. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Each public comment is limited to one minute for Public Comment for Items Not on the Agenda, Informational Items, and the Consent Calendar, and limited to two minutes for Motion or Resolution items. The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

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

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

Item #10.
5/7/2026

Executive Director's Monthly Report: April 2026

Executive Director Michelle Bouchard

Report prepared for May Board meeting; data current through March 2026.

Who We Are and What We Do

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

Caltrain's Vision: To be a vital link in the statewide rail network by improving connectivity to other transit systems, contributing to the region's economic vitality, and partnering with local communities to ensure that diverse constituencies receive a world-class travel experience.

Caltrain's Core Values:

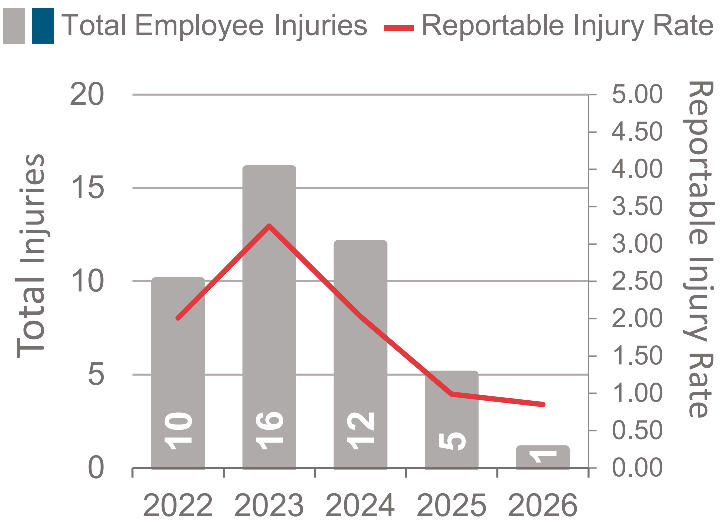
- ***Safety*** – First and Always.
- ***Excellence*** – In all that we do as a team.
- ***Resilience*** – Adapt to changing conditions and seize opportunities.
- ***Integrity*** – Stewards of public trust always doing what is right.
- ***Equity and Inclusion*** – Welcoming all makes a stronger Caltrain.
- ***Sustainability*** – Responsible today for the sake of tomorrow.

Caltrain

Table of Contents

Safety Updates – Injuries and Accidents

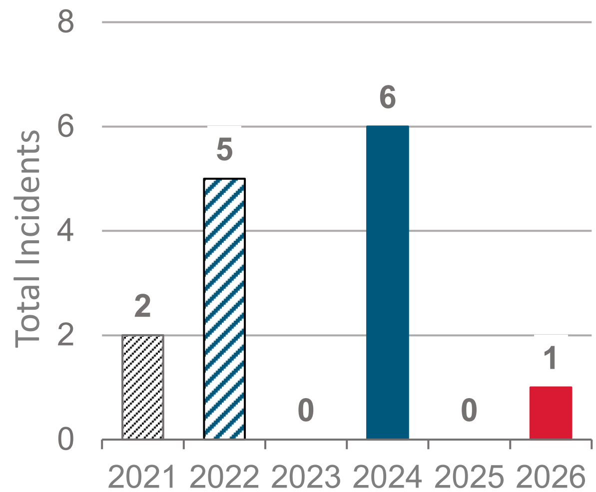
Reportable Injury Trends



Reportable Injury Rates (RIR) are based on the number of railroad worker on duty injuries and illnesses per 200,000 employee-hours annually (equivalent of 100 full time employees). The national average RIR is 3.0 across all industries, per the U.S. Bureau of Labor Statistics. Caltrain's cumulative RIR for calendar year 2026 is 0.85.

Strains, contusions, and lacerations constitute the majority (87%) of reportable injuries for Caltrain's operators.

Reportable Rail Equipment Incidents



Reportable railroad accidents/incidents are divided into three groups: (1) Highway-Rail Grade Crossing; (2) Derailment; and (3) Other Incidents.

Reportable Rail Equipment Incidents from recent years peaked at 6 in 2024. There were no reportable incidents in 2023 or 2025; there has been 1 reportable incident so far in 2026.

Days without a Reportable Injury as of 4/1/2026

Department	Days Without Injury	Date of Last Injury
Dispatch	2,135	5/27/2020
Operations	50	2/10/2026
Maintenance of Equipment	269	7/6/2025
Maintenance of Way	247	7/28/2025
Other	2,135	5/27/2020

Safety Culture Engagement Efforts

Ongoing Safety Culture Transformation

- The Safety Champion program continues to help create safety messaging, encourage safety concern reporting, model safe behaviors, and obtain feedback from peers. Safety Champions are moving forward with high impact projects to advance a strong culture of Safety.
- Chief Safety Officer issues regular correspondence to Caltrain employees about the importance of continuing to put Safety First and Always. Ongoing topics covered include "Why Safety is Important to Me" and safety roadshows. Caltrain held a Safety Roadshow April 22nd at Central. This also included discussions on Quality Assurance and Quality Control.
- Caltrain continues a “Safety Leaders of the Quarter” recognition program to acknowledge and celebrate employees who are actively contributing to a positive safety culture. A new group of Safety Leaders (the 8th cohort thus far) was recognized in April 2026. Future Safety Leaders will be recognized in quarterly All Hands meetings.
- Caltrain staff significantly expanded the Rail Safety section of the agency’s intranet including links to key resources such as the hazard reporting log.

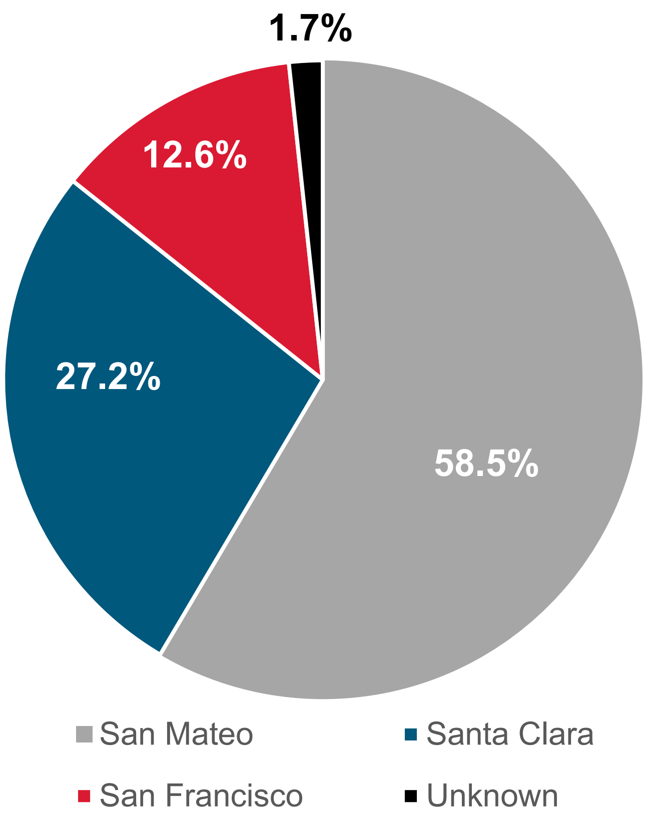
Recent Engagement Activities

- We’ve been meeting with regional partners in preparation for multiple emergency and security tabletop exercises, and upcoming major events in the Bay Area including FIFA.
- Acceptance Testing is in the final phase for the new Safety Information Management System, which will centralize all incident-reporting data.
- "Spring Trends" has begun with a focus on reducing employee strain and sprain injuries.

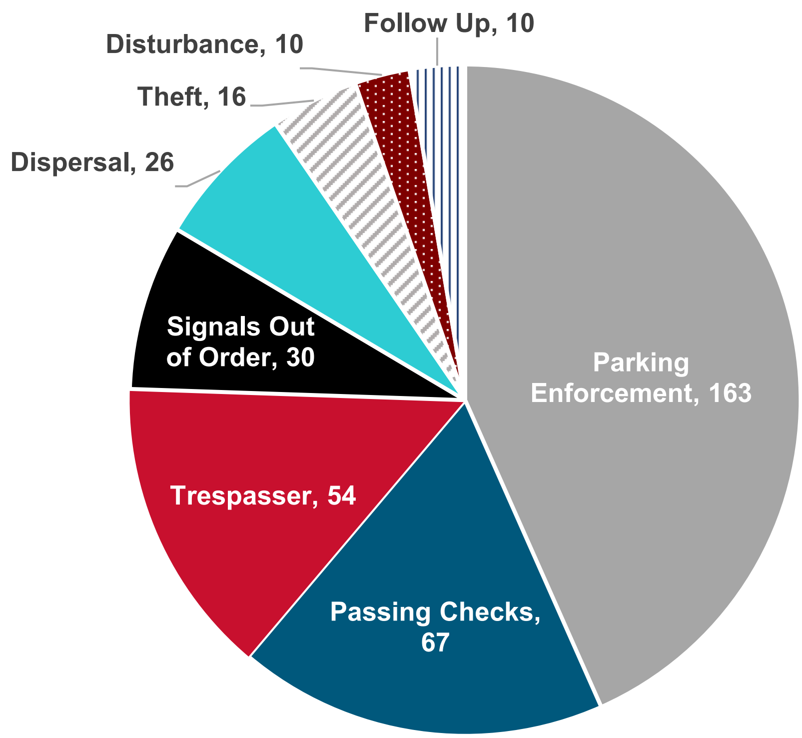
Security Update

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

Calls for Service by County March 2026



Number of Calls by Category March 2026[1]



March 2026 Service Call Data

Overall Average Response Time: **25:40**

Average Response Time for **Priority 1** Calls***: 33:01**

Average Response Time for **Priority 2** Calls****: 23:12**

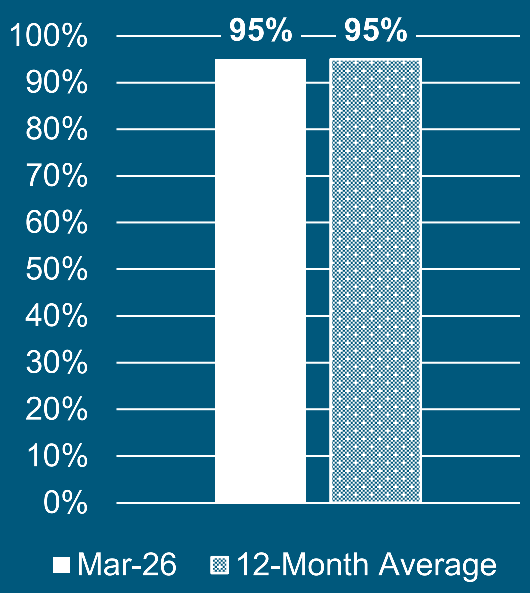
*Priority 1 Calls: *In Progress – Crimes Against Persons*

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

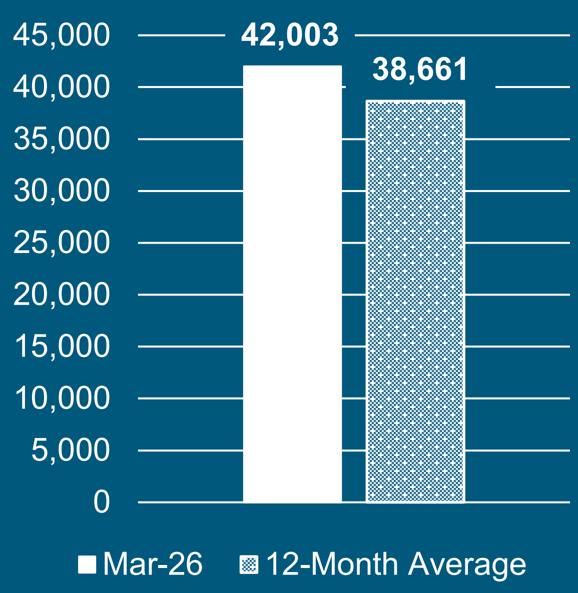
Footnote 1: Total calls for service totaled 513 in March across 19 categories.
The pie chart shows the top 7 categories representing 376 calls or 73% of the total.

Performance at a Glance

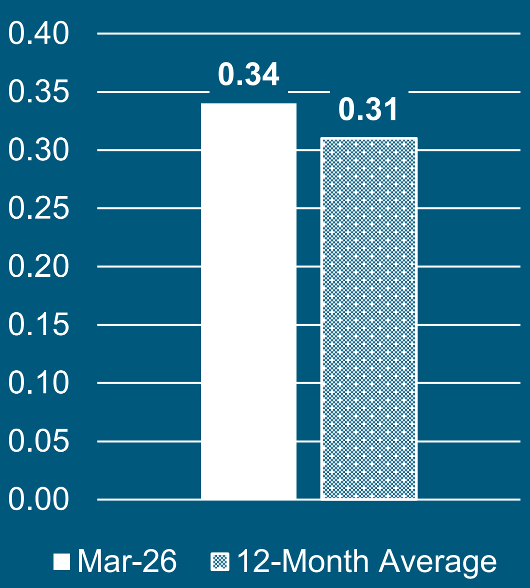
On-Time Performance
Percentage of trains arriving within six minutes of the scheduled time



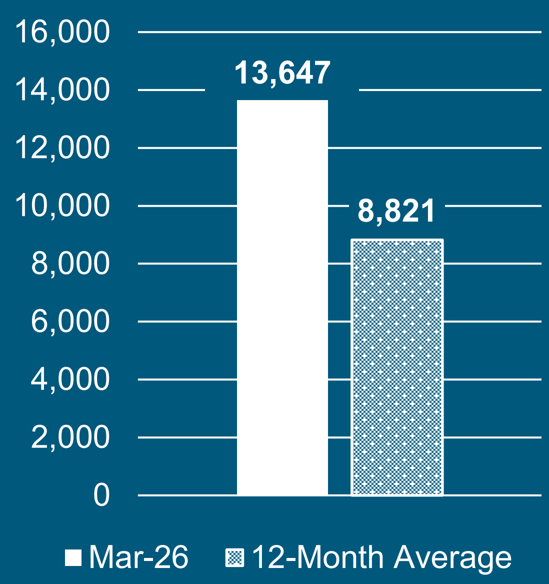
Average Daily Ridership
Average estimated weekday ridership



Farebox Recovery Ratio
Ratio of fare revenue to operating costs

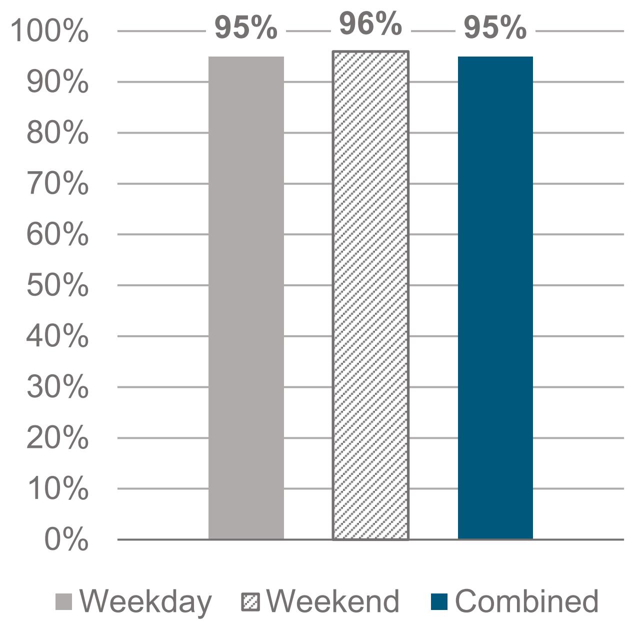


Mean Distance Between Failures
Average miles travelled by locomotives before maintenance/repair is required



On-Time Performance

Performance This Month (Mar-26)

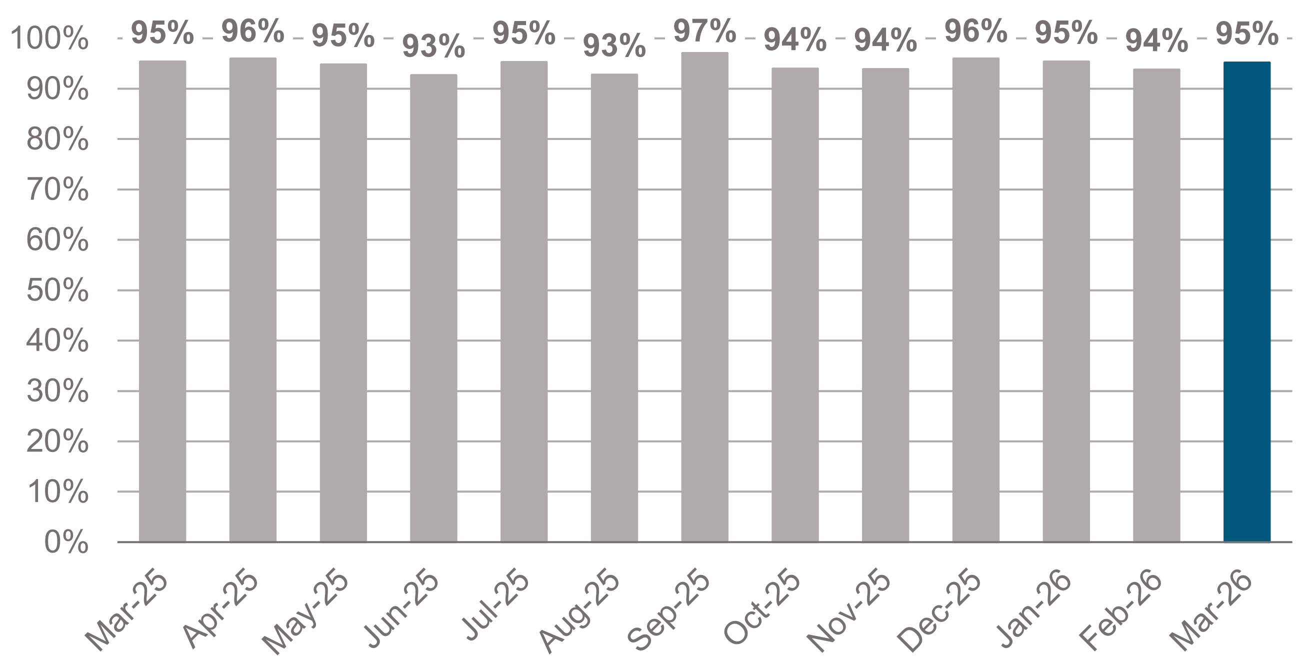


Trains are considered on-time if they arrive within less than six minutes of the scheduled arrival time at end-line locations (i.e. San Francisco, San Jose Diridon, and Gilroy).

The on-time performance (OTP) goal for Caltrain is 95%. Combined OTP for the month of February was 95.2%; trains arriving within 10 minutes of scheduled time was 96.4%.

Note that Weekend OTP includes holidays.

Monthly On-Time Performance in the Past Year

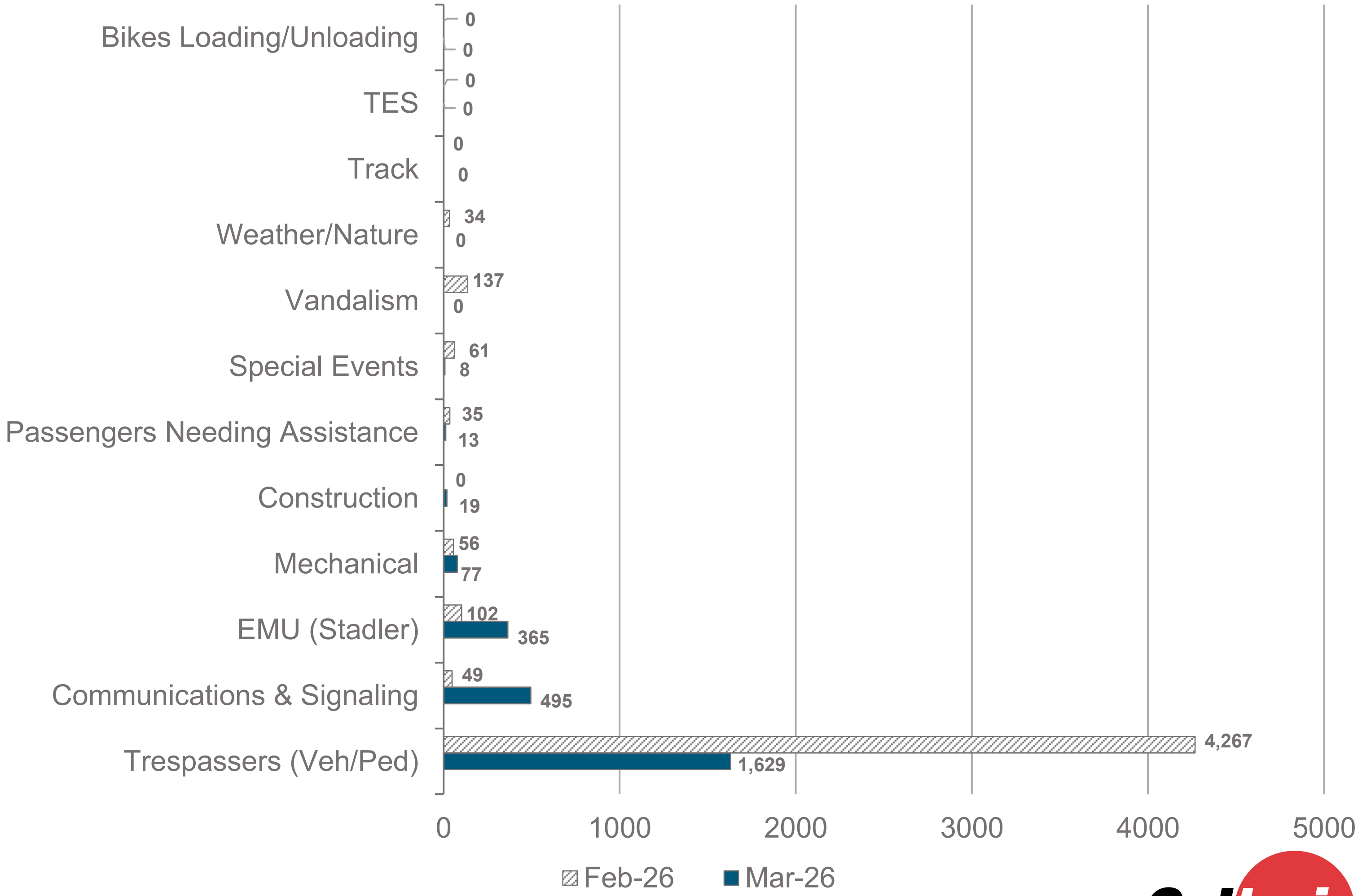


Delays and Cancellations

	Jan-26	Feb-26	Mar-26
Number of Late Trains	136	169	146
Average Minutes Late for Late Trains	20	29	22
Number of Cancelled Trains	3	22	7

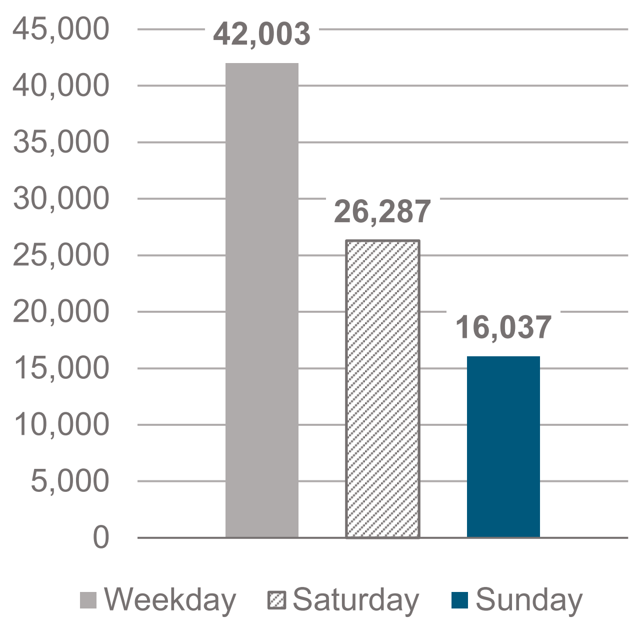
Trains are considered late if they arrive at their end-line destination six minutes or more after the scheduled time. Average Minutes Late represents the average difference in actual arrival time from the scheduled arrival time for late trains. Cancelled Trains includes trains forced to terminate mid-run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

Reasons for Train Delays, by Minutes of Delay



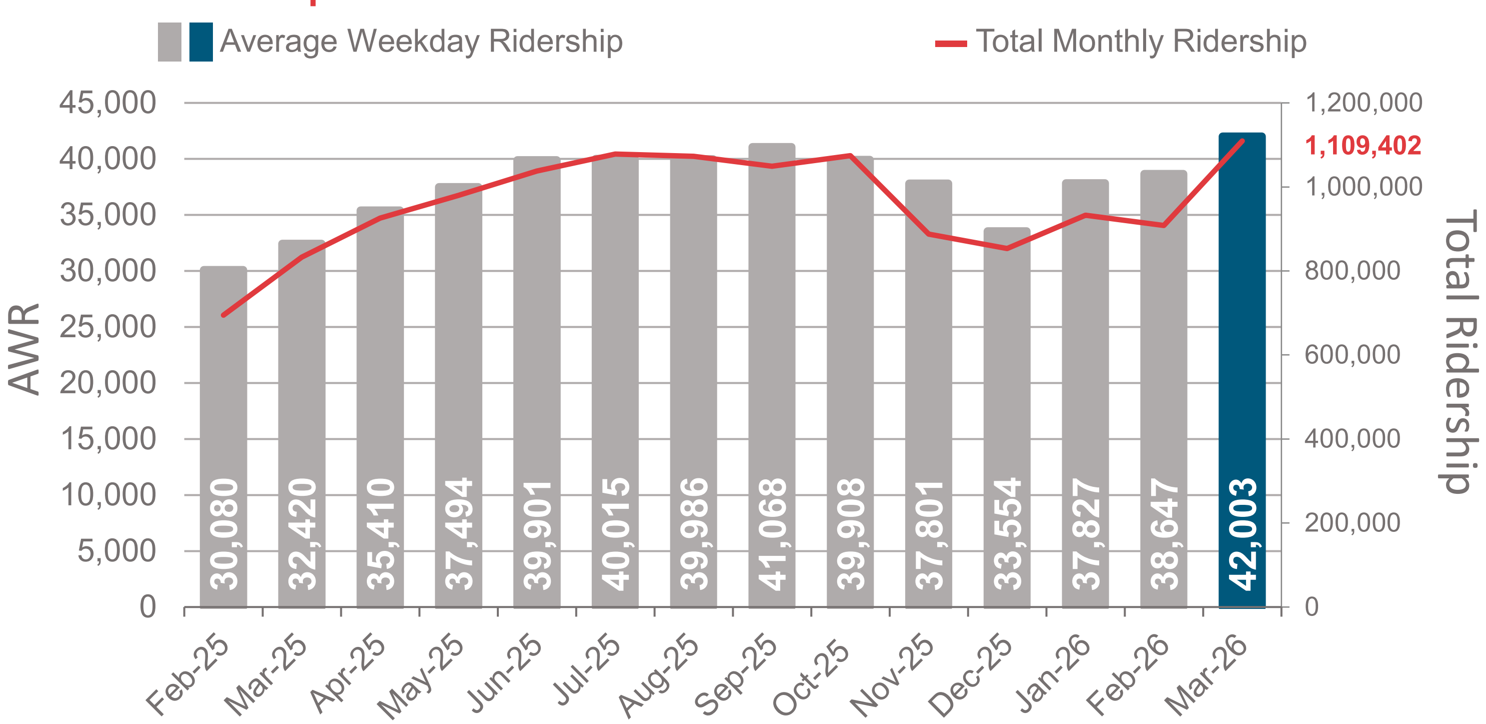
Ridership and Revenue

Average Daily Ridership (Mar-26)



Average weekday ridership (AWR) increased by approximately 30% percent compared to March of last year as riders continue to return to the Caltrain system for increased work and leisure travel.

Ridership in the Past Year

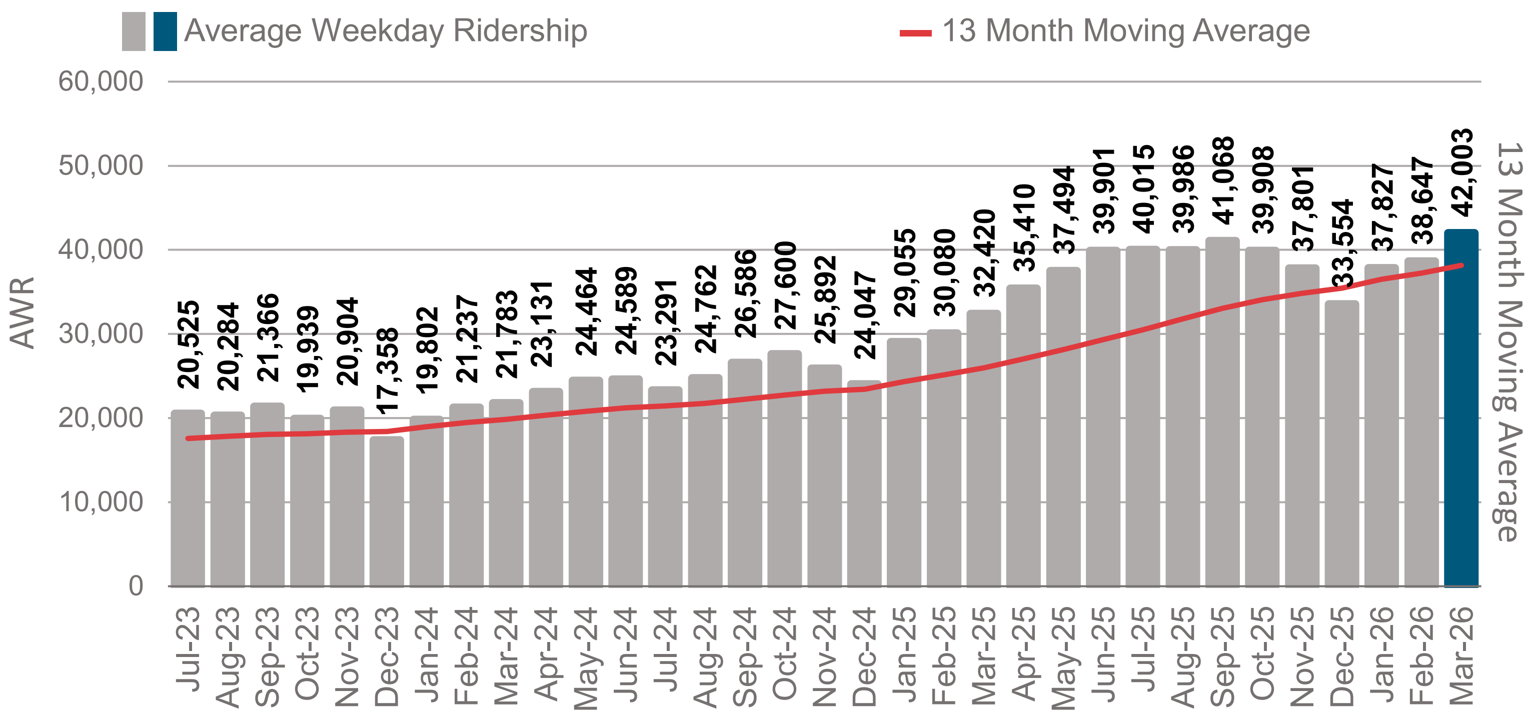


Since DECEMBER 2023, Caltrain's ridership estimation model relies solely on fare media sales data.

Ridership and Revenue

Average Weekday Ridership & 13 Month Moving Average:

Fiscal Year 2024 to Present

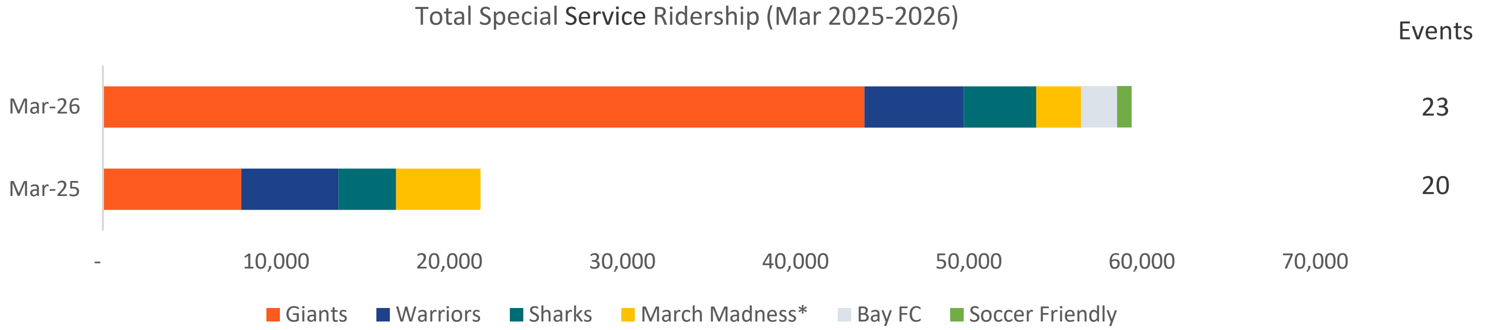


Year Over Year AWR Increase (March 2025 vs. March 2026)	: 30%

Ridership and Revenue

Special Service Ridership

Caltrain carried 59,402* passengers to special events in March



**Ridership is gross counts of boarding and/or alighting within an identified "event window" at specified station(s), includes non-event riders, and may overlap with other concurrent events.*

Special Event Ridership by Station and Event

Station	Event Type	Mar-26			Mar-25			Ridership Change
		Ridership	Event Count	Avg Ridership per event	Ridership	Event Count	Avg Ridership per Event	
San Francisco	Giants	43,990	6	7,332	7,987	3	2,662	+450.8%
	Warriors	5,741	5	1,148	5,629	7	804	+2.0%
	March Madness	-	-	-	4,875	2	2,438	-
	All Events	**49,731**	**11**	**4,521**	**18,491**	**12**	**1,541**	**+168.9%**
Santa Clara	Bay FC**	2,105	2	1,053	-	-	-	-
	Soccer Friendly	811	1	811	-	-	-	-
	All Events	**2,916**	**3**	**972**	**-**	**-**	**-**	**-**
San Jose Diridon	Sharks	4,174	7	596	3,325	8	416	+25.5%
	March Madness	2,581	2	1,290	-	-	-	-
	All Events	**6,755**	**9**	**751**	**3,325**	**8**	**416**	**+103.2%**
All Stations	**All Events**	**59,402**	**23**	**2,583**	**21,816**	**20**	**1,091**	**+172.3%**

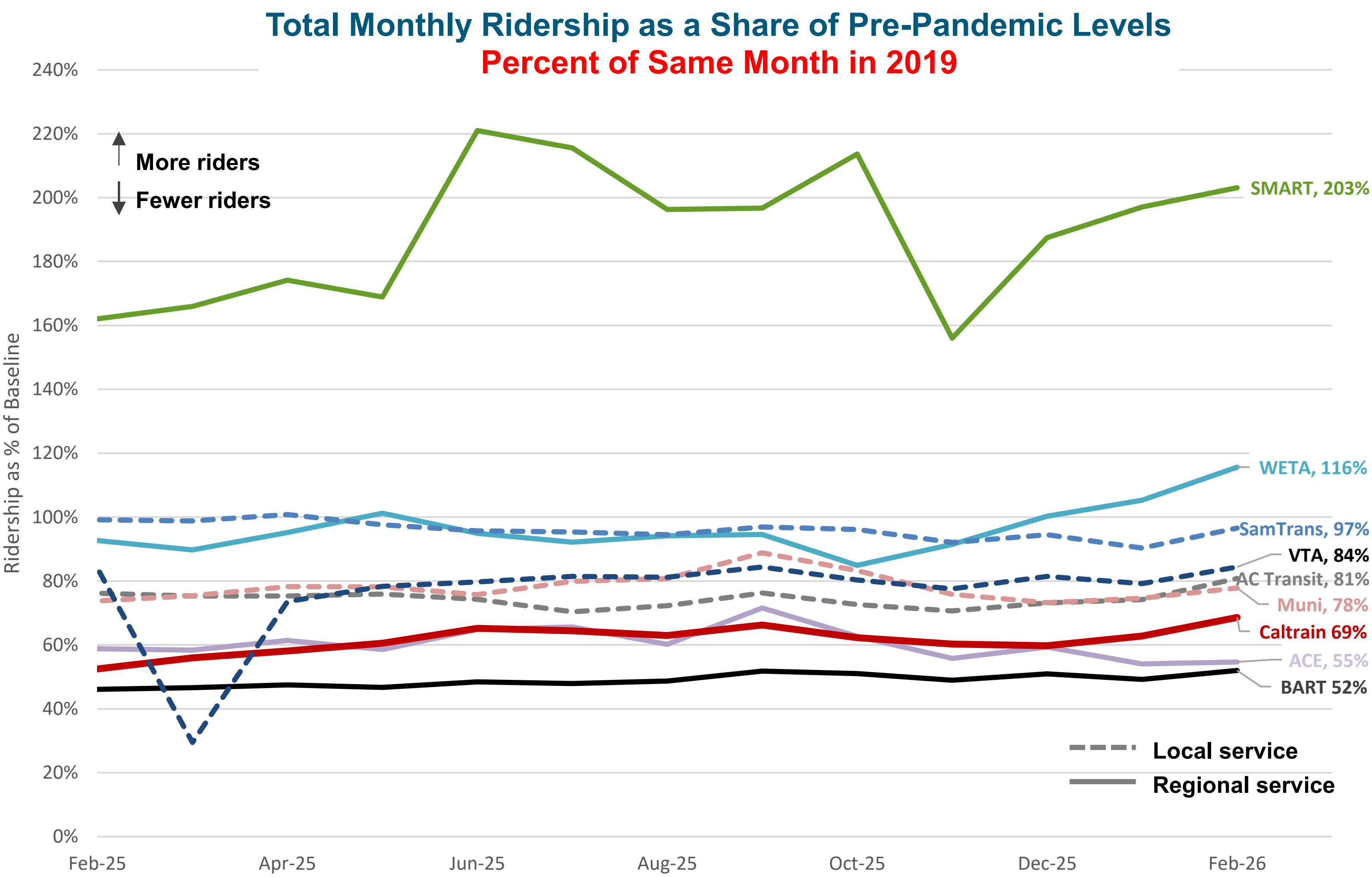
***Event(s) occurred in previous year but was not counted.*

Additional Event Trains

Event Type	26-Mar			25-Mar			Ridership Change
	Ridership	Train Count	Avg Ridership per Train	Ridership	Train Count	Avg Ridership per Train	
Giants	1,768	2	884	-	-	-	-
All Events	**1,768**	**2**	**884**	**-**	**-**	**-**	**-**

Public Transit Ridership Recovery in the Bay Area

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



Notes:
- As of August 2024, ridership recovery percentages for each agency are calculated in comparison to the same month from 2019.
- Starting in December 2023, Caltrain ridership estimates use a fare media sales-based model. Prior to then, Caltrain ridership estimates were based on a combination of conductor counts & Clipper data.
- Ridership data for all other agencies retrieved from the National Transit Database.

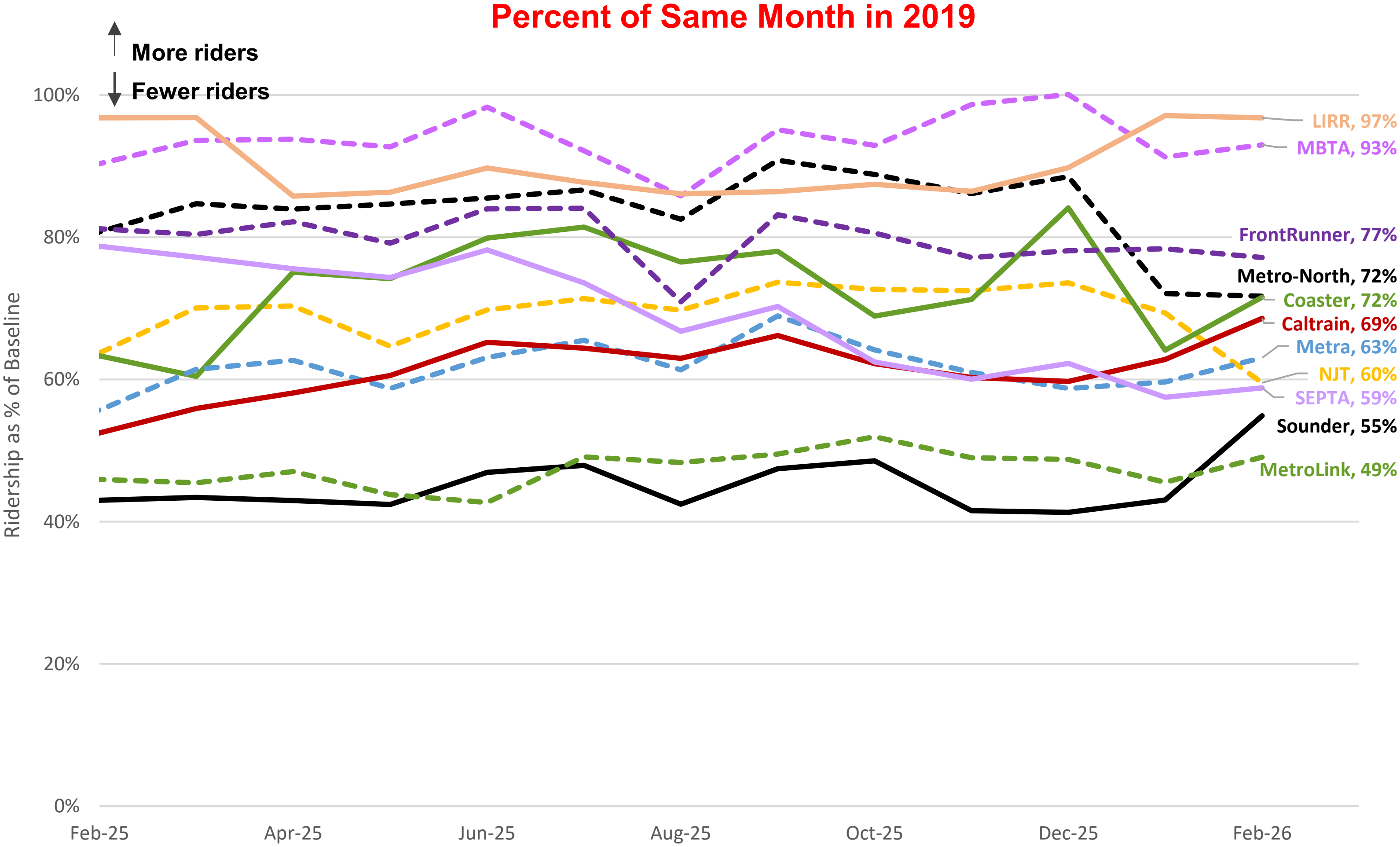
Total Monthly Ridership Estimates (in thousands)

Transit Operator	25-Feb	25-Mar	25-Apr	25-May	25-Jun	25-Jul	25-Aug	25-Sep	25-Oct	25-Nov	25-Dec	26-Jan	26-Feb
Muni	12,606	14,222	14,696	14,957	13,740	14,455	15,170	15,233	15,646	13,456	13,062	14,072	13,295
BART	4,464	4,998	5,244	5,172	5,174	5,220	5,452	5,589	5,922	4,883	4,868	5,092	5,036
AC Transit	3,173	3,502	3,575	3,579	3,022	3,079	3,452	3,735	3,837	3,206	3,113	3,261	3,364
VTA	2,250	908	2,241	2,465	2,273	2,368	2,538	2,666	2,772	2,336	2,323	2,329	2,262
Caltrain	695	832	926	980	1,038	1,078	1,073	1,049	1,075	888	853	933	908
SamTrans	823	958	949	989	832	832	952	1,026	1,074	887	857	828	801
WETA	205	181	215	261	280	287	301	313	277	264	216	214	229
SMART	83	96	105	108	123	135	128	124	122	101	109	113	104
ACE	67	73	81	83	73	81	81	89	89	64	60	69	63

Ridership Recovery for Similar Commuter Railroads

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

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



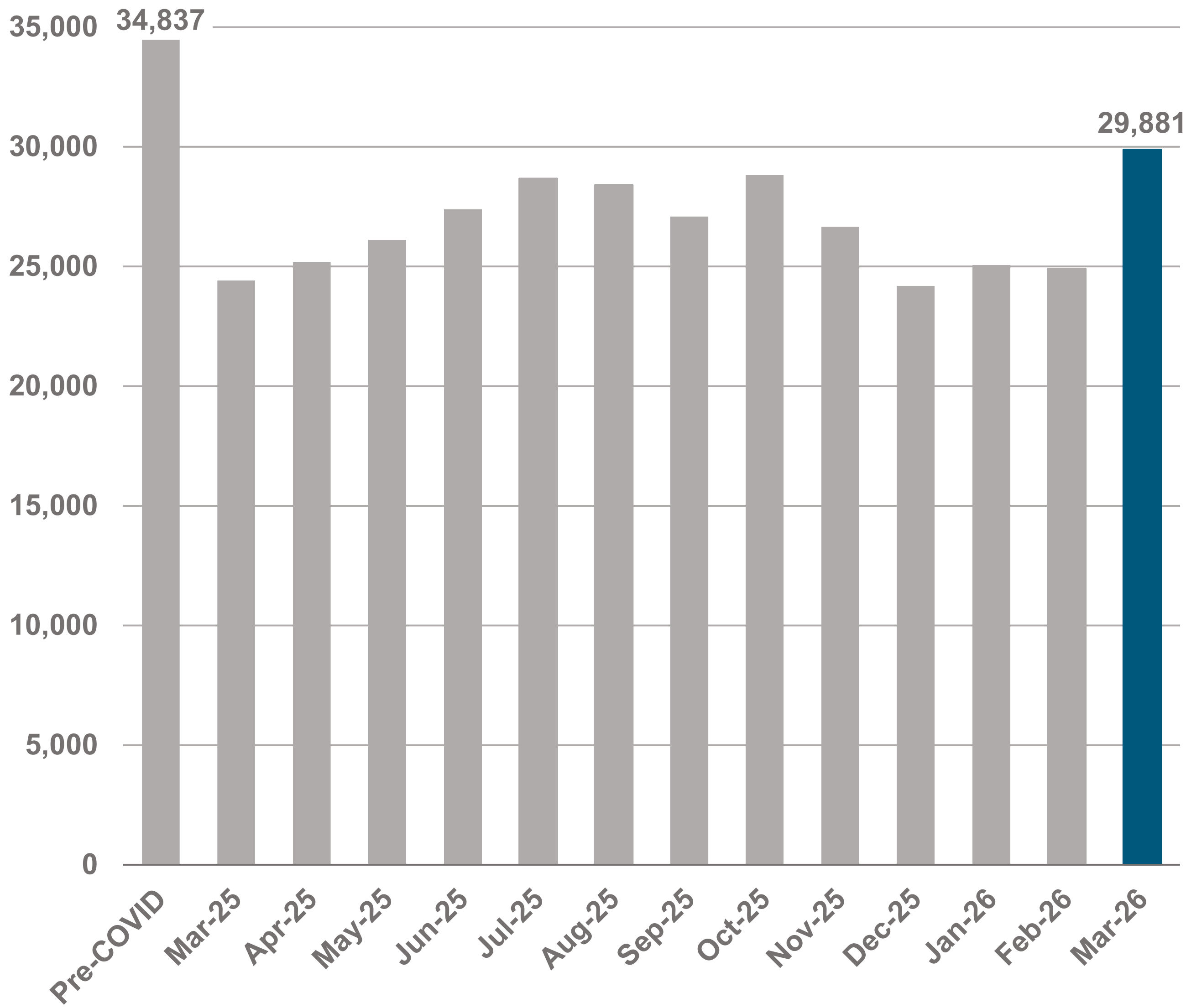
Notes:
- As of October 2025, ridership recovery percentages for each agency are calculated in comparison to the same month from 2019.
- Ridership data for all agencies retrieved from the National Transit Database.

Total Monthly Ridership Estimates (in thousands)

Transit Operator	25-Feb	25-Mar	25-Apr	25-May	25-Jun	25-Jul	25-Aug	25-Sep	25-Oct	25-Nov	25-Dec	26-Jan	26-Feb
LIRR	7,784	8,629	8,441	8,629	8,441	8,769	8,629	8,441	8,938	8,131	8,769	8,629	7,784
Metro-North	5,310	6,335	6,614	6,759	6,655	6,880	6,383	6,843	7,379	6,307	6,792	5,219	4,715
NJ Transit	4,371	5,173	5,274	4,972	5,365	5,463	5,285	5,700	5,799	5,471	5,512	4,773	4,083
Metra	2,547	3,046	3,332	3,165	3,322	3,632	3,406	3,566	3,662	2,882	2,656	2,825	2,884
MBTA	2,155	2,462	2,522	2,506	2,424	2,551	2,404	2,430	2,706	2,558	2,683	2,470	2,218
SEPTA	2,173	2,248	2,321	2,244	2,099	2,023	1,823	2,170	2,042	1,723	1,809	1,760	1,623
Caltrain	695	832	926	980	1,038	1,078	1,073	1,049	1,075	888	853	933	908
MetroLink	445	500	540	497	446	504	504	522	567	501	470	476	476
FrontRunner	326	351	355	337	327	341	322	393	406	330	320	341	310
Sounder	136	164	175	167	171	188	169	182	215	153	145	180	173
SD Coaster	58	67	88	91	104	122	102	89	77	67	71	66	66

Ridership and Revenue

Monthly BART Transfers at Millbrae in the Past Year

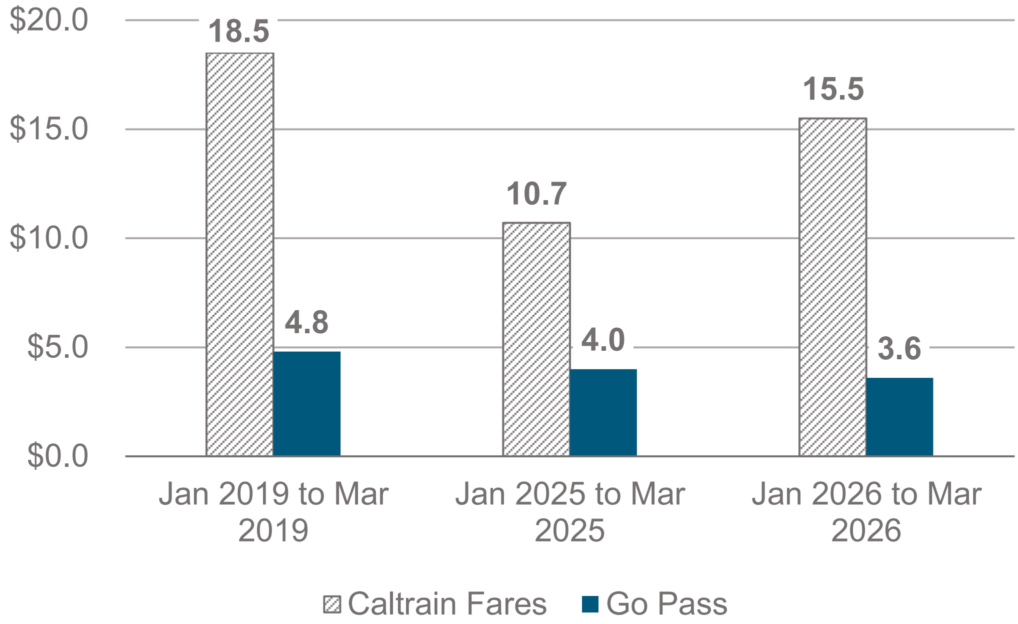


BART Transfers at Millbrae represents the total number of BART-to-Caltrain and Caltrain-to-BART transfers, as measured by Clipper Card data.

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

Ridership and Revenue

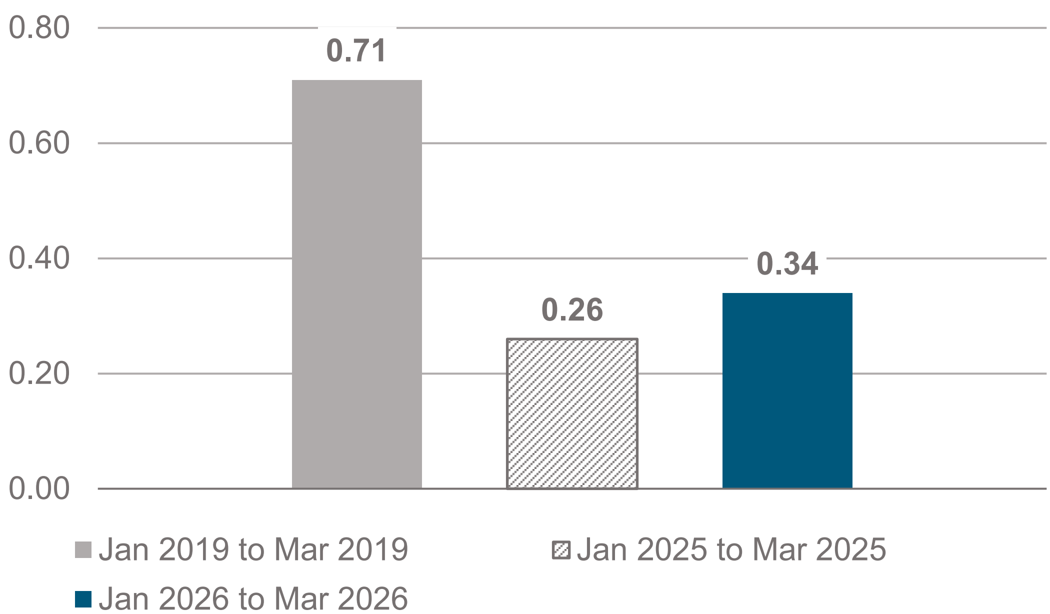
Total Fare Revenues ($M) - Past 3 Months Comparison



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

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

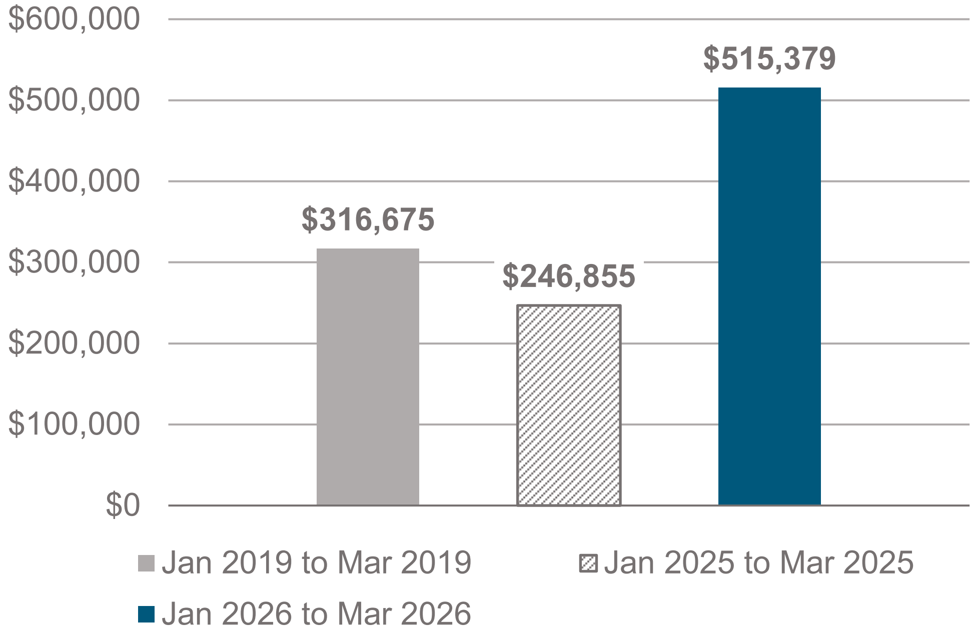
Farebox Recovery Ratio (3-Month Rolling Average)



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

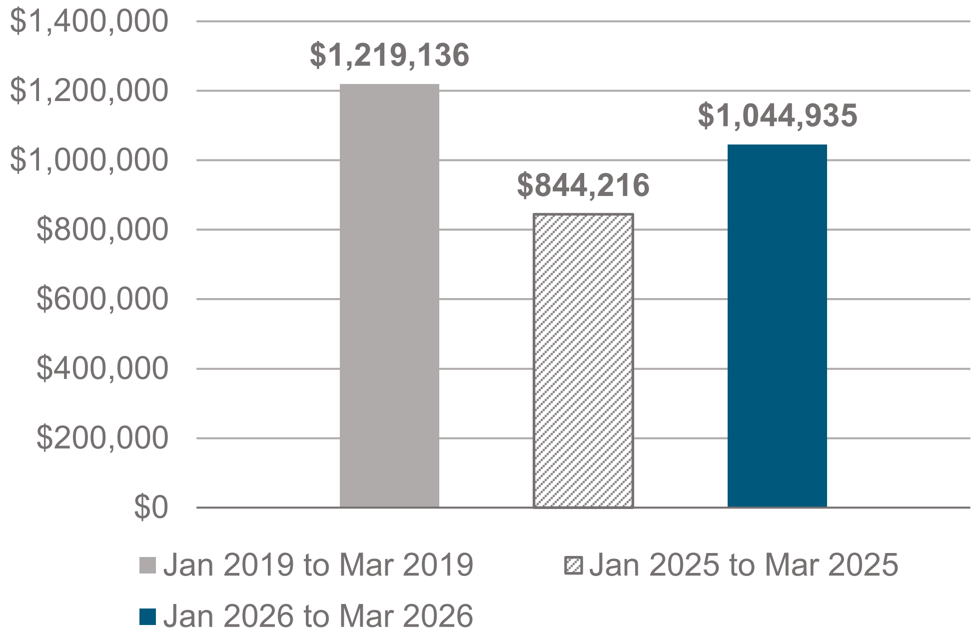
Ridership and Revenue

Advertising Revenue (3-Month Rolling Average)



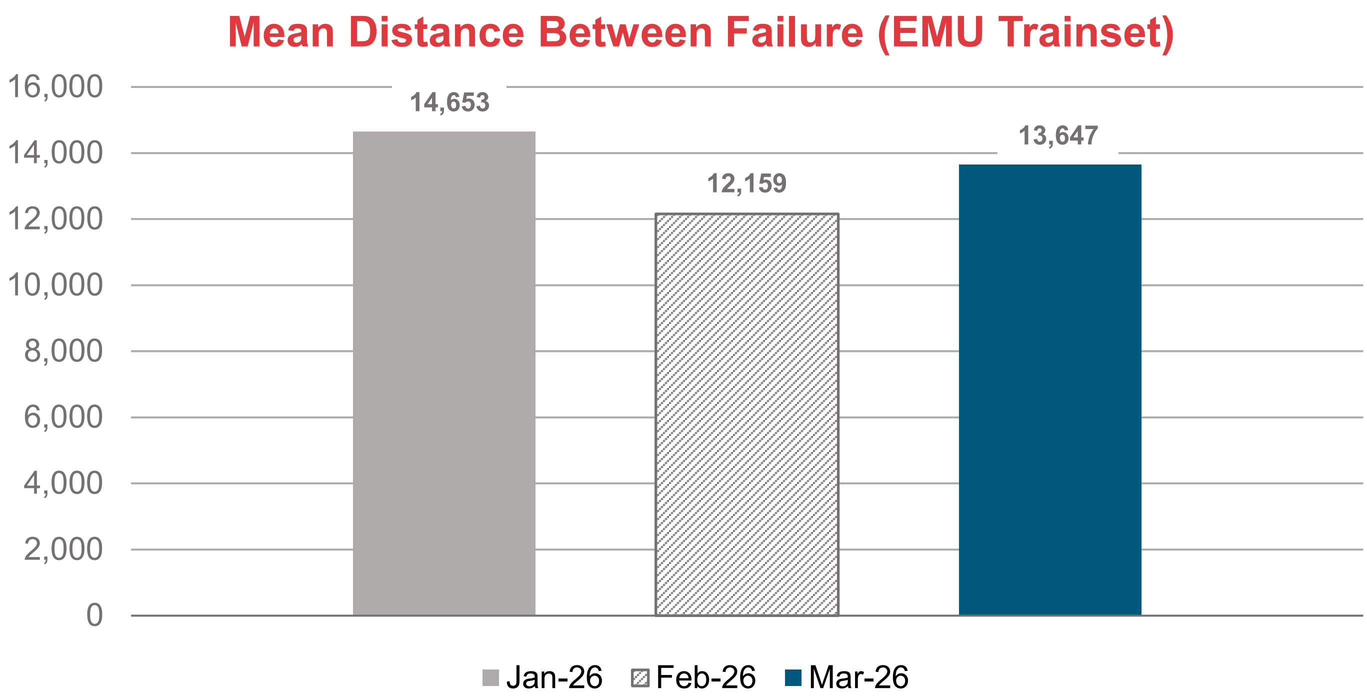
Advertising Revenue declined substantially for transit agencies throughout the country with the onset of the COVID-19 pandemic.

Parking Revenue (3-Month Rolling Average)



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

Maintenance Performance (EMU Fleet)

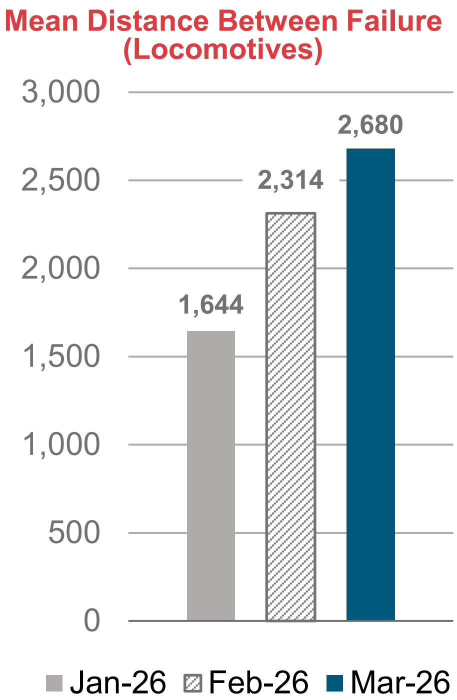


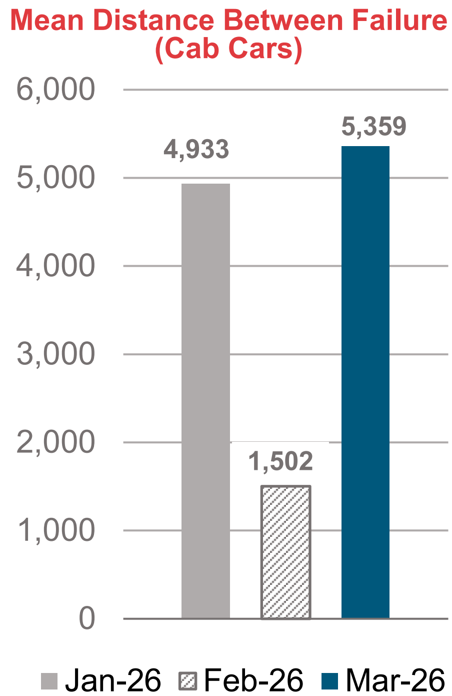
Mean Distance Between Failure (MBDF) is a measure of fleet reliability that represents the average distance traveled by revenue vehicles before maintenance or repair is required. A higher value indicates an improvement in reliability. Data is measured in miles.

As of October 2025, the data shown is now determined by the total miles traveled by the entire train configuration divided by the number of failures.

The graph on this page represents MDBF for all EMU (electric) passenger locomotives and cars in Caltrain's fleet. Diesel fleet data is on the following page.

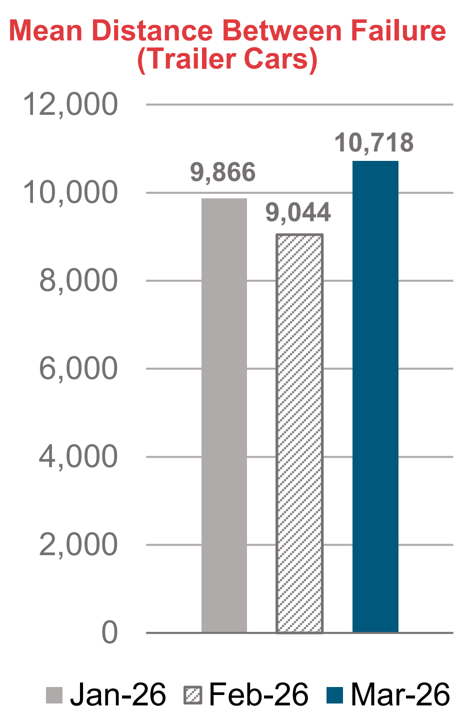
Maintenance Performance (Diesel Fleet)

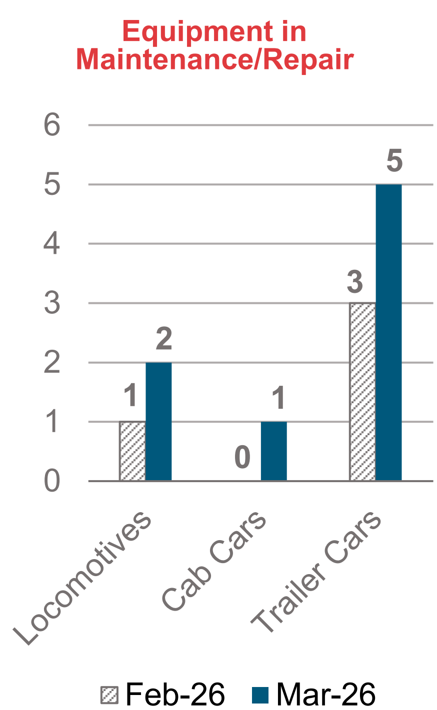




Mean Distance Between Failure (MBDF) is a measure of fleet reliability that represents the average distance traveled by revenue vehicles before maintenance or repair is required. A higher value indicates an improvement in reliability. Data is measured in miles.

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

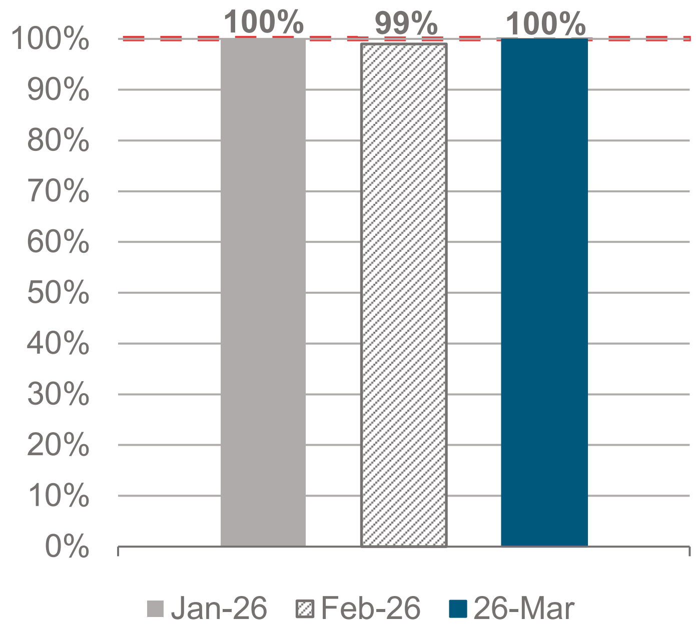




Equipment in Maintenance/Repair represents the number of diesel locomotives and passenger cars that are out of service on an average day each month due to routine and preventative maintenance or other repairs. EMU data is on the previous page.

Maintenance Performance

Equipment Availability (EMUs)

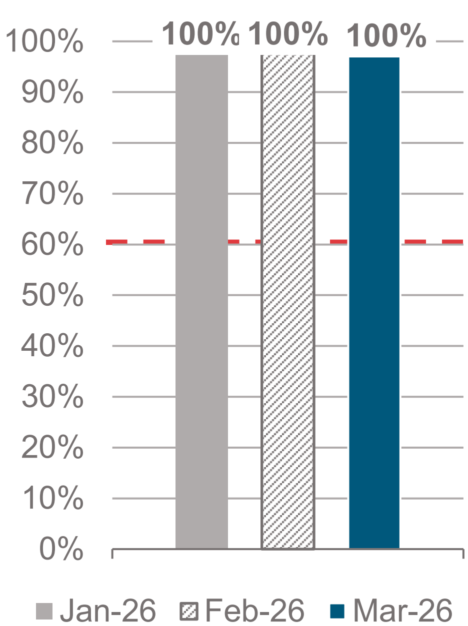


Equipment Availability is the number of trainsets, locomotives, or cars available for service on an average day each month as a percentage of the daily equipment required to run base service.

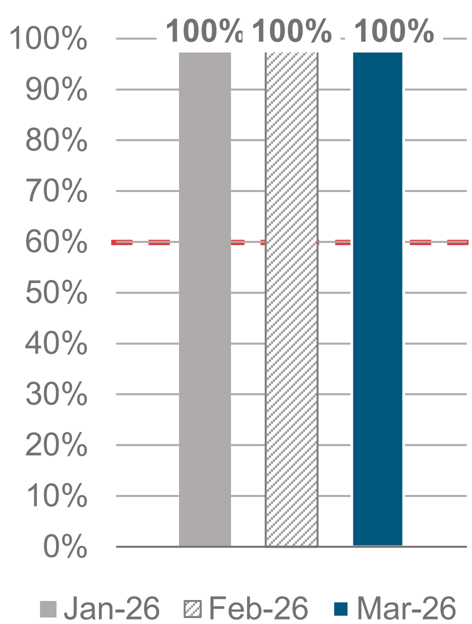
The graph to the left represents EMUs whereas the graphs below represent diesel equipment data, displaying Caltrain's mixed revenue fleet. Fourteen (14) EMUs are needed to operate the new weekday electric service.

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

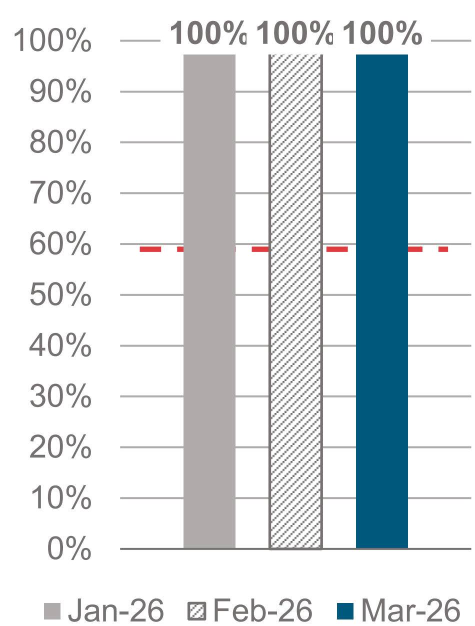
Equipment Availability (Diesel Locomotives)



Equipment Availability (Cab Cars)



Equipment Availability (Trailer Cars)



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

Service and Program Updates

Caltrain Board Adopts Corridor-Wide Right-of-Way Safety Strategy

The Caltrain Board of Directors voted to adopt a new Caltrain Corridor Right-of-Way Safety Strategy (CROWS), a corridor-wide framework designed to strengthen ongoing safety enhancements on Caltrain's right-of-way.

"Safety is Caltrain's core value, and the need to make our right-of-way safer is reflected in everything we do," said Caltrain Executive Director Michelle Bouchard. "After years of targeted improvements, this strategy establishes a comprehensive approach to reducing risk, strengthening accountability, and delivering the most effective treatments where they are needed most throughout the entire Caltrain corridor to keep the people and communities we serve safe."

Caltrain and its partners have implemented safety improvements at specific locations in response to known risk conditions, operational needs and available funding since the agency's founding. While these investments have delivered meaningful benefits, the corridor continues to face serious challenges including repeated trespassing incidents and vehicle incursions onto the right-of-way, events that can result in death or serious injury, trauma to employees and the public and significant service disruptions.

The CROWS Strategy is designed to standardize and scale effective improvements, in order to accelerate deployment at identified high-risk locations, and strengthen ongoing maintenance and monitoring to ensure safety improvements remain effective over time. Staff are also seeking additional funding to expand proven measures to more locations throughout the corridor.

The CROWS Strategy combines education, outreach, enforcement, engineering improvements, and standards/procedure updates—organized around data-driven risk analysis and national best practices for trespass and suicide prevention.

Caltrain Delivers Giants Faithful to FanFest

San Francisco Giants fans could take Caltrain to the last FanFest before the season started on Saturday, March 14, from noon to 4 p.m. Fanfest attendees took advantage of Caltrain's convenient half-hourly weekend service to get to San Francisco Station, a short block away from Oracle Park.

Service and Program Updates

Caltrain and Bay FC kick off the soccer season together

Caltrain geared up to move fans across the Peninsula as Bay FC opened the soccer season Saturday March 14 against Denver Summit FC. Kickoff was scheduled for 3:30 p.m., and Caltrain offered a convenient option for supporters heading to the match.

Caltrain Ran Service to Giants Home Opener March 25

The San Francisco Giants were back at Oracle Park taking on the New York Yankees on Wednesday, March 25, and Caltrain was ready to deliver its faithful fans to the game. Caltrain also reintroduced its post-game train which made all stops all the way to the end of the line at San Jose Diridon Station.

Caltrain Honors Speaker Emerita Nancy Pelosi for Decades of Transit Advocacy with Dedicated Train

National and local leaders celebrated as Caltrain named one of the trains in its state-of-the-art electric fleet in honor of Speaker Emerita Nancy Pelosi at Caltrain's San Francisco Station. Made during Women's History Month, this dedication recognizes Pelosi for her outsized role in advocating for Caltrain and other public transit agencies throughout her career as she nears the end of her final term in Congress after serving for 38 years. Pelosi was instrumental in obtaining federal funding for Caltrain's $2.4 billion Electrification Project that was completed in 2024, modernizing the 160-year-old railroad and leading the agency to be named the fastest growing transit agency in the United States in 2025.

Caltrain is the ride to beat as March Madness arrives in San Jose

Fans could take Caltrain to the Sweet 16 on Thursday, March 26, at the SAP Center, where Texas faced Purdue at 4:10 p.m., followed by Arkansas vs. Arizona at 6:45 p.m. The action continued with an Elite Eight matchup on Saturday, March 28, when Arizona faced Purdue at 6:00 p.m.

Communications and Marketing Update

Strategic Communications (Media and Social)

Press Releases/Blogs/Podcasts:

- Caltrain Board Adopts Corridor-Wide Right-of-Way Safety Strategy
- Caltrain Delivers Giants Faithful to FanFest
- Caltrain and Bay FC kick off the soccer season together
- Caltrain Runs Service to Giants Home Opener March 25
- Caltrain Honors Speaker Emerita Nancy Pelosi for Decades of Transit Advocacy with Dedicated Train
- Caltrain is the ride to beat as March Madness arrives in San Jose

Earned Media:

- This Safeway on SF Peninsula is next up for a big housing project by Align Real Estate - SF Chronicle
- First weekend service goes, then stations close: Caltrain maps a path toward possible shutdown - SF Chronicle
- Caltrain to dedicate electric train to Pelosi to mark decades of transit advocacy - SF Chronicle
- First look at plans to turn SF railyard into high-rise neighborhood with thousands of homes - SF Chronicle
- Caltrain may ban bikes with child seats. Parents say it could upend their commutes - SF Chronicle
- El tren de alta velocidad de California iniciará su primer tramo en 2032 tras años de retrasos - Infobae
- Our Public Spaces… - Wordscape
- How electrifying a Bay Area rail system made trains faster, cleaner, and more frequent - Grist
- Caltrain proposal would ban oversized bicycles on board trains - CBS
- Caltrain unveils tribute to former House Speaker Nancy Pelosi - CBS
- Caltrain railyard redevelopment plan could reshape 4th and King - Axios SF

Communications and Marketing Update

Strategic Communications (Media and Social, cont.)

Caltrain E-Newsletter Metrics

	MARCH 2026	MARCH 2025
Subscribers	16,044	15,420
Open Rate	23.2%	24.7%
Click Rate	3.6%	4.4%

Caltrain Social Media Messaging Highlights:

March included several key initiatives supported by the Strategic Communications team across in-person events, media relations and social media.

The team supported Transit Employee Appreciation Day (TEAD) across multiple locations, as well as Women's History Month programming, including Caltrain's "The More You Know" social media series and an internal recognition event.

Communications efforts also aligned with the San Francisco Giants season kickoff, including FanFest and opening week activities. The month concluded with a March 22 naming ceremony honoring Speaker Nancy Pelosi with a dedicated electric train.

Messaging Highlights:

- Sharks Social Media Partnership - Ticket giveaway, ticket bundle
- Ladies Professional Golf Association (LPGA) Ticket Giveaway - Marketing x Social Trade partnership
- Bay FC new season
- BART Mart - Tabling at Millbrae
- Bicycle and Active Transportation Advisory Committee
- 988 / NAMI messaging
- Now Hiring
- Marketing - Go Explore
- South County Survey

Communications and Marketing Update

Strategic Communications (Media and Social, cont.)

Social Metrics: (Year to Year)

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

MARCH 2026	MARCH 2025
Impressions: 730,054	Impressions: 518,790
Engagements: 22,963	Engagements: 23,664
Post Link Clicks: 3,484	Post Link Clicks: 3,844

Marketing Activities

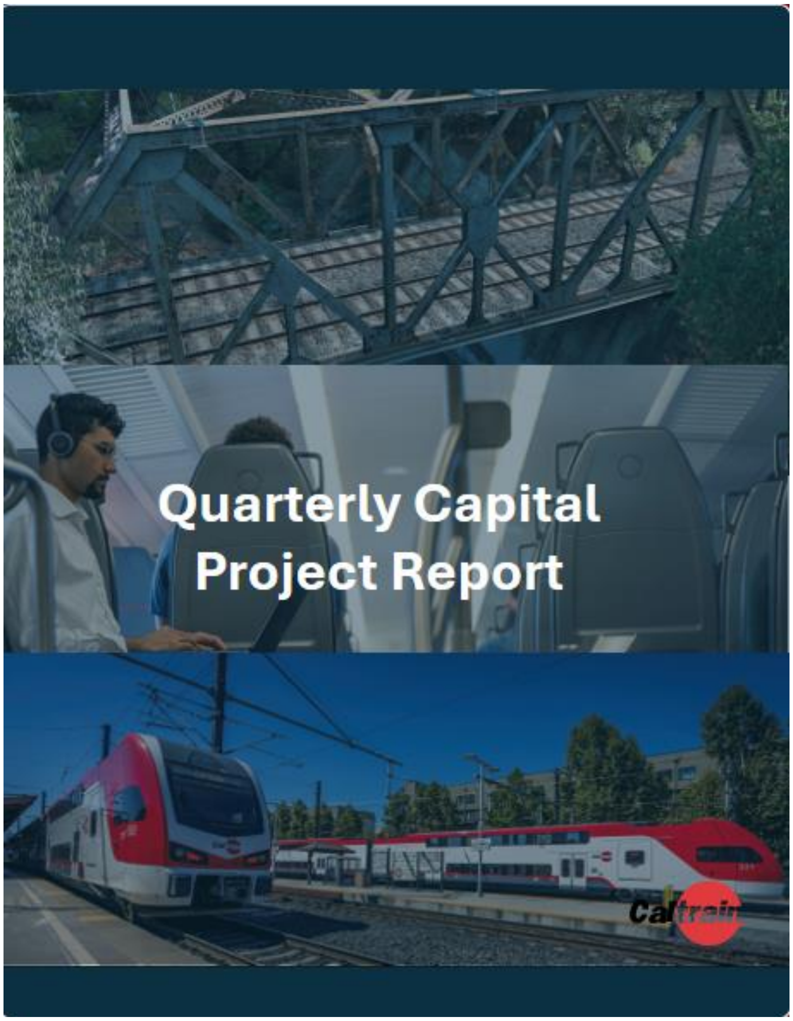
- **Theme Train: Giants vs. Dodgers**
  - Marketing is gearing up for the first 2026 theme train to take place April 23 for the Giants vs. Dodgers day game at 12:15 p.m.
- **Go Vibe. Go Caltrain.**
  - Marketing has begun paid boosting for ads targeting potential youth riders and promoting the $1 youth fare, with an updated youth fare webpage.
- **Sharks Bundled Tickets**
  - 280 San Jose Sharks bundled ticket products were sold in our latest co-promotion with the team.
- **Giants Contract Signed**
  - Our yearly contract with the Giants is complete and we will begin co-marketing in earnest in April with a variety of activities, in-arena advertising, and onboard advertising.

Capital Projects Update

As of the December 2025 Executive Director's Monthly Report, Capital Projects notes will be a separate item posted online.

Please refer to the most recent Quarterly Capital Projects Report for Quarter 2 of FY2026 (October 2025-December 2025) using the hyperlink provided below.

Link: https://www.caltrain.com/about-caltrain/statistics-reports/quarterly-capital-program-status-report



Acknowledgments

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

Communications
Taylor Huckaby, Deputy Chief, Communications
Tasha Bartholomew, Director, Strategic Communications
Dan Lieberman, Public Information Officer
Stephanie Torres, Social Media Specialist

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

Rail Commercial and Business Development
Michelle Stewart, Director, Grants and Fund Management

Rail Design & Construction
Sherry Bullock, Interim Chief, Design & Construction, and CalMod Program Director

Rail Executive Administration
Jason Dayvault, Business Operations Project Manager

Rail Operations & Maintenance
Ted Burgwyn, Interim Chief Operating Officer
Henry Flores, Director, Rail Vehicle Maintenance
Graham Rogers, Project Manager SOGR
Christiane Kwok, Manager, Rail Operations
Alex Bailey, Senior Rail Operations Analyst

Rail Planning & Real Estate
Dahlia Chazan, Chief, Caltrain Planning and Real Estate
Catherine David, Acting Director, Rail Network and Operations Planning
Nick Atchison, Senior Planning Analyst

Rail Safety
Jerry Guaracino, Caltrain Chief Safety Officer
Ryan Frigo, Caltrain Interim Chief Safety Officer
Roderick Sims, Senior Rail Safety Officer
Leo dela Cruz, Rail Safety Officer

Additional Support
Elizabeth Araujo, TransitAmerica Services, Inc. (TASI)
Margie Godinez, TransitAmerica Services, Inc. (TASI)
Sarah Doggett, Metropolitan Transportation Commission (MTC)
Victoria Moe, San Mateo County Sheriff's Office

Peninsula Corridor Joint Powers Board
Board of Directors

1250 San Carlos Avenue, San Carlos, CA 94070

DRAFT Minutes of April 2, 2026

Members Present:	David J. Canepa, David Cohen (arrived at 9:09 am), Jeff Gee, Steve Heminger, Shamann Walton, Pat Burt (Vice Chair), Rico E. Medina (Chair)
Members Absent:	Margaret Abe-Koga, Greg Wagner
Staff Present:	M. Bouchard, C. Fromson, J. Harrison, M. Jones, L. Lumina-Hsu, O. Quintanilla Lopez, M. Tseng

1. **Call to Order**
   Chair Medina called the meeting to order at 9:02 am.

2. **Roll Call**
   Margaret Tseng, JPB Secretary, called the roll and confirmed a Board quorum was present.

3. **Pledge of Allegiance / Safety Briefing**
   Chair Medina led the Pledge of Allegiance and delivered the safety briefing.

4. **Request to Change Order of Business** – There were none.

5. **Public Comment for Items Not on the Agenda**
   Jeff Carter commented on bicycle policy and scooters.

   Aleta Dupree, Team Folds, commented on fare check devices, Clipper transfer benefits, and staff and railroad operations.

   Roland commented on number of train cars during peak and non-peak service.

   Adrian Brandt commented on fare enforcement.

   Dennis McGovern commented on bicycle and scooters riding on platform and e-motorcycles.

   Director Cohen arrived at 9:09 am.

6. **Report of the Executive Director**
Michelle Bouchard, Executive Director, deferred item due to time constraints and noted materials were available in the agenda packet.

Public Comment
Aleta Dupree, Team Folds, commented on workshop dais layout.

Jeff Carter commented on bathroom availability and maintenance, and missing baby changing tables.

7. **Consent Calendar**
   - **7.a. Approval of Meeting Minutes for March 5, 2026**
   - **7.b. Amend and Increase the Fiscal Year 2026 Capital Budget from $107,560,168 to $132,109,168 –** *Approved by Resolution No. 2026-12*
   - **7.c. Authorize Reimbursement Agreement with the San Mateo County Transit District for Provision of Closed Circuit Television (CCTV) Project Management Services** –** *Approved by Resolution No. 2026-13*
   - **7.d. Adopt a Second Addendum to Mitigated Negative Declaration for Guadalupe River Bridge Replacement Project –** *Approved by Resolution No. 2026-14*

Motion/Second: Gee/Walton
Ayes: Canepa, Cohen, Gee, Heminger, Walton, Burt, Medina
Noes: None
Absent: Abe-Koga, Wagner

8. **Receive Updates Regarding Caltrain's Fiscal Year 2027 Budget Development and 15-Year Operating Budget Look-Ahead**
   a. Caltrain Context
Michelle Bouchard, Executive Director, provided opening remarks regarding the financial considerations, projected scenarios to reduce the deficit, however, unable to completely close the deficit, and desired Board feedback on a no external funding scenario.

Melissa Jones, Deputy Director, Caltrain Policy Development, provided a presentation that included Caltrain's financial structure, including fixed costs, self-generated revenue, and reliance on one-time external funds.

b. Updates on Fiscal Year 2027 Operating Budget Development

Oscar Quintanilla Lopez, Director, Budgets and Financial Analysis, continued the presentation that included the following:

- One-time State loan sustains current service levels
- Fiscal Year (FY) 2018-2027 service levels; pandemic and electrification effects on service and ridership
- Preliminary FY27 budget operating revenue: increased farebox, parking, other revenue, Measure RR forecast, decreased Go Pass revenue, and Low Carbon Fuel Standard (LCFS) credits
- Preliminary FY27 budget operating expenses: decreased rail operator service and traction power; increased facilities/equipment maintenance, Clipper 2.0 costs and bank fees, managing agency overhead
- FY27 operating budget: $6.2 million revenue increase, $1.3 million expense reduction; one-time State loan needed to close deficit
- Budget risks: insurance, sales tax, electricity/fuel costs, State funding uncertainty
- Non-fare revenue strategies
- Senate Bill (SB) 63 Oversight Committee Phase 1 independent review released
- Phase 2 to include third-party cost efficiency review and implementation plan

The Board had a robust discussion which included the following:

- Factors driving increased ridership, including local economy and artificial intelligence (AI) tools
- Adjusting service by day of week; weekday ridership remains higher than weekend
- Polling drivers and public transit riders; communicating effects on commute times
- Increase Go Pass program and strengthening city partnerships to grow ridership:
- Considerations for scaling service and staffing; impact of service reduction on ridership
- Member agency contributions and those agencies' deficits
- FY27 Quarter 4 receipt of tax funds if regional measure passes; contingency plan for delays
- Current reliability of on-time performance

c. Beyond Fiscal Year 2027: Service and Financial Planning, With and Without External Funding

Mr. Quintanilla Lopez and Ms. Jones continued the presentation that included the following:

- FY27 deficit can be covered; deficit beginning FY28 cannot be covered without additional funding
- Post-pandemic, self-generated revenue insufficient; increased reliance on one-time funds, Measure RR, and external funding

- Service cuts do not fully resolve structural deficit due to high fixed costs; ridership and fare revenue dependent upon service quality
- No-external-funding scenario: severe service reductions including hourly weekday service, no weekend service, early shutdowns by 9:00 pm, close over one-third of stations, eliminate segments, administrative cuts
- Service cuts impact to ridership levels, expected decrease to farebox, parking and advertising revenue, leasing opportunities, and additional cuts still needed
- Regional transit at risk without external funding; impacts riders that take multiple public transit systems
- Costs related to maintenance and safety of corridor and assets during shutdown; full railroad shutdown would take minimum two to four years to reinstate passenger service

The Board had a robust discussion which included the following:

- Regional transit connectivity and impacts to the region
- Transit-oriented development (TOD); value capture loss for cities and communities
- Service cuts impact on riders attending special events
- Consider selling Caltrain assets; Safety and State of Good Repair (SOGR)
- Inability to meet grantors stipulations or extend waiver; risk of having to return grantors' funds
- Potential partnership and funding opportunity with agency overseeing United States (US) 101 toll collection
- Legislature response if funding measure fails
- Inform cities and employers benefiting from Caltrain service: commuter passes, increased property taxes
- Public communication on addressing deficit, highlight areas on progresses made, and totality and reality of no external funding
- Service reductions while continuing to provide full corridor service
- Establish criteria for station closures: underperforming, stations proximity, rider equity, ridership levels
- Consider corridor-wide tax to capture transit-related land value; Funding model prior to Measure RR; Significance and importance of regional measure funding for public transit agencies and communities

d. Discussion and Next Steps

Ms. Bouchard provided closing remarks that included continuing to meet with cities about electrification and ridership, and the FY27 budget timeline and scenario strategies returning to the Board for consideration.

Public Comment

Jeff Carter commented on potential reduced service levels, review train staffing levels, and managing agency discussions.

Aleta Dupree, Team Folds, spoke in support of the regional funding measure and commented on railroad operating costs.

Roland commented on service levels, operating contract, number of train cars, and administrative costs.

Adina Levin, Seamless Bay Area, commented on Connect Bay Area campaign, ridership level diversification, and Cubic accountability for Clipper 2.0.

Adrian Brandt commented on train conductor staffing levels, fare inspection and citation, and parking revenue.

Sebastian Petty, San Francisco Bay Area Planning and Urban Research Association (SPUR), commented on public transit agencies fiscal forecasts and Connect Bay Area campaign.

Emily Loper, Bay Area Council, commented on regional transit measure, Connect Bay Area campaign, public transit priority projects, and service cuts impacts on public transit riders and drivers.

Don Cecil, San Mateo County Economic Development Association (SAMCEDA), commented on public transparency on what is at stake, verifiable data points, and what will happen to the region.

9. **Reports**

9.a. Report of the Chair - Chair Medina stated attending electrification train unveiling for former United States House of Representative Nancy Pelosi.

9.b. Report of the Citizens Advisory Committee – Draft minutes are available in the agenda packet posted online.

9.c. Report of the Local Policy Maker Group (LPMG) - Chair Burt stated there was no report.

9.d. Report of the Transbay Joint Powers Authority (TJPA) - Chair Gee reported on the Downtown Extension Portal project (DTX) Environmental Impact Report (EIR) amendment, updated leases and contracts, and the Salesforce Park Committee Report.

10. **Correspondence** – Available online.

11. Board Member Requests – There were none.

12. Date/Time/Location of Next Regular Meeting: Thursday, May 7, 2026 at 9:30 am via Zoom and in person at the Santa Clara City Hall, Council Chambers, 1500 Warburton Avenue, Santa Clara, CA 94050.

13. Adjournment – The meeting adjourned at 11:33 am.

Peninsula Corridor Joint Powers Board
Staff Report

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Kate Jordan Steiner, Chief Financial Officer

For: May 2026 JPB Board of Directors Meeting

Subject: **Accept Results of Annual Audit of Measure RR Tax Revenues and Expenditures for the Fiscal Year Ended June 30, 2025**

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

Purpose and Recommended Action

The Citizens Advisory Committee (CAC) is the independent oversight committee for the Measure RR sales tax. The CAC held a public hearing on Wednesday, March 18, 2026, to receive public comments on the Annual Audit of Measure RR Revenues and Expenditures for the Fiscal Year (FY) Ended June 30, 2025 (Measure RR 2025 Audit). After the conclusion of the hearing, the CAC voted to accept the FY25 Measure RR Audit and to issue its report, as required by the terms of Measure RR.

Given the CAC’s oversight role and its approval of the Measure RR audit, staff recommends that the Peninsula Corridor Joint Powers Board (JPB) Board of Directors (Board) accept the Measure RR 2025 Audit.

Discussion

On August 6, 2020, the JPB and its member agencies adopted and sought voter approval to implement a resolution imposing a one-eighth of one percent retail transactions and use tax to fund operating and capital expenses of the JPB’s rail service (Measure RR Resolution). The voters in the City and County of San Francisco, and the Counties of San Mateo and Santa Clara approved Measure RR on November 3, 2020. The Measure RR Resolution, Resolution No. 2020-40 requires the JPB to have an independent auditor annually audit the receipts and expenditures of Measure RR tax proceeds, and under the express terms of Measure RR, the CAC services as the independent oversight committee for the Measure RR sales tax.

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

1. Receiving the annual independent audit of the receipt and expenditure of tax proceeds;
2. Holding a public hearing; and
3. Issuing an annual report to provide the public with information regarding how the tax proceeds have been spent.

The CAC held a public hearing on the audit on March 18, 2026, and voted to accept the FY25 Financial Statement, which confirms that the Measure RR revenues and expenditures were handled appropriately as contemplated by the ballot language, for the fiscal year ended June 30, 2025.

Budget Impact
There is no budget impact for accepting this Measure RR 2025 Audit.

Prepared By: Danny Susantin Acting Director, Accounting 4/15/2026

Peninsula Corridor Joint Powers Board

Citizens Advisory Committee

Report on Measure RR Tax Revenues and Expenses

Fiscal Year 2025 (July 2024 – June 2025)

The Citizens Advisory Committee (CAC) of the Peninsula Corridor Joint Powers Board (JPB) is pleased to provide its annual report on the expenditure of tax proceeds from the Measure RR Funds. This report covers the Fiscal Year 2025, from July 1, 2024, through June 30, 2025. With regards to Measure RR, the principal duties of the CAC are to ensure that the tax proceeds have been expended for the purpose set forth in the Measure RR ballot language and to provide a report on the independent audit conducted pursuant to the ballot language and the JPB Resolution which placed Measure RR on the ballot.

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

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

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

The JPB's annual audit report on receipts and expenditures of Measure RR tax proceeds for the fiscal year ended June 30, 2025, was conducted by Brown Armstrong, CPAs, an independent accounting firm. This firm has several years of experience conducting independent audits of the financial statements of the JPB. In its audit, Brown Armstrong, CPAs provided what is known as an unmodified opinion (often referred to as a "clean" opinion) on the Measure RR financial statements as prepared by the JPB staff. The CAC holds a public hearing on the audit report on March 18, 2026. A copy of the audit report is attached as Appendix A.

Section 1. Measure RR Funding Priorities

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

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

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

Section 2. Overview of Caltrain Funding Sources

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

Caltrain's farebox revenue in Fiscal Year 2025 was $58.6 million, less than 30% of total operating expenses. Pandemic-era federal funding for transit operations ceased after Fiscal Year 2022, leaving a significant financial gap. For Caltrain, the passage of Measure RR, while not originally intended as the primary source of operating funds, has replaced fare revenue as the largest revenue component. Without Measure RR, the system could not operate even lifeline service. Since many office jobs have not yet returned to in-person work at pre-pandemic levels many people riding Caltrain rely on the system as their only means of transportation to jobs, school, and appointments.

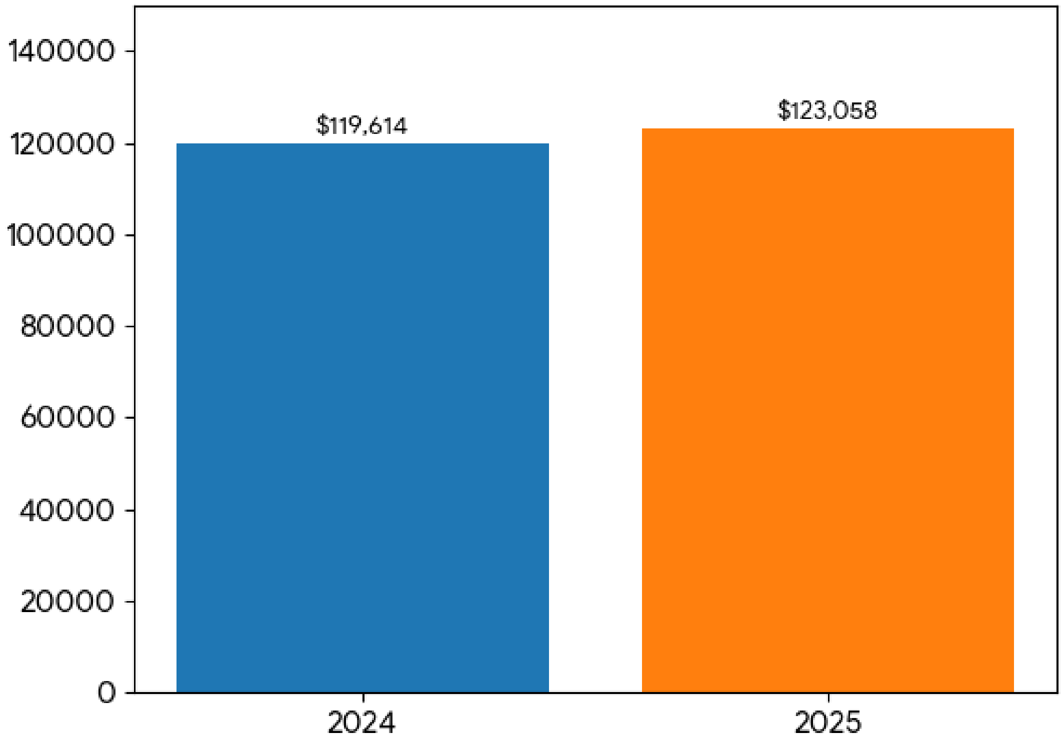
While this audit focuses on Fiscal Year 2025, the ongoing trend of reduced farebox revenue underscores the necessity of continued reliance on Measure RR funding to sustain Caltrain's operations in the coming years.

Section 3. Fiscal Year 2025 (FY25) Revenues and Expenses

A. Measure RR Revenues

A total of $123.1 million in Measure RR transaction and use tax was realized and recorded in FY25, representing a 2.9% increase from FY24 as shown in figure 1. Of this total, $101.5 million was received before June 30, 2025, and $21.6 million was received in July and August 2025.

Figure 1: Measure RR Transaction and Use Tax (In Thousands)



B. Measure RR Allocations and Expenses

A total of $128.3 million was spent primarily on operating expenses and critical agency initiatives, as shown in Figure 2. The excess expenditure of $3.5 million over FY25 revenue was funded by unused reserves from FY24. The Measure RR funds recorded in FY25 were used as follows:

1. There was no new fund allocated in FY25 for capital programs. All FY25 capital programs expenses were funded by FY24 unused reserved.
2. $125.3 million was spent on operating expenses.
3. $0.8 million was spent on Business Strategy and Policy Development; $0.7 million was spent on Historic Stations State of Good Repair (SOGR); $0.6 million was spent on Grade Crossing Safety Improvement.
4. $1.0 million was spent on various capital programs as shown in Figure 2 below.
5. -$1.3 million for Rail Program Integration and Predictive Arrival Departure System (PADS) Gap Coverage Improvement projects reflect the reclassification of prior year's costs from Measure RR to eligible Transit and Intercity Rail Capital Program (TIRCP) bond proceeds and other state grant funding.

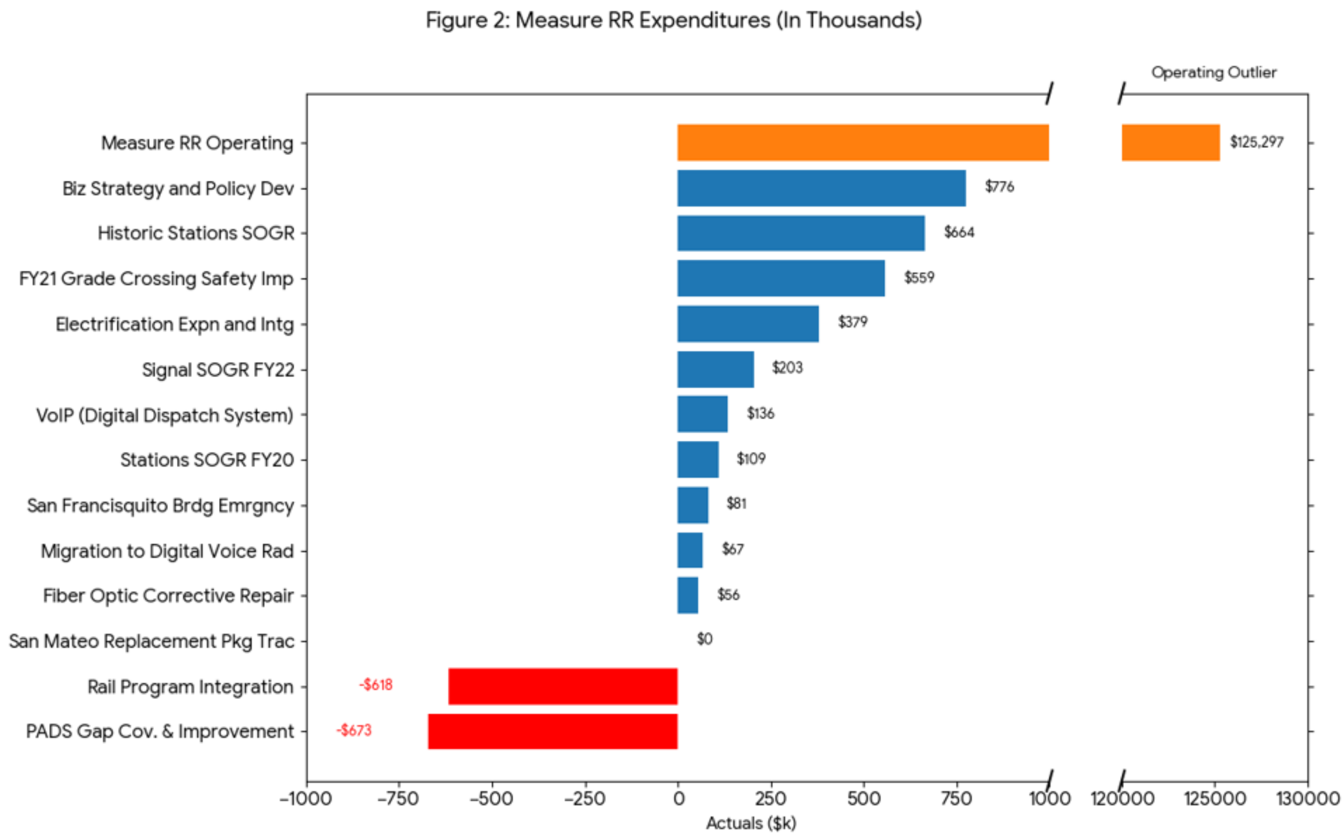


Figure 2: Measure RR Expenditures (In Thousands)
Operating Outlier
Measure RR Operating
Biz Strategy and Policy Dev
Historic Stations SOGR
FY21 Grade Crossing Safety Imp
Electrification Expn and Intg
Signal SOGR FY22
VoIP (Digital Dispatch System)
Stations SOGR FY20
San Francisquito Brdg Emrgncy
Migration to Digital Voice Rad
Fiber Optic Corrective Repair
San Mateo Replacement Pkg Trac
Rail Program Integration
PADS Gap Cov. & Improvement
$125,297
$776
$664
$559
$379
$203
$136
$109
$81
$67
$56
$0
-$618
-$673
−1000
−750
−500
−250
0
250
500
750
1000
120000
125000
130000
Actuals ($k)

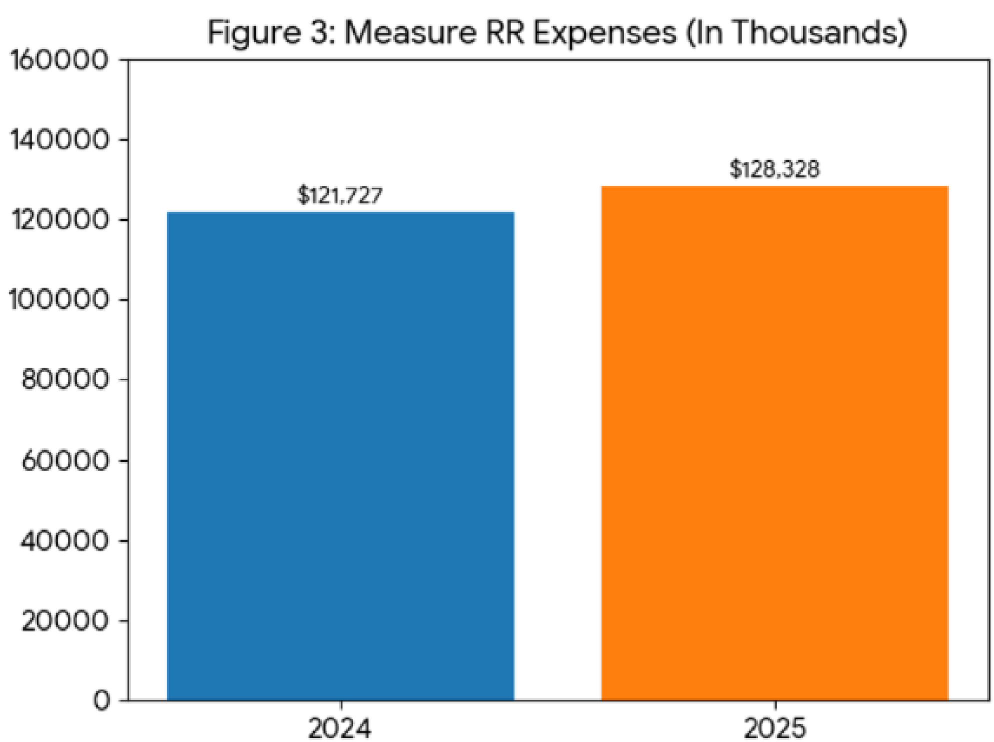


Figure 3: Measure RR Expenses (In Thousands)
160000
140000
120000
100000
80000
60000
40000
20000
0
$121,727
$128,328
2024
2025

C. Expenditure Detail and Consistency with Measure RR Core Principles

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

1. Operating Expenses ($125.3 million, project 100789). These funds allowed Caltrain to continue to run its highest-ever level of service. Caltrain currently operates 112 weekday trains (104 electric trains between San Jose and San Francisco, and eight diesel trains with a transfer at San Jose Diridon for Gilroy). Caltrain operates 66 trains on both Saturday and Sunday between San Francisco and San Jose.
2. Biz Strategy and Policy Dev ($776k, project 100619). This project supported the development of the Corridor Crossing Strategy. The Corridor Crossings Strategy (CCS) provides a cohesive corridor wide approach to funding and delivery of at-grade safety improvements as well as grade separation and closure projects as part of the Safety Enhancement Program and Elimination Program. The CCS aims at enhancing regional mobility, community and safety benefits.
3. Historic Stations SOGR ($664k, project 100611). This project provides dedicated funding to address various repairs and ongoing maintenance needs at the seven Caltrain depots listed on the National Register of Historic Places. This work includes roof replacements, painting of the interior and exterior, plumbing, electrical, and any other necessary repairs. Repairs are coordinated with the South Bay Historical Railroad Society, which oversees preservation issues for most of Caltrain's historic depots to ensure that any proposed additions or alterations do not impair their historic character.
4. Grade Crossing Safety Improvements ($559k, project 100563). This project improved safety at the Mission Bay, 16th St, Whipple, Ravenswood, and E. Meadow grade crossings by installing new pavement markers and markings, including the installation of a new pedestrian gate at the Mission Bay crossing.
5. Electrification Expansion and Integration ($379k, project 100620). This project supported the development of the Corridor Crossing Strategy. The Corridor Crossings Strategy (CCS) provides a cohesive corridor wide approach to funding and delivery of at-grade safety improvements as well as grade separation and closure projects as part of the Safety Enhancement Program and Elimination Program. The CCS aims at enhancing regional mobility, community and safety benefits.
6. Signal SOGR ($203k, project 100610). This project supports the rehabilitation or replacement of signal systems that have met and/or exceeded their useful life. The scope includes the following types of major activities: the replacement of outdated signal control and indication systems with current industry standard electronic components and associated software control programs; replacement of wayside signals; replacement of degraded signal wires, conduits, pull boxes; replacement of signal support structures such as signal cantilevers, bridges, poles and foundations; replacement of signal house structures and components such as batteries, relays, termination boards, control computers, electric power wiring and breakers, and other components necessary for the provision of signal system power; repairs to street

crossing mechanisms, including arms, lights, signs, foundations, auditory warning devices; and any other necessary upgrades for the signal system to function correctly.

7. VoIP Digital Dispatch System ($136k, project 100615). This project is to perform a technology refresh of the obsolete Radio Dispatch System with digital components to utilize the JPB fiber network and the digital VoIP phones.

8. Stations SOGR ($109k, project 100441). This project is used to maintain and enhance station appearance and functionality through ongoing initiatives such as signage replacement, addition of new bike stencils, graffiti abatement, vandalism repairs, pedestrian gate maintenance, safety improvements, bike locker installation, and storm drain and sump pump inspections.

9. San Francisquito Creek Bank Stabilization ($81k, project 100762). This project stabilizes the north bank of San Francisquito Creek to prevent scour and erosion that could undermine the foundations of Caltrain's San Francisquito Creek Railroad Bridge. The work includes a temporary stabilization phase completed in November 2023 and a permanent stabilization phase consisting of engineered bank protection. All necessary environmental permits have been obtained, final designs are completed, and construction of permanent phase is scheduled to begin in second quarter of 2026 within the approved dry season work window.

10. Migration to Digital Voice Radio ($67k, project 100432). The project is to implement a new network that enhances coverage along the track. The new VHF (Very High Frequency) network includes new sites co-located with the PTC sites, along with upgrades to several existing VHF sites.

11. Fiber Optic Corrective Repair ($56k, project 100536). The project planned to build a design to connect the JPB fiber backbone to the Stations from 4th and King to Tamien, Caltrain digital voice radio base stations located at Positive Train Control (PTC) sites, existing Very High Frequency (VHF) Sites at the tunnel and the Central Control Facility/Back-Up Central Control Facility. The project has been closed with 95% design, design gap of 100% gap has been recorded. Some of this work has been completed, for example, the VHF radios being collocated at the PTC base stations is almost complete. There are only two tunnel sites that won't be able to have this done because there was no fiber run to them. The project is shelved due to no funding and scope will be covered by another project. Any used funds will be allocated to ongoing fiber compliance efforts. This work will include inner duct proofing the full 52 miles of the Right of Way to identify any issues within the fiber infrastructure.

12. San Mateo Replacement Parking Track ($0.4k, project 100676). The project involves the design and construction of an approximately 1,000-ft-long parking track off MT-2 in the Caltrain ROW in the City of San Mateo, between 9th and 14th Avenues, to replace the old track in the Bay Meadows area that was removed to make way for the 25th Ave. Grade Separation Project. The project will also involve the construction of an access road from 9th Ave to 14th Avenue, a 12-foot-tall concrete screen wall with creeping fig

vegetation along Railroad Ave., and associated landscaping, irrigation, and water service.

13. Rail Program Integration and Transition ($598k spent, -$1,216 reclass, net of -$673k, project 100612). The objective of this program is to focus on identifying, defining, and implementing the integration of work necessary to support Caltrain's transition to electrified service. As part of the Program Integration, the Rail Activation effort will ensure that each element of the activation work is accomplished in accordance with the following phases: commissioning, acceptance, pre-revenue service, safety certification, and overall Electrified Revenue Service plan and Post-Revenue Service systems integration objectives. Since Caltrain has electrified, this integration effort is still applicable to support electrified service.
14. PADS Gap Coverage & Improvement ($777k spent, -$1,450k reclass, net of -$673k, project 100614). The objectives of this project are to 1) develop technical requirements for future PADS Modernization Program.; 2) add Stadler EMU into existing PADS; and 3) modernize and visualize the Xgate virtual server to provide server redundancy between SJCC and MPCC. 4) PADS Improvement: Enhance the Predictive Arrival Departure System (PADS) by improving arrival prediction accuracy, integrating additional data sources for both ROCS and PADS, enhancing train arrival and departure messaging, improving single tracking messaging, deploy industry-compliant GTFS real-time feed, and increasing system responsiveness.

Section 4. Future Measure RR Allocations

For the upcoming fiscal year, Caltrain anticipates that the vast majority of Measure RR proceeds will continue to subsidize critical operating costs. This allocation is essential to maintaining service stability and addressing the fiscal demands of the modern electrified rail system.

Strategic Operational Priorities

The transition to an electrified fleet has shifted Caltrain’s financial landscape, making Measure RR funding a cornerstone of daily operations:

- Sustaining Electrified Service: Measure RR revenue is the primary vehicle for supporting the increased electricity and maintenance requirements of the traction electrification system introduced in 2024.
- Enhanced Frequency: This funding enables Caltrain to maintain the current electrified service schedule, including half-hourly weekend frequency, which is vital for meeting post-pandemic ridership growth.
- Operating Stability: Without this 0.125% sales tax support, the agency would face significant challenges in sustaining current service levels or providing reliable transit for essential workers and evolving commute patterns.

Fiscal Trends & Advocacy

As operating expenses continue to trend upward, rising by approximately $6.6 million year-over-year, Caltrain staff remain focused on long-term sustainability. Alongside other Bay Area transit operators, Caltrain continues to aggressively advocate for external state funding and explore regional solutions to diversify revenue beyond short-term operational subsidies.

Attachment: FY25 Measure RR audit (Appendix A)

PENINSULA CORRIDOR JOINT POWERS BOARD

MEASURE RR FUNDS

FINANCIAL STATEMENTS

JUNE 30, 2025

PENINSULA CORRIDOR JOINT POWERS BOARD

MEASURE RR FUNDS

JUNE 30, 2025

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FINANCIAL SECTION

BROWN ARMSTRONG
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Peninsula Corridor Joint Powers Board's (the JPB) Measure RR Funds, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Measure RR Funds' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure RR Funds as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

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STOCKTON
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Stockton, CA 95207
209-451-4833

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Emphasis of Matter

As discussed in Note 1, the financial statements of the Measure RR Funds are intended to present the financial position and the changes in financial position attributable to the transactions of those funds. They do not purport to, and do not, present fairly the financial position of the JPB as of June 30, 2025, or the results of its operations for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2026, on our consideration of the JPB's internal control over financial reporting relating to the Measure RR Funds and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance relating to the Measure RR Funds and the results of that testing, and not to provide an opinion on the effectiveness of the JPB's internal control over financial reporting or on compliance relating to the Measure RR Funds. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the JPB's internal control over financial reporting and compliance relating to the Measure RR Funds.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
January 9, 2026

PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS	
Cash and Cash Equivalents	$ 116,340,329
Receivables - Transaction and Use Tax	21,569,960
Total Assets	$ 137,910,289
LIABILITIES AND NET POSITION	
Liabilities	
Accounts Payable and Accrued Liabilities	$ 291,942
Total Liabilities	291,942
Net Position	
Restricted for Measure RR Projects	137,618,347
Total Net Position	137,618,347
Total Liabilities and Net Position	$ 137,910,289

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

PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

Revenues	
Measure RR Transaction and Use Tax	$ 123,057,621
Total Revenues	123,057,621
Expenses	
Biz Strategy and Policy Dev	775,727
Electrification Expn and Intg	379,384
Fiber Optic Corrective Repair	55,697
FY21 Grade Crossing Safety Imp	558,813
Historic Stations SOGR	663,992
Measure RR Operating	125,297,158
Migration to Digital Voice Rad	67,413
San Francisquito Brdg Emrgncy	81,293
San Mateo Replacement Pkg Trac	421
Signal SOGR FY22	203,454
Stations SOGR FY20	109,105
VoIP (Digital Dispatch System)	135,912
Total Expenses	128,328,369
Operating Loss	(5,270,748)
Nonoperating Revenues	
PADS Gap Cov. & Improvement	673,022
Rail Program Integration	617,924
Interest Income	480,432
Total Nonoperating Revenues	1,771,378
Change in Net Position	(3,499,370)
Net Position - Beginning of Year	141,117,717
Net Position - End of Year	$ 137,618,347

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

PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from California Department of Tax and Fee Administration	$ 122,284,465
Payments to Vendors for Goods and Services	(128,424,178)
Payments to Employees	(12,872)
Net Cash Used by Operating Activities	(6,152,585)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating Grants Received	1,290,946
Net Cash Provided by Noncapital Financing Activities	1,290,946
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income Received	480,432
Net Cash Provided by Investing Activities	480,432
Net Change in Cash and Cash Equivalents	(4,381,207)
Cash and Cash Equivalents, Beginning of Year	120,721,536
Cash and Cash Equivalents, End of Year	$ 116,340,329

Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	$ (5,270,748)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Accounts Receivable	(773,156)
Accounts Payable and Accrued Liabilities	(108,681)
Net Cash Used by Operating Activities	$ (6,152,585)

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

PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

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

The financial statements of the Measure RR Funds do not purport to, and do not, present the financial position of the JPB as of June 30, 2025, or the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. The activities of the Measure RR Funds are reported within the JPB's enterprise fund. The projects funded by Measure RR Funds represent a portion of the activities of the JPB and, as such, are included in the JPB's financial statements.

B. Basis of Accounting

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

C. Net Position

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

D. Spending Order

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

E. Cash and Cash Equivalents

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

F. Investments

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

G. Use of Estimates

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

NOTE 2 – CASH AND INVESTMENTS

A. Policies

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

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

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

Authorized Investment Type	Minimum Credit Rating	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	15 years	100%	N/A
U.S. Agency Securities	None	15 years	100%	N/A
Bankers' Acceptances	None	180 days	40%	30%
Commercial Paper ($500 Mil. Min. Assets) Local agencies with less that $100M of investment assets under management may invest no more than 25% of the agency's money in eligible commercial paper	A1/P1/F1	270 days	40%	10%
Negotiable Certificates of Deposit	None	5 years	30%	N/A
Repurchase Agreements	None	1 year	100%	N/A
Reverse Repurchase Agreements	None	92 days	20%	N/A
Medium-Term Notes	A	5 years	30%	10%
Shares of Beneficial Interest Issued by Diversified Management Companies	None	N/A	20%	10%
Local Government Investment Pools	None	N/A	100%	N/A
Asset-Backed and Mortgage-Backed Securities	AA	5 years	20%	N/A
Municipal Obligations	None	10 years	100%	N/A
Supranational Obligations	AA	5 years	30%	N/A
Local Agency Investment Fund (LAIF)	None	N/A	None	$75M
San Mateo County Investment Pool	None	N/A	Up to the current state limit	N/A

C. Interest Rate Risk

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

NOTE 3 – SUBSEQUENT EVENTS

Subsequent events were evaluated by management through January 9, 2026, which is the date of issuance.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Peninsula Corridor Joint Powers Board's (the JPB) Measure RR Funds, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Measure RR Funds' basic financial statements, and have issued our report thereon dated January 9, 2026.

Report on Internal Control over Financial Reporting

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

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

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

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

Report on Compliance and Other Matters

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

Purpose of This Report

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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
January 9, 2026

PENINSULA CORRIDOR JOINT POWERS BOARD
MEASURE RR FUNDS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

None reported.

REVISED FOLLOWING APRIL 27, 2026, FINANCE COMMITTEE MEETING

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	Jerry Guaracino, Chief Safety Officer
	Scott Kirkpatrick, Deputy Director System Security
For:	May 2026 JPB Board of Directors Meeting
Subject:	**Authorize Executive Director to Execute Amendment to Extend the Term of the Current Agreement for Law Enforcement Services for Five Years at an Estimated Cost of $41,076,586 and to Enter into an Agreement for Dispatch Services for Five Years at an Estimated Cost of $3,007,689 with the San Mateo County Sheriff's Office**

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

Purpose and Recommended Action

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

1. Authorize the Executive Director or designee to execute an amendment to extend the term of the contract with the San Mateo County Sherriff's Office (SMCSO) for Law Enforcement Services by five years at an estimated cost to the JPB of $41,076,586, which the Board previously approved in August 2025, to incorporate modified terms and conditions for indemnification between the parties.

2. Authorize the award of a new agreement for Dispatch Services with the SMCSO for five years for an estimated cost to the JPB of $3,007,689.

3. Authorize the Executive Director or designee to execute documents required to amend the Law Enforcement Services contract and to enter into a new agreement for Dispatch Services, in a form approved by legal counsel.

Discussion

Law Enforcement Services Contract

In August 2025, the JPB and San Mateo County Transit District (SamTrans) Board of Directors (Board) separately approved an amendment to extend the agencies' joint contract for law enforcement services with the SMCSO for a term of five years.

Both boards approved the proposed amendment in conformity with the terms and conditions of the 2020 contract, and in a form approved by legal counsel.

Under the 2020 Agreement for Law Enforcement Services, SMCSO provides services, including, but are not limited to, patrol services within the District and JPB's service areas, coordination of all requests for police service, collision investigations, and police reports. Additionally, SMCSO provides explosive-detecting police dog (K9) units, crime scene investigation and criminal forensics, coroner's services, coverage for special events and backup personnel as required. Costs for the contract are allocated between the JPB and the District based on service calls. The contract, which had an initial term of five years, included an option to extend the contract by an additional five years. The Boards' approval of the contract amendment last year ensured continuity of law enforcement services for the JPB through June 2030.

The 2020 agreement between the parties provided for mutual indemnification with shared liability pursuant to laws related to comparative fault. County staff presented the proposed amendment, including the original contract language, to the Board of Supervisors following the JPB and SamTrans Boards' approval of the contract amendment. Following the presentation, several of the Supervisors expressed concern that the agreement did not require the JPB and SamTrans to reimburse the County for the full costs of providing services, including potential liability the County could incur as a result of providing those services, and directed staff to renegotiate the indemnification terms in the amendment to account for the risk of potential liability incurred by the County as a result of providing services to the JPB and SamTrans. As a result, the County requested that the JPB and SamTrans accept responsibility for any liability incurred by the SMCSO arising from the services provided to the agencies.

Because of this change to the terms and conditions, the parties have not executed the Law Enforcement Services Agreement, though the County has continued to provide law enforcement services, while the parties engaged in negotiations regarding the indemnification clause.

Staff for both agencies negotiated a compromise with the County to account for the parties' respective risks and responsibilities based on the nature of the services provided by the County, which are identical for SamTrans and the JPB:

- The JPB and SamTrans shall defend, hold harmless and indemnify County for all acts and omissions of the Agencies, including 100 percent of the costs of defense of all claims.

- For claims that arise out of the Law Enforcement Services Agreement and that are caused or alleged to be caused by the acts or omissions of the County, the County will tender such claims to its insurer, and the County and the agency on whose behalf the services were provided will split equally any payments within the County's then-current self-insured retention (SIR) amount ~~of $2 million~~, meaning that the JPB's maximum liability for an insured claim arising from a negligent, reckless, or intentional act of law enforcement under the County's current SIR of $2 million will be $1 million.[1]

- The County will have the sole authority to settle claims.

Staff have assessed this proposal and determined that this allocation of risk is acceptable to the agency, given the limited options available. Furthermore, the JPB is not aware of any litigation in the last 10 years would have triggered an obligation by the JPB to pay a portion of the County's self-insured retention.

Staff recommend that the Board authorize the Executive Director to execute an amendment to the Law Enforcement Services Agreement to extend the term to 2030 in a form consistent with the terms and conditions of indemnification described above.

Dispatch Services

The JPB and SamTrans similarly have a joint contract with the San Mateo County Sheriff's Office for Dispatch Services. The agencies previously entered into an agreement with the County for dispatch services in 2017 and extended the agreement for five years in 2020. The agreement expired July 1, 2025, and the County has continued to provide services while the new agreement is pending.

Under the proposed 2025 agreement, the County will provide the agencies with the following services: (1) telephone answering for emergency police purposes; (2) personnel notification during emergencies; (3) dispatching including automated status keeping and associated activity reports and inquiries; (4) notification/call alert by activating digital pager equipment; (5) access to Computer Aided Dispatch Equipment (CAD); and (6) access to all relevant computerized law enforcement databases. The agencies will be responsible for reimbursing the County for a proportional share of the services used by each agency.

The term of the new agreement is five years at a total cost of $3,865,242, with an estimated cost of $3,007,689 to Caltrain.

The pricing under the new agreement is approximately 200 percent of what the agencies previously paid for the Dispatch Services. The County advised the agencies that County staff had conducted an internal review of operational expenses related to its Department of Public Safety Communications (e.g., staffing, equipment, and department overhead costs) given the County's rising costs of operations and subsequently developed a cost allocation methodology to ensure that total costs are proportionately distributed across contracted agencies that benefit from the County's dispatch services. This cost allocation is being applied to all of the County's client-serving agreements as they come up for renewal. The County agreed to allocate the cost increase over the term of the contract.

[1] The County's self-insured retention could be adjusted in the future.

REVISED FOLLOWING APRIL 27, 2026, FINANCE COMMITTEE MEETING

The County and agency staff have agreed to the same indemnification terms for the Dispatch Services as for the Law Enforcement Services Agreement. Staff have assessed this proposal and determined that this allocation of risk is acceptable to the agency. Staff recommend that the Board authorize the Executive Director to execute the agreement for Dispatch Services.

Budget Impact

The JPB's $41,076,586 share of the total cost of the Law Enforcement Services Agreement and $3,007,689 share of the total cost of the Dispatch Services is and will be included in current and future year operating budgets. The District separately budgets for and pays its share of the Law Enforcement Services and Dispatch Services.

Prepared By:	Scott Kirkpatrick	Deputy Director, Safety and Security	4/16/2026

Resolution No. 2026-

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

* * *

Authorize Executive Director to Execute Amendment to Extend the Term of the Current Agreement for Law Enforcement Services for Five Years at an Estimated Cost of $41,076,586**

Whereas, the San Mateo County Sheriff's Office (SMCSO) has been providing law enforcement services (Services) for the Peninsula Corridor Joint Powers Board (JPB) since 2004, currently under a contract jointly awarded by the Board of Directors (Board) for the JPB and the Board of Directors of the San Mateo County Transit District (SamTrans) on June 3, 2020, for a five-year base term, with a single five year option term; and

Whereas, the transit police services provided by the SMCSO cover all JPB's services and facilities and include, but are not limited to, patrol services within the District's service area, coordination of all requests for police service, collision investigations, and police reports, as well as explosive-detecting police dog (K9) units, crime scene investigation and criminal forensics, coroner's services, coverage for special events and backup personnel; and

Whereas, on August 7, 2025, the Board of Directors approved an amendment to extend the agreement with SMCSO for five years for an estimated amount of $41,076,586 through June 2030 in a form consistent with the terms and conditions of the 2020 agreement for law enforcement services; and

Whereas, since that approval, the parties have not executed the agreement and have negotiated new terms and conditions including an indemnification clause requiring that: the JPB and SamTrans shall defend, hold harmless and indemnify County for all acts and omissions of the Agencies, including 100 percent of the costs of defense of all claims; for claims that arise out of the Law Enforcement Services Agreement and that are caused or alleged to be caused by the acts or omissions of the County, the County will tender such claims to its insurer, and the County and the agency on whose behalf the services were provided will split equally any payments within the County's self-insured retention amount of $2 million, meaning that the JPB's maximum liability for an insured claim arising from a negligent, reckless, or intentional act of law enforcement will be $1 million; and the County will have the sole authority to settle claims; and

Whereas, the Executive Director recommends that the Board authorize the execution of the amendment with these terms.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes an amendment to extend the term of the contract with the San Mateo County Sheriff's Office for Law Enforcement Services by five-years at an estimated cost of $41,076,586, with the modified terms of indemnification as described herein.

Be it Further Resolved that the Executive Director or designee is authorized to execute contract documents required to amend the agreement, in a form approved by legal counsel.

Regularly passed and adopted this 7th day of May 2026 by the following vote:

Ayes:

Noes:

Absent:

____
Chair, Peninsula Corridor Joint Powers Board

Attest:

____
JPB Secretary

Resolution No. 2026-

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

* * *

Authorize Executive Director to Enter into an Agreement for Dispatch Services for Five Years at an Estimated Cost of $3,007,689 with the San Mateo County Sheriff's Office**

Whereas, the San Mateo County Sheriff's Office (SMCSO) has been providing Dispatch Services for the Peninsula Corridor Joint Powers Board (JPB) since 2020, under a contract jointly awarded by the Board of Directors (Board) for the JPB and the Board of Directors of the San Mateo County Transit District (SamTrans), for a five-year base term, and

Whereas, the agreement expired July 1, 2025, and the County has continued to provide services while the new agreement is pending; and

Whereas, under the proposed agreement, the SMCSO will provide the agencies with the following services: (1) telephone answering for emergency police purposes; (2) personnel notification during emergencies; (3) dispatching including automated status keeping and associated activity reports and inquiries; (4) notification/call alert by activating digital pager equipment; (5) access to Computer Aided Dispatch Equipment (CAD); and (6) access to all relevant computerized law enforcement databases, and the agencies will be responsible for reimbursing the County for a proportional share of the services used by each agency; and

Whereas, the Executive Director recommends that the Board authorize the agreement for a five-year term for an estimated cost of $3,007,689.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorize the agreement for Dispatch Services with the San Mateo County Sheriff's Office for a five-year term for an estimated cost of $3,007,689.

Be it Further Resolved that the Executive Director or designee is authorized to execute contract documents required to exercise the option, in conformity with the terms and conditions of the current contract, and in a form approved by legal counsel.

Regularly passed and adopted this 7th day of May 2026 by the following vote:

Ayes:

Noes:

Absent:

____
Chair, Peninsula Corridor Joint Powers Board

Attest:

____
JPB Secretary

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	David Santoro, Chief Administrative Officer
	Theodore Burgwyn, Interim Chief Operating Officer
For:	May 2026 JPB Board of Directors Meeting
Subject:	**Award a Contract to CR Fence Company Inc. for Right of Way Fencing Project for a Total Amount of $1,738,400***

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

Purpose and Recommended Action

Award of this proposed contract for Right of Way Fencing Project (Project) will allow the Peninsula Corridor Joint Powers Board (Caltrain or JPB) to continue and expand implementation of the Project, which had been successfully installed along the JPB Right-of-Way (ROW) under previous 2016 and 2023 contracts. This new contract is a two-year contract that will allow the JPB to continue to install various types of fencing, including vandal-resistant fencing, at key locations along the JPB ROW and will help to deter trespassing, illegal dumping and unhoused encampments.

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

1. Award a contract to the lowest responsive and responsible bidder, CR Fence Company Inc. of Fortuna, California (CR Fence), for a total amount of $1,738,400 for the Project.

2. Authorize the Executive Director or designee to execute a contract with CR Fence in full conformity with the terms and conditions set forth in the solicitation documents, and in a form approved by legal counsel.

Discussion

On January 9, 2026, the JPB issued Invitation for Bids (IFB) 25-J-C-054. It was advertised in a newspaper of general circulation and on the JPB's eProcurement website. The JPB established a Small Business Enterprise (SBE) goal of 20 percent for this contract. Bidders who met or exceeded this goal were eligible for a five percent bid preference. Eleven vendors downloaded the solicitation documents with five potential bidders attending the pre-bid meeting, and four potential bidders participated in the site walk. The JPB received three bids as follows:

Company	Grand Total Bid Price
Engineer's Estimate	**$2,999,311**
1. CR Fence Company Inc.	$1,738,399.10
2. Golden Bay Fence Plus Ironworks Inc.	$1,980,461.00
3. Pro Ex Construction Inc.	$3,089,000.00

After the bid opening, application of the SBE bid preference, and evaluation of bids, staff and legal counsel determined that CR Fence submitted all required bid documentation and is the lowest responsive and responsible bidder.

CR Fence is a certified SBE and eligible for the five percent preference but did not need it for selection of its proposal.

Staff conducted a price analysis and found CR Fence's price to be fair and reasonable in comparison to the independent cost estimate and other bids received. CR Fence is an established contractor with more than 23 years of experience. Staff contacted CR Fence's references and confirmed its experience and competency. Based upon these findings, staff conclude that CR Fence is appropriately qualified and capable of meeting the requirements of the contract.

Budget Impact

The Board previously approved funding for the ROW-Fencing Project that will support funding for this contract in Fiscal Year 2017 for a budget of $1.17 million, funded by San Mateo County Transportation Authority (SMCTA), Santa Clara Valley Transportation Authority (VTA), and the California Transit Security Grant Program (CTSGP). Since then, the Board has approved a series of budget amendments to increase the Project budget to $13.96 million, with funding from SMCTA, VTA, San Francisco County Transportation Authority (SFCTA), Federal Funds, State Transit Assistance - State of Good Repair Funds, Transit and Intercity Rail Capital Program (TIRCP) Reimbursed Bond Proceeds, and General Capital Funds. The Project has sufficient budget to support this proposed contract.

Prepared By:	Jessica Valdez	Procurement Administrator II	3/18/2026
	Luay Elshareif	Engineer III	3/18/2026

Resolution No. 2026-

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

*** * ***

Award a Contract to CR Fence Company Inc. for Right of Way Fencing Project for a Total Amount of $1,738,400*

Whereas, on January 9, 2026, the Peninsula Corridor Joint Powers Board (JPB) issued Invitation for Bids (IFB) 25-J-C-054 for the Right of Way Fencing Project (Project); and

Whereas, the JPB received three bids for the solicitation, which was advertised in a newspaper of general circulation and posted on the JPB's eProcurement website; and

Whereas, staff and legal counsel reviewed and determined that CR Fence Company, Inc. of Fortuna, California (CR Fence) submitted the lowest responsive bid and is a responsible bidder; and

Whereas, CR Fence is a certified Small Business Enterprise; and

Whereas, staff conducted a price analysis and found CR Fence's total price to be fair and reasonable in comparison to the independent cost estimate and other bids received; and

Whereas, staff recommends that the Board of Directors (Board) award a contract to CR Fence to deliver the Project for a total amount of $1,738,400; and

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby awards a contract to CR Fence Company Inc. for the Right of Way Fencing Project for a total amount of $1,738,400; and

Be It Further Resolved that the Board authorizes the Executive Director or designee to execute a contract on behalf of the JPB with CR Fence in full conformity with all the terms and conditions of the Invitation for Bids (IFB), and in a form approved by legal counsel.

Regularly passed and adopted this 7th day of May 2026 by the following vote:

Ayes:

Noes:

Absent:

____
Chair, Peninsula Corridor Joint Powers Board

Attest:

____
JPB Secretary

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	Li Zhang, Chief, Commercial and Business Development
For:	May 2026 JPB Board of Directors Meeting
Subject:	**Adopt Resolution Designating Caltrain as a Non-Applicant Public Entity Payee for the Affordable Housing and Sustainable Communities (AHSC) Program**

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

Purpose and Recommended Action

Staff recommend that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) adopt a resolution designating Caltrain as a non-applicant public entity payee under the Affordable Housing and Sustainable Communities (AHSC) Program.

Discussion

The California Department of Housing and Community Development, in partnership with the Strategic Growth Council (SGC), issued a Notice of Funding Availability on March 25, 2025, for the AHSC Program. This program enables affordable housing developers to partner with transit agencies to pursue funding for projects that reduce greenhouse gas (GHG).

In May 2025, Caltrain partnered with Affirmed Housing Partners and the City of Mountain View to submit a joint application. The proposed project includes Phase 1 of an affordable housing development located at 87 East Evelyn Avenue, along with bicycle and pedestrian improvements in Mountain View. Caltrain's role focuses on the transit component, specifically the purchase of two Stadler Komfortabler Innovativer Spurtstarker S-Bahn-Zug (KISS) Electric Multiple Unit (EMU) option cars scheduled for delivery within the next year. Through this partnership, Caltrain would receive $8,878,790 in AHSC funding.

In December 2025, the SGC announced that the project was conditionally awarded funding under the AHSC Program. As part of the program requirements, Caltrain must obtain a Board resolution designating the agency as a non-applicant public entity payee, thereby authorizing Caltrain to directly apply for, receive, and administer AHSC grant funds.

Budget Impact
AHSC funds are added to the EMUs budget. There is no increase to the Board-approved budget.

Prepared By:	Michelle Stewart	Director, Grants and Funds Management	4/09/2026
	Lyne-Marie Bouvet	Principal Planner, Capital Improvement Plan	4/09/2026

Resolution No. 2026-

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

*** * ***

Adopt Resolution Designating Caltrain as a Non-Applicant Public Entity Payee for the Affordable Housing and Sustainable Communities (AHSC) Program

Whereas, the California Department of Housing and Community Development (Department) and the Strategic Growth Council (SGC) have issued an Affordable Housing and Sustainable Communities Program (AHSC Program) Notice of Funding Availability (NOFA), dated March 25, 2025; and

Whereas, the Peninsula Corridor Joint Power Board (Public Entity) partnered with Affirmed Housing Partners for the 87 E Evelyn Avenue, Mountain View (the Project) who applied to the Department in response to the NOFA and was determined to be an eligible Applicant; and based on the Application, the Department made an award of Program funds pursuant to the conditional award letter, dated December 10, 2025; and

Whereas, the Department and SGC have made a conditional commitment of AHSC Program funds to assist with the project, and such commitment was made to awardees pursuant to the Award Letter;

Now, therefore, it is resolved, that the Public Entity is hereby authorized and directed to act in connection with the Program Award;

Be it further resolved that the Public Entity is hereby authorized and directed to accept and incur an obligation for the Program Award. That in connection with the AHSC Program Award, the Public Entity is authorized and directed to enter into, execute, and deliver one or more Standard (STD) 213, Standard Agreements for a sum not to exceed the full amount of the AHSC Program Award, and any and all other documents required or deemed necessary or appropriate to secure the AHSC Program Award from the Department and to participate in the AHSC Program, and all amendments thereto.

Be it further resolved that the Public Entity acknowledges and agrees that it shall be subject to the terms and conditions specified in the STD 213, Standard Agreements, and that the Affordable Housing Sustainable Communities Program of 2025 NOFA and the Application will be incorporated by reference therein and made a part thereof. Public Entity also acknowledges and agrees that any and all activities, expenditures, information, and timelines represented and described in the Application are enforceable through the relevant STD 213, Standard Agreements. Public Entity also acknowledges and agrees that Program Award funds are to be expended only on the eligible uses and activities identified in the relevant STD 213, Standard Agreements.

Be it further resolved that the Executive Director of the Peninsula Joint Power Board, or their designee is hereby authorized to execute the Program Award Documents and all amendments on behalf of the Public Entity.

Be it further resolved that this resolution shall take effect immediately upon its passage, and that any actions taken thus far in furtherance of the activities authorized by this resolution are hereby ratified.

Regularly passed and adopted this 7th day of May 2026 by the following vote:

Ayes:

Noes:

Absent:

____
Chair, Peninsula Corridor Joint Powers Board

Attest:

____
JPB Secretary

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	Dahlia Chazan, Chief, Caltrain Planning
For:	May 2026 Board of Directors Meeting
Subject:	**Adopt Updated Policy Regarding Conveyance of Property Interests Involving Property Owned by the Peninsula Corridor Joint Powers Board and Fee Schedule**

☐ Finance Committee Recommendation

☒ Technology, Operations, Planning, and Safety Committee Recommendation

☐ Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

Staff recommend that the Technology, Operations, Planning, and Safety Committee (TOPS) Committee recommend approval of the proposed updates to the Policy Regarding Conveyance of Property Interests Involving Property Owned by the Peninsula Corridor Joint Powers Board (now referred to as "The Peninsula Corridor Joint Powers Board Property Conveyance Policy"), and associated Fee Schedule.

This item was previously presented as an informational item to the Committee on February 25, 2026. Following Committee discussion, staff is returning with the proposed policy update for a public hearing, as required for the proposed fee changes, and for recommendation to the Board of Directors (Board) for adoption.

Discussion

The Peninsula Corridor Joint Powers Board (JPB) routinely receives third-party requests from utility companies, public agencies, and private entities seeking to access or occupy JPB property for non-rail purposes. These activities are governed by the Property Conveyance Policy (Policy), first adopted in 2010 and updated in 2021.

The Policy guides third-party use of JPB property, including applicable agreements, review processes, and fees. It ensures that third-party uses protect JPB property interests, remain compatible with rail operations and future needs, and are reviewed through a consistent and transparent process. Requests may be processed under this Policy *only after* they are determined to be compatible with the JPB's current and future railroad needs, as defined in the Adopted Service Vision and documented in the Rail Corridor Use Policy (RCP).

Proposed updates are intended to:

- Support effective and efficient leasing and property management;
- Improve cost recovery and revenue generation;
- Enhance policy clarity and usability; and
- Support broader Caltrain goals, including providing a world-class travel experience, encouraging economic vitality and enhancing quality of life.

Summary of Recommended Updates

Addition of Guiding Principles

Incorporating new Guiding Principles into the Policy will provide a clear framework aligned with JPB priorities for decision-making regarding use of property. Staff recommend incorporating the following:

- **Principle #1: Safety**
  Safety on JPB property takes precedence over all other considerations. No third-party use may introduce operational risk, impair safe rail access, or conflict with governing safety rules, construction requirements, or regulatory standards.

- **Principle #2: Preservation of Current and Future Rail Needs**
  JPB property is primarily used for transportation and rail purposes. Third-party uses must be consistent with railroad priorities and will only be considered if determined compatible with current or future rail needs. No use may interfere with rail operations, limit future transportation projects, or increase the cost or complexity of planned rail facilities.

- **Principle #3: Revenue Generation and Cost Recovery**
  JPB property may be used to generate revenue to support the railroad when it is not needed for safety and/or rail purposes. Any such use must provide Fair Market Rent and cover the costs of processing the request, unless an exception is approved by the appropriate authority.

- **Principle #4: Station Activation and Ridership**
  Use of property that encourages station activity, provides customer amenities, improves multimodal access, enhances station area economic vitality and supports ridership will be prioritized over alternatives that provide fewer benefits.

- **Principle #5: Stewardship of Public JPB Property**
  The JPB will protect public transportation assets and will not convey property rights without appropriate value or public benefit. Property rights shall only be granted to the extent necessary for the approved use and must not reduce the JPB's control of access to or use of the Corridor.

Fee Schedule Updates

The Fee Schedule establishes charges for third parties seeking to access JPB property and is intended to recover administrative costs associated with reviewing and approving requests and overseeing activities on JPB property. The Fee Schedule was last updated in 2021 and is due for review.

Key elements of the proposed updates include:

- **Cost Recovery:** Adjusting processing and review fees to more accurately recover staff time and administrative costs associated with reviewing and managing third-party requests, including:
  - Right of Entry/License agreements;
  - Special Use Permit (formerly Encroachment Permit); and
  - Rail Corridor Use Policy (RCUP) Variances.

  Additionally, the Fee Schedule would incorporate a standard annual fee escalation of three (3) percent to account for inflation and administrative cost growth, with authority for the Executive Director to suspend the adjustment if not warranted.

- **Revenue Generation:** Updating fees to better support revenue generation where use of JPB property is appropriate and consistent with policy objectives, including:
  - Addition of a longitudinal fiber fee to generate revenue from telecommunications fiber lines installed along the rail corridor,
  - Decreasing minimum rent for leases to enable additional flexibility, and
  - Addition of a Special Use Permit fee for use of JPB property for events.

- **Fee Schedule Clarity:** Update fee categories to better reflect purpose and provide clarity, including:
  - Renaming the current Encroachment Permit as a Special Use Permit to better reflect its purpose, and

- Removal of easement fees from the Fee Schedule, as easements are addressed separately through negotiated agreements and are infrequent.

Executive Director Authority Expansion and Clarity

Property Agreements: Under the current Policy, Executive Director approval authority is limited to property agreements with terms of five years or less. In practice, this limitation can reduce flexibility and result in delays. For example, many of the historic station properties require significant up-front investment by tenants, and in return for bearing these costs, the tenants require a longer lease term. Requiring Board approval of the terms once they are agreed to creates uncertainty for potential tenants and adds additional time to the leasing process, making JPB-owned properties less market competitive.

The recommended update would expand this authority to allow approval of leases and renewals to up to ten years. This change is intended to improve flexibility and responsiveness to be market competitive while continuing to protect JPB interests through the Rail Corridor Use Policy and existing review processes.

Fee Waivers: Under the Board's Policy Regarding Waiver of Fees Associated with Requests for Conveyance of Property Interests, which were adopted separately from the 2021 Policy Update, the Executive Director has discretion to waive fees for public agencies or nonprofit organizations under certain circumstances.

Staff recommends (1) incorporating these Guiding Principles directly into the Policy to provide clarity for Executive Director waiver authority and (2) broadening eligibility to allow qualifying partnerships with private entities that support ridership and exposure.

Policy Clarity and Organization

Additional recommended updates focus on improving policy clarity and usability. These revisions will include streamlining policy language, reorganizing the Policy structure, adding definitions, and removing details about staff-managed procedures

Budget Impact

There is no impact on the budget.

Prepared By:	Nadine Fogarty	Director, Caltrain Real Estate and Transit-Oriented Development	4/13/2026
	Jenny Lin	Manager, Caltrain Real Estate and Transit-Oriented Development	4/13/2026

Appendix Attachments

- Exhibit A: *Resolution No. 2021-18 Adopting an Updated Policy Regarding the Processing of Requests for Conveyance of Property Interests and Associated Fee Schedule*

- Exhibit B: *Policy Regarding Waiver of Fees Associated with Requests for Conveyance of Property Interests*

- Exhibit C: *Proposed Policy Regarding Conveyance of Property Interests Involving Property Owned by the Peninsula Corridor Joint Powers Board and Fee Schedule*

EXHIBIT A

RESOLUTION NO. 2021- 18

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

*** * ***

ADOPTING AN UPDATED POLICY REGARDING THE PROCESSING OF REQUESTS FOR CONVEYANCE OF PROPERTY INTERESTS AND ASSOCIATED FEE SCHEDULE

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB), owns various properties, including the Caltrain right of way, which are the subject of numerous requests for use by various public and private parties; and

WHEREAS, in order to respond to third-party requests to enter or use JPB property, on October 7, 2010, pursuant to Resolution 2010-45, the Board of Directors (Board) adopted a Policy Regarding Processing of Requests for Conveyance of Property Interests Involving the Property Owned by JPB (Policy); and

WHEREAS, the Policy includes a Fee Schedule to allow the JPB to recoup costs associated with handling such requests and to generate revenue from the use of JPB property by third parties; and

WHEREAS, on February 6, 2020, pursuant to Resolution 2020-05, the Board adopted the Caltrain Rail Corridor Use Policy (RCUP) to facilitate agency review of potential uses of JPB property to ensure they are compatible with the railroad's current and future needs; and

WHEREAS, staff has updated the Policy to describe the JPB's current process and terms for issuing Property Access Agreements to third parties to access and/or use JPB property; be consistent with the RCUP; and update terms and procedures for other aspects of the process for reviewing proposed third-party uses of JPB property; and

WHEREAS, staff also has updated the associated Fee Schedule to reflect current costs of processing requests to access and/or use JPB property, and to reflect current market values; and

WHEREAS, on April 1, 2021, the Board held a public hearing to seek and consider input on the revised Fee Schedule.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby approves the updated "Policy Regarding Process of Requests for Conveyance of Property interests Involving Property Owned by the Peninsula Corridor Joint Powers Board" and associated Fee Schedule, attached hereto with the understanding that: (1) the policy will specifically require the accurate recording of all physical right of way for utilities approved through the process and the maintenance of records that reflect the nature and location of such facilities and (2) the policy will permit staff to consider the waiver of encroachment and other fees for qualified non-profit and governmental entities in accordance with a Guiding Principal Statement that staff will prepare for review by the WPLP Committee; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to approve or deny requests for access to, or use of, JPB property in accordance with the attached policy.

Regularly passed and adopted this 1st day of April, 2021 by the following vote:

AYES: Chavez, Gee, Hendricks, Pine, Stone, Walton, Zmuda, Heminger, Davis

NOES: None

ABSENT: None

Chair, Peninsula Corridor Joint Powers Board

ATTEST:

JPB Secretary

PENINSULA CORRIDOR JOINT POWERS BOARD

POLICY REGARDING THIRD PARTY REQUESTS TO USE PROPERTY OWNED BY THE PENINSULA CORRIDOR JOINT POWERS BOARD

Overview, Background, and Purpose

The Peninsula Corridor Joint Powers Board ("PCJPB") owns a railroad right-of-way running from San Francisco down through San Jose, the Caltrain Rail Corridor ("Corridor") for the purposes of operating the Caltrain passenger rail service. Within San Mateo County, Corridor ownership is shared with the San Mateo County Transit District. Additionally, PCJPB separately owns property near 26 Caltrain stations, as well as other property purchased in support of various capital projects. It is intended that, as additional property is purchased by PCJPB, third party use of that property shall be governed by this Policy. As of 2021, the PCJPB's property holdings ("PCJPB property") total approximately 690 acres, a substantial portion of which is dedicated to transportation uses.

Due to the Corridor's location along the Peninsula, and the historic economic development that it triggered, the Corridor runs through the middle of many communities between San Francisco and San Jose. As a result, the PCJPB receives numerous requests from utilities to cross, or otherwise occupy, portions of the Corridor, as well as various other third party requests to use PCJBP property for uses unrelated to railroad operations. In addition, properties that are not currently required to support Caltrain operations may be leased to generate revenue to offset the cost of operating Caltrain.

PCJPB, and its predecessor Southern Pacific Railroad, have had a long history of allowing third-party utilities to operate within the Corridor and has entered into numerous revenue-generating leases of PCJPB Property. The process for reviewing and approving both types of requests is currently governed by the "Policy Regarding Processing of Requests For Conveyance of Property Interests Involving Property Owned by the PCJPB" which was adopted in 2010 via Resolution 2010-45. Following Board adoption, this updated policy will supersede that previous policy.

PCJPB recognized a need to update its property use process in response to the PCJPB Board of Directors' adoption of an ambitious Long-Range Service Vision for the railroad on October 3, 2019. As such, the PCJPB Board of Directors adopted the Caltrain Rail Corridor Use Policy on February 6, 2020 via Resolution 2020-05 ("RCUP") to guide the use of the agency's property and support delivery of Caltrain's Long-Term Service Vision

The RCUP is intended to provide a process to facilitate agency review of requested uses of PCJPB property to ensure they are compatible with the railroad's current and future needs. Following approval through the RCUP compatibility review process, a proposed use is required to undergo additional review for engineering, operational, and regulatory compliance before the agency will issue an agreement to allow a third party the right to use PCJPB property. The types of agreement issued by PCJPB are listed below and are hereafter referred to as "Property Access Agreements."

This updated policy describes the agency's process and terms for granting Property Access Agreements to third parties to access and/or use PCJPB property. It has been updated to include and clarify the role of the RCUP in the process, as well as update terms and procedures for other aspects of the review process for proposed uses.

The contents of this updated policy are as follows:

- Summary of Property Access Agreements
- Staff review process and terms for non-lease agreements
- Staff review process and terms for lease agreements
- Final approval process for all agreements

Summary of Property Access Agreements

Below is a list of the types of agreements most frequently issued by the PCJPB and a brief description of each, including required conditions.

Service Agreement
Purpose: Sets forth the terms and conditions under which the applicant will reimburse the PCJPB for all actual costs incurred in providing the services and materials required to review the applicant's proposed use (including applicable general and administrative overhead costs), for costs associated with processing the Property Access Agreement, and for costs required to support the implementation of the use of agency property, as appropriate. A Service Agreement does not convey any rights to use property.

Right of Entry Permit Agreement
Purpose: Allows third party access to PCJPB Property for a specified period to accomplish a specific activity, which generally involves construction work on an existing facility. No facilities may be constructed on PCJPB Property.
Other Conditions: Permittee (or agency contracting with Permittee) shall sign a Service Agreement to reimburse PCJPB for its costs and expenses, as necessary.

License Agreement
Purpose: Allows third party access to PCJPB Property for a specified period to accomplish a specific activity, which generally involves construction work and allows an applicant's semi-permanent facility to remain on PCJPB Property.
Other Conditions: Licensee shall sign a Service Agreement to reimburse PCJPB for its costs and expenses, as necessary.

Encroachment Permit
Purpose: Allows third parties access to PCJPB Property for a specific purpose and a limited duration when a Right of Entry Permit, License Agreement or Lease is not appropriate, when no construction is to occur on the property and when the property is outside of the Operating Use Zone as defined in RCUP.

Lease Agreement

Purpose: Allows a third party to use PCJPB Property not currently required for rail operations for a defined period. This agreement is typically used when the third party is a commercial business leasing PCJPB property for Fair Market Rent.

Easement Agreement
Purpose: Provides permanent property rights to the grantee for a specific purpose.
Other Conditions: Licensee shall sign a Service Agreement to reimburse PCJPB for its costs and expenses, as necessary. Requires Board approval.

Staff Review Process and Terms for Non-Lease Agreements

This section describes the review process and terms for all agreements that are not leases. Non-lease agreements are typically issued for utility crossings, but may be used in other circumstances when a lease agreement is not appropriate.

After receipt of an application form, staff will analyze each request in accordance with this Policy and, if the request warrants further review, will present the applicant with an estimate of PCJPB's processing and oversight costs ("Processing Costs"), as applicable. Only after the applicant has paid a non-refundable processing fee (the "Real Estate Processing Fee") and, if required, signed a Service Agreement to reimburse PCJPB for its actual cost of reviewing the request, will staff analyze the request to ensure the following, which shall be hereafter referred to as "Baseline Conditions":

- The request is determined to be compatible with current and anticipated future operational requirements and potential railroad uses of the property, and is consistent with RCUP; and
- The applicant's improvements are designed to be compatible with the broadest range of possible transportation alternatives for the entire width of the right-of-way, to minimize disruption of current service and the necessity for later relocation; and
- All facilities constructed on PCJPB Property are constructed in a manner consistent with all applicable general engineering standards, Caltrain standards and California Public Utilities Commission regulations; and
- The request is in full compliance with the requirements of applicable federal and state laws including any conditions embodied in grants and conditions of financing for the property acquisition by the PCJPB or its predecessors in interest.

Once the review is completed, staff will process the appropriate Property Access Agreement, typically based upon PCJPB's standard forms, and will forward the agreement and a staff recommendation to the Executive Director of the PCJPB (or his/her designee) for consideration. The Property Access Agreement will require the applicant to agree, at the minimum, to the following conditions ("Required Conditions"):

- The Applicant must agree to relocate applicant's facilities (at applicant's expense) if necessary to accommodate the use of the Property for public transportation purposes or real estate development, as determined by PCJPB, its successors or assigns; and
- The applicant must maintain and repair its improvements at its sole expense; and

- The applicant must indemnify the PCJPB against liability (including for the release of hazardous materials) arising out of permittee's use of the property; and
- The agreement will include a reservation of a right in favor of PCJPB to terminate for breach; and
- The agreement will require that the applicant (and/or its contractor) provide adequate insurance for the benefit of PCJPB, its successors and assigns, including, when necessary Railroad Protective Liability Insurance (RPLI).
    - PCJPB shall obtain RPLI in its own name, at the sole cost and expense of the applicant. An applicant may provide its own RPLI by demonstrating that it can provide coverage that is equivalent to, or better than, the RPLI available to PCJPB.

Staff will record the location and nature of any utility or similar agreement approved through this process and will require the applicant to provide the PCJPB with current and accurate "as built" drawings of any facility constructed. Staff will maintain accurate records of each such Non-Lease Agreement to support and facilitate future Caltrain capital and other projects.

Staff Review Process and Terms for Lease Agreements

This section describes the review process and terms for all lease agreements, for which there are two general types of sites:

- **Independently Usable Sites**: In certain locations, especially along commercial corridors, commercial demand exists for use of PCJPB Property that is not currently required to support Caltrain operations. Such properties are typically accessible from the public street system and can be used independently, without reliance upon use of property owned by entities than other the PCJPB ("Independently Usable Sites").

- **Landlocked Sites**: In other instances, property not currently required to support Caltrain operations is landlocked, meaning it has no means of access other than from the Caltrain corridor or though the contiguous site, but may have commercial value to the contiguous property owners ("Landlocked Sites").

In both such cases, PCJPB may seek to lease property to generate revenue, and all potential leases must be analyzed and approved in accordance with the terms and process described below.

Requirement for Fair Market Rent: All property shall be leased at market value unless otherwise approved by the Board in its sole and complete discretion. Market value will be evaluated in consideration of current market conditions, the proposed use, the site's physical characteristics (including location, size, access and shape of the property), and taking into account all rights and limitations created by the lease agreement, and shall be referred to throughout as "Fair Market Rent."

RCUP Compatibility and Determination of the Lease Term: Before any site is made available for lease, staff shall ensure that use of the site by a third party is compatible with the railroad's current and future needs for its property and is compliant with RCUP. Real Estate staff shall also review the site with other departments, including Planning and Engineering, to determine if and when the site will be needed to support future rail activities or capital projects. For revenue-generating commercial leases, staff shall seek to make the site available for the longest possible duration that does not conflict with potential PCJPB uses of the property, it being understood that longer lease terms generally lead to more lucrative financial return.

The review and approval process and terms for leases are different for independently usable sites and landlocked sites, as described below.

Independently Usable Sites: When property with independent commercial potential is identified as available for lease, and the proposed use will be for more than five years, staff shall seek to competitively market the site, either through a commercial broker or directly by staff, to attract a pool of qualified potential tenants. Leases of less than five years are not required to be marketed but may be if staff feels it would be appropriate to do so.

Proposals will be evaluated using criteria, developed by staff to reflect the specific site, and will typically include the maximization of rent paid, compliance with the Baseline Conditions, and other conditions specific to the property itself. In no case shall rent be for less than Fair Market Rent, unless approved by the Board.

Once the review is completed and a potential tenant has been selected, staff will process the lease agreement, which will be based upon PCJPB's standard form, and will forward the agreement and a staff recommendation to the Executive Director of the PCJPB (or his/her designee) for consideration. The lease will require the applicant to agree, at a minimum, to the Required Conditions.

Landlocked Sites: Staff may negotiate directly with the contiguous property owner, unless other potential lessees have expressed interest in the site or staff otherwise believes that marketing the site will attract a larger pool of qualified tenants, in which case staff shall follow the procedures for marketing a non-landlocked site. When leases for landlocked property come due, staff may choose to negotiate directly with the existing tenant if the tenant has been a tenant of good standing throughout previous lease term. The lessee must comply with the Baseline Conditions and the rent must be no less than Fair Market Rent unless otherwise approved by the Board.

Once the review is completed and a potential tenant has been selected, staff will process the lease agreement, typically based upon PCJPB's standard form, and will forward the agreement and a staff recommendation to the Executive Director of the PCJPB (or his/her designee) for consideration. The lease will require the applicant to agree, at a minimum, to the Required Conditions.

Final Approval of Property Access Agreements

This section describes the final approvals that are needed to issue a Property Access Agreement to a third party after staff has reviewed and recommended the request for approval.

If the Property Access Agreement is within the authority of the Executive Director, as described below, the Executive Director or his/her designee may execute the agreement. If the request falls within the Board's authority, as described below, the Executive Director may sign the agreement only being delegated authority by the Board.

AUTHORITY OF EXECUTIVE DIRECTOR

The Executive Director (or his/her designee) may approve Property Access Agreements without the prior approval of the Board, provided that the request will not have an adverse impact on the use or potential future development of PCJPB-owned Property for PCJPB purposes and that the following conditions are met:

- The Property Access Agreement is for a term not more than five years
    - Exception: if the lease is an extension of a lease to an existing tenant and is for an Independently Usable Site, the new term will extend the occupancy of the same tenant for more than 5 consecutive years, the lease will require board approval; and
- The applicant has paid the appropriate amount of compensation as described in the PCJPB's Fee Schedule (unless such fees are waived by the Executive Director or his/her designee for public agencies or certain nonprofits, whose qualifications meet and satisfy the Guiding Principles to be developed by staff and provided to the Work Program-Legislative-Planning Committee), or for leases, the rent is set at Fair Market Rent; and
- The Property Access Agreement includes all of the Required Conditions and staff has determined that such use is consistent with the Baseline Conditions.

PCJPB BOARD REVIEW

The Board of Directors shall review and approve all conveyances of permanent property rights as well as any other requests that do not fall into the authority of the Executive Director, as outlined above. The Property Access Agreements may be issued only after the applicant pays appropriate compensation as set forth in the PCJPB's Fee Schedule or, for leases has paid the first month's rent and any security deposit.

PENINSULA CORRIDOR JOINT POWERS BOARD

FEE SCHEDULE

FEES BY REAL ESTATE AGREEMENT TYPE

Note: The below agreement types are defined in the Peninsula Corridor Joint Powers Board's (PCJPB) "Policy Regarding Third Party Requests to Use Property Owned by the Peninsula Corridor Joint Powers Board"

Right of Entry Permit Agreement
Real Estate Processing Fee: $2,100
Annual Permit Payment: $5,000, if the total area is 2,000 or less
Annual Permit Payment: fair market value (not less than $5000) if the area is greater than 2,000 sq. ft.

License Agreement
Real Estate Processing Fee: $2,100
Annual Permit Payment: $5,000, if the total area is 2,000 or less
Annual Permit Payment: fair market value (not less than $5000) if the area is greater than 2,000 sq. ft.

Encroachment Permit
Real Estate Processing Fee: $1,000

Lease Agreement
Real Estate Processing Fee: None
Monthly Rent: fair market value (as determined by staff), but not less than $800/mo.

Easement Agreement
Real Estate Processing Fee: $2,100
Payment of lump sum fair market value of the easement as determined by staff

SERVICE AGREEMENTS AND ASSOCIATED FEES

Purpose
If staff determines that staff review of a request to access property will require more than 8 hours of staff time and/or more than 3 hours of the Attorney's time, which costs are covered by the various Real Estate Processing Fees above, the applicant shall enter into a Service Agreement with PCJPB. The Service Agreement sets forth the terms and conditions under which the applicant will reimburse PCJPB for all actual costs of providing the services and materials required to support the applicant's proposed project (including applicable general and administrative overhead costs) and for costs associated with processing the Property Access Agreement. A Service Agreement conveys neither property rights nor right to use property.

Payment Policy
Service Agreements Valued under $50,000:
Service Agreements with an estimated cost of less than $50,000 or Service Agreements that will be completed in 120 days or less require full prepayment.

Service Agreements Valued over $50,000:
If the Service Agreement has an estimated total project cost of more than $50,000 or will last more than 120 days, a payment option may be pre-arranged on a case-by-case basis. A minimum 10% deposit with monthly progress billings or a deposit based on a cash flow analysis with monthly progress billings (whichever is greater) may be arranged and approved at the discretion of staff. Payments under a progress billing are due 30

days following the date of invoice. All overdue balances due to PCJPB not contested in writing, by the due date shall bear interest at the rate of 1.5% per month, compounded monthly, from the due date. Additionally, PCJPB may require that all work cease until all payments are received in full.

RAIL CORRIDOR USE POLICY – USE VARIANCE FEE

All proposed non-railroad uses of JPB property must be determined to be compatible with the railroad's current and future uses, as demonstrated through compliance with the Board-adopted Rail Corridor Use Policy, or the "RCUP" (adopted February 6, 2020 as Resolution 2020-05).

The RCUP review process does not charge a fee for the initial compatibility review(s) of proposed uses.

For uses that are determined to be not compatible with the railroad's current and future needs after the initial compatibility review, third parties may opt to request an RCUP Use Variance. A Base Fee of $2500 is charged for all proposed uses of PCJPB property that enter into the RCUP Use Variance process. This nonrefundable Base Fee must be fully paid by the applicant at the time of submitting the RCUP Use Variance application. The Base Fee is charged to cover PCJPB costs for reviewing and processing the RCUP Use Variance application, inclusive of up to 12 hours of staff time and up to 3 hours of the Attorney's time.

The RCUP Use Variance Review Base Fee is likely to cover PCJPB costs for reviewing *most* Use Variance applications; however, there may be some instances in which the complex nature of the proposed use or its location on the corridor requires a more extensive review of the Use Variance application. In these instances, the Base Fee may not be adequate for covering PCJPB costs for processing and reviewing, and additional staff and/or Attorney time may be required. Therefore, on a case-by-case basis, the PCJPB may charge an Additional Fee (on top of the Base Fee) to seek reimbursement for PCJPB costs for Use Variance applications requiring extensive review. Staff will determine if an Additional Fee is required to cover PCJPB costs for processing a complex Use Variance application after receipt of the application, and as soon as a determination is made, staff will notify the applicant of any Additional Fee as soon as possible. The Additional Fee to process complex Use Variance applications is to be issued and paid using a Service Agreement, under the terms and conditions described for Service Agreements above. The Additional Fee is nonrefundable and must be fully prepaid by the applicant before staff may process a complex Use Variance application.

Notes:

- Payment of the RCUP Use Variance Fee neither conveys PCJPB's approval of the compatibility of the proposed use, nor provides authorization to use property.
- Additional information about the RCUP review process, including the Use Variance process, can be found in the adopted Rail Corridor Use Policy, available on Caltrain's website.

REASON FOR FEES

The Purpose of the Real Estate Processing Fee and the RCUP Use Variance Fee is to recoup costs associated with staff time to negotiate and draft the real estate document or review the Use Variance, legal time for review of documents and staff time to set up and monitor the project, as necessary. The Annual License Payment and Annual Permit Payment represent the value of the encumbrance to the property created by the agreement.

REGULAR REVIEW OF FEES

All fees shall be reviewed regularly by staff and updated as PCJPB's cost of processing permits increases. Annual License Payments and Annual Permit Payments shall be reviewed regularly by staff and updated to reflect current property values.

EXHIBIT B

AGENDA ITEM #8
AUGUST 25, 2021

PENINSULA CORRIDOR JOINT POWERS BOARD
STAFF REPORT

TO: JPB Work – Program – Legislative – Planning Committee

THROUGH: Michelle Bouchard
Acting Executive Director

FROM: April Chan
Chief Officer, Planning/Grants/TA

SUBJECT: **POLICY REGARDING WAIVER OF FEES ASSOCIATED WITH REQUESTS FOR CONVEYANCE OF PROPERTY INTERESTS**

☐	Finance Committee Recommendation	☐	Work Program-Legislative-Planning Committee Recommendation	☑	Staff Coordinating Council Reviewed	☑	Staff Coordinating Council Recommendation

ACTION
This report is for information only. No Board action is required at this time.

SIGNIFICANCE
At its April, 1, 2021 meeting, the Board of Directors adopted Resolution No. 2021-18 which updated the JPB's "Policy Regarding the Processing of Requests for Conveyance of Property Interests" and approved an accompanying Fee Schedule.

As part of the approval, the Board directed staff to prepare for review by the WPLP Committee at a subsequent meeting "guiding principles" with regards the waiver of encroachment and other fees for certain qualified non-profit organizations or governmental entities. These principles would be applied at the Executive Director's discretion.

The Guiding Principles listed below outline when it may be appropriate for the Executive Director (or his/her designee) to waive such fees, which would be at the Executive Director's sole and complete discretion:

- When the permittee provides JPB with goods and services of generally equivalent (or greater) value than the permit fees; or

- When the permit covers an event for which JPB is a co-sponsor, in which case a permit is not required; or

- The event is sponsored by a governmental agency and will bring ridership or exposure to Caltrain, such as Bike to Work Day; or

- Where the permittee is a community-service-oriented, non-profit entity.

After considering any comments from the Committee, staff and the Executive Director will follow these guiding principles when considering the possible waiver of fees for a property conveyance. The ultimate decision of waiver request will be at the Executive Director's sole and complete discretion.

Final Note: All users of JPB property must provide evidence of insurance, even if a permit is not issued

BUDGET IMPACT

While the Guiding Principles allow the Executive Director to waive fees for certain permits, historically the number of such permits made up a small percentage of the total number of property access agreements issued by JPB. Staff anticipates the budget impact to be minor, likely in the range of no more than several thousand dollars a year

Prepared by: Brian W. Fitzpatrick, Director, Real Estate and Property Development
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DRAFT: PROPERTY CONVEYANCE POLICY

THE PENINSULA CORRIDOR JOINT POWERS BOARD
PROPERTY CONVEYANCE POLICY

1. Background, Purpose, & Applicability

The Peninsula Corridor Joint Powers Board ("JPB") owns a railroad right-of-way running from San Francisco to San Jose, known as the Caltrain Rail Corridor ("Corridor"), for the purposes of operating the Caltrain passenger rail service. JPB also owns property adjacent to 26 Caltrain stations as well as property purchased in support of various capital projects. As of 2026, the JPB's property holdings ("JPB property") total approximately 690 acres. Most of the property is dedicated to transportation uses, and many sites are not accessible from the public right of way.

Because the Corridor passes through established cities along the Peninsula, JPB routinely receives requests from utility companies, public agencies, and private entities seeking to access or occupy JPB property for non-rail purposes. In addition, the JPB seeks to lease property not currently required to support Caltrain operations, including areas within station buildings and some station parking lots, to generate revenue for rail operations. These activities are currently governed by the Policy Regarding Processing of Requests for Conveyance of Property Interests Involving Property Owned by the JPB (now referred to as "The Peninsula Corridor Joint Powers Board Property Conveyance Policy"), first adopted in 2010 and updated in 2021. Upon adoption, this updated Policy, which enhances clarity and supports revenue generation, will supersede all prior versions.

This Policy updates and establishes guiding principles, general requirements, and terms under which the JPB authorizes third-party use of JPB property through various forms of Property Access Agreements. It also updates the associated Fee Schedule to reflect current costs of processing requests to access and/or use JPB property and market values. Third-party uses may only be processed under this Policy after they are determined to be compatible with JPB's current and future railroad needs, as defined by the Adopted Service Vision and documented in the Rail Corridor Use Policy ("RCUP").

This Policy applies to all third-party uses on all JPB property, including activities such as utility installations, construction access, temporary uses, permanent facilities, commercial uses, and similar requests.[1] Uses may only be exempted from this Policy if specifically authorized by the JPB Board of Directors.

2. Definitions

- **Fair Market Value (FMV):** Fair market value is the price or compensation a property would reasonably command on the open market under typical market conditions. This value is determined by staff based on market data, the proposed use, the site's physical characteristics (including location, size, access and shape of the property), and considering all rights and limitations created by the applicable Property Access Agreement.
- **Fair Market Rent (FMR):** Fair market rent is an expression of the Fair Market Value for lease agreements.
- **Property Access Agreements:** Agreements used by the JPB to authorize third-party access to, or use of, JPB property. These may include Special Use Permits, Right of Entry Permits, License Agreements, and Lease Agreements as further described in *Section 4*.
- **Rail Corridor Use Policy (RCUP):** The Rail Corridor Use Policy (RCUP), adopted by the JPB in February 2020, is used to assess whether a proposed third-party use of JPB-owned property is fundamentally compatible with the railroad's current and future property needs, as defined by the Service Vision and other adopted plans and policies. This policy is updated periodically.
- **RCUP Use Variance**: A request to approve a third-party use that is not initially determined to be compatible under the RCUP review process.
- **Service Agreement:** An agreement under which an applicant reimburses the JPB for staff, legal, engineering, and administrative costs associated with evaluating, reviewing, or supporting proposed third-party use of JPB property. A Service Agreement does not grant access to, or any property rights on, JPB property, and does not oblige the JPB to approve the proposed use or issue a Property Access Agreement.

3. Guiding Principles

The following guiding principles apply to all third-party use of JPB property and establish the ordered priorities that guide evaluation and approval of such requests.

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[1] Properties planned and used for transit-oriented development are governed by the Transit Oriented Development (TOD) policy.

- **Principle #1: Safety**
  Safety on JPB property takes precedence over all other considerations. No third-party use may introduce operational risk, impair safe rail access, or conflict with governing safety rules, construction requirements, or regulatory standards.
- **Principle #2: Preservation of Current and Future Rail Needs**
  JPB property is primarily used for transportation and rail purposes. Third-party uses must be consistent with railroad priorities and will only be considered if determined compatible with current or future rail needs. No use may interfere with rail operations, limit future transportation projects, or increase the cost or complexity of planned rail facilities.
- **Principle #3: Revenue Generation and Cost Recovery**
  JPB property may be used to generate revenue to support the railroad when it is not needed for rail purposes. Any such use must provide Fair Market Rent or Value and cover the costs of processing the request, unless an exception is approved by the appropriate authority.
- **Principle #4: Station Activation and Ridership**
  Use of property that encourages station activity, provides customer amenities, improves multimodal access, enhances station area economic vitality and supports ridership will be prioritized over alternatives that provide fewer station activation and rider benefits.
- **Principle #5: Stewardship of Public JPB Property**
  The JPB will protect public transportation assets and will not convey property rights without appropriate value or public benefit. Property rights are granted only to the extent necessary for the approved use and must not reduce the JPB's control of access to or use of the Corridor.

4. Property Access Agreement Types

Below are the types of agreement commonly used by the JPB to authorize third-party access to or use of JPB property. The appropriate agreement depends on the nature, duration, and permanence of the proposed use.

- **Special Use Permit:** Authorizes short-term, non-construction use of JPB property. Facilities or equipment may not be installed or left on the property at the end of the use.
- **Right of Entry (ROE):** Authorizes temporary access to JPB property for work activities including inspection, surveying, or maintenance work. No facility or improvements may remain on the property following completion.

- **License Agreement:** Authorizes a third party to install, operate, and maintain semi-permanent facilities or equipment on JPB property subject to relocation or removal conditions. It may be used in conjunction with a Right of Entry agreement for access to maintain licensed improvements.
- **Lease Agreement:** Authorizes longer-term, revenue-generating use of JPB property, which may or may not include improvements. A lease agreement provides ongoing occupancy rights for a defined term and requires Fair Market Rent consistent with *Section 6.*

This table summarizes the common Property Access Agreement types:

Property Access Agreement	Facility Left on Property	Typical Duration[2]	Typical or Example Uses
Special Use Permit	No	1 day	Non-recurring or occasional special events, community activities
Right of Entry (ROE)	No	1 day to 3 months	Third-party utility inspections and service, surveys, construction access, maintenance, vegetation control
License Agreement	Yes (Semi-Permanent)	1 year to 5 years	Construction of third-party infrastructure such as utilities, pipelines, electrical, fiber optic cables and telecom
Lease Agreement	Yes (During Term)	1 year to 10 years	Commercial uses including recurring activities (e.g., farmers' markets), parking, storage, kiosks

Property Access Agreements are issued for a defined period and do not convey permanent property rights. Permanent or longer-term property conveyances, including easements, are uncommon, require approval by the Board of Directors, and must align with the Guiding Principles established in this Policy.

Property Access Agreements may be issued only after the applicant pays appropriate compensation as set forth in the JPB's Fee Schedule. For lease agreements, issuance is

[2] Durations are illustrative and may vary for agreements.

conditioned upon payment of any required security deposit or any other upfront payments as determined through lease negotiations.

4.1. Service Agreement Requirement

The JPB may require an applicant to execute a Service Agreement to reimburse the JPB for costs associated with reviewing, processing, and supporting a proposed use of JPB property when the request exceeds the estimated staff and attorney time reflected in the fee schedule. The Service Agreement sets forth the terms under which the applicant will reimburse the JPB for staff time, legal services, engineering reviews, administrative costs, and other related expenses.

5. Conditions of Use

All third-party uses of JPB property must meet two sets of requirements. First, a use must satisfy Baseline Conditions before it may be considered for approval. Second, any approved use must meet Required Conditions included in the final Property Access Agreement.

Baseline Conditions

A proposed third-party use may only be considered for approval when all the following conditions are satisfied:

- **Compliance with Engineering and Safety Standards**
  All facilities constructed on JPB property must be designed, constructed, and maintained in a manner that ensures the safety of railroad operations and the public, and complies with all applicable federal, state, and local safety and engineering requirements, including standards and regulations of the Federal Railroad Administration (FRA), Caltrain, and California Public Utilities Commission.

- **Compatibility with Current and Future Railroad Needs**
  The request must be determined to be compatible with current and anticipated future operational requirements and potential railroad uses of the property and must be consistent with the Rail Corridor Use Policy (RCUP) or includes a request for an RCUP variance that is recommended for approval.

- **Design Consistent with Corridor Flexibility**
  The applicant's improvements must be designed to be compatible with the broadest range of possible transportation alternatives to minimize disruption of current and future service and avoid the necessity for later relocation.

- **Compliance with Laws and Property Funding Requirements**
  The request must be in full compliance with all applicable federal and state laws, including any conditions embodied in grants or financing related to the acquisition or improvement of JPB property by the JPB or its predecessors in interest.
- **Alignment with JPB Adopted Policies**

  The proposed use will be reviewed for alignment with applicable JPB adopted policies and plans, including but not limited to the Station Access Policy, the Rail Corridor Use Policy, and other adopted policies, as relevant.

5.1. Required Conditions

If the proposed use satisfies all Baseline Conditions, the Property Access Agreement must include, at a minimum, the following terms:

- **Relocation at Applicant's Expense**
  In general, the applicant must agree to relocate the applicant's facilities, at the applicant's sole cost and expense, if necessary, to accommodate the use of the property for public transportation purposes or rail-related development, as determined by the JPB, its successors or assigns. In certain cases where the tenant will invest significantly in JPB-owned property (e.g., tenant improvements to station buildings) and where no rail capital projects are planned, staff may waive this requirement.
- **Maintenance and Repair**
  The applicant must maintain and repair its improvements at its sole expense, except certain instances where improvements are delivered by a tenant for the benefit of the JPB, as determined by the JPB.
- **Indemnification**
  The applicant must indemnify and hold the JPB harmless against liability, including for the release of hazardous materials, arising out of the applicant's use of the property.
- **Termination**
  The agreement must include a reservation of a right in favor of the JPB to terminate the agreement for breach.
- **Insurance Requirements**
  The agreement must require that the applicant (and/or its contractor) provide adequate insurance for the benefit of the JPB, its successors and assigns, including, when necessary, Railroad Protective Liability Insurance (RPLI). The JPB shall obtain RPLI in its own name, at the sole cost and expense of the applicant. An applicant may provide its

own RPLI only by demonstrating coverage equivalent to, or better than, the RPLI available to the JPB.

6. Leasing Guidelines

This section establishes the guidelines by which the JPB leases JPB property not required for rail purposes.

6.1. Marketing Sites

The JPB will market leasing opportunities in a fair and transparent manner to attract qualified tenants. This may include a range of marketing, outreach, and solicitation approaches, as appropriate, including but not limited to staff-led efforts, broker representation, or competitive processes. Landlocked sites or sites that cannot be accessed by public streets may be negotiated directly with the adjoining property owner.

6.2. Fair Market Rent Requirement

All leases must provide Fair Market Rent (FMR) as determined by the JPB staff, unless an exception is approved by the JPB Board of Directors. FMR shall be evaluated based on current market conditions, the proposed use, the site's physical characteristics (including location, size, access, and shape), and all rights and limitations established in the lease.

6.3. Lease Terms and Extensions

Lease terms must be compatible with current rail needs and future transportation uses, as determined through RCUP review and other applicable agency standards. Significant tenant investment in improvements to the property may justify more flexible lease terms, subject to consistency with the Rail Corridor Use Policy or Approval by the Board of Directors.

Lease extensions may be considered on the same basis and must be reviewed by staff and evaluated using the same Review Criteria as a new lease.

6.4. Review Criteria

New lease proposals and extensions will be evaluated based on the Guiding Principles and include the following considerations:

- **Revenue and Value to the Agency**: Preference may be given to proposals that provide the highest economic return or overall value to the JPB.
- **Station Activation and Ridership:** Uses that enhance station activity or ridership will be prioritized when expected revenue is comparable to other potential uses at the station.

- **Tenant Reliability and Financial Capacity:** Preference may be given to tenants who demonstrate strong financial solvency and the ability to meet lease obligations. Demonstration of financial capacity may include, as determined by staff, the submission of financial information such as profit and loss statements, balance sheets, and/or bank statements.

7. Approval Authority

This section describes the final approvals required to issue a Property Access Agreement after staff completes its review and recommends the request for approval.

If the Property Access Agreement is within the authority of the Executive Director, as described below, the Executive Director or their designee may execute the agreement. If the request falls within the Board's authority, the Executive Director may sign the agreement only after being delegated authority by the Board.

7.1. Authority of the Executive Director

The Executive Director (or their designee) may approve new Property Access Agreements without the prior approval of the Board, provided that the request will not have an adverse impact on the use or potential future development of JPB-owned Property for JPB purposes and that the following conditions are met:

- The Property Access Agreement is for a total term, including option(s), of ten (10) years or less;
- Required fees have been paid and/or agreement terms provide Fair Market Rent, unless waived as in section 7.1.1; and
- The agreement has been determined by staff to meet Baseline Conditions and contains all Required Conditions.

Extensions or renewals of executed lease agreements may be reviewed and approved by the Executive Director or their designee on the same basis provided the extension or renewal complies with the Guiding Principles and applicable review criteria.

7.1.1. Fee Waiver Authority

The Executive Director (or their designee) may waive fees established in the associated fee schedule when doing so is determined in the best interest of the JPB or supports JPB operational, strategic, or community objectives.

Fee waivers shall be granted at the sole discretion of the Executive Director and may be considered under the following circumstances:

- When the permittee provides JPB with goods or services of generally equivalent or greater value than the applicable fees;
- When the agreement relates to an event for which JPB is a co-sponsor or strategic partner;
- When the agreement promotes transit use, ridership, or public awareness of Caltrain services;
- When the permittee is a governmental agency, nonprofit organization, or private entity whose activities provide public, operational, or strategic benefit to the JPB.

7.2. JPB Review and Approval

All conveyances of permanent property rights, as well as any other requests, including leases and fee waivers, that do not fall within the authority of the Executive Director will be submitted to the Board of Directors for review and action.

The Property Access Agreement may be issued only after the applicant pays appropriate compensation as set forth in the JPB's Fee Schedule, below. For lease agreements, issuance is conditioned upon payment of any required security deposit or any other upfront payments as determined through lease negotiations.

PENINSULA CORRIDOR JOINT POWERS BOARD

FEE SCHEDULE FISCAL YEAR 2026-2030

REASON FOR FEES

The Purpose of the Real Estate Processing Fee and the RCUP Use Variance Fee is to recoup costs associated with staff time to negotiate and draft the real estate document or review the Use Variance, legal time for review of documents and staff time to set up and monitor the project, as necessary. Annual License and Permit Fees represent the value of the encumbrance to the property created by the agreement.

PERIODIC REVIEW OF FEES

Fees shall be reviewed periodically and updated to reflect the JPB's costs of processing permits and administrating agreements. The Fee Schedule incorporates a standard annual escalation of three (3) percent per year to account for inflation and administrative cost growth. The Executive Director may suspend the annual escalation, if warranted.

PROPERTY ACCESS AGREEMENTS AND ASSOCIATED FEES

Property Access Agreement types are defined in the Peninsula Corridor Joint Powers Board's (JPB) "Policy Regarding Processing of Requests for Conveyance of Property Interests Involving Property Owned by the JPB." Fees for Fiscal Years 2026–2030 are set forth below for reference.

<table>
<tr><th>Fee</th><th>FY2026</th><th>FY2027</th><th>FY2028</th><th>FY2029</th><th>FY2030</th></tr>
<tr><td colspan="6">Right of Entry Permit and License Agreement</td></tr>
<tr><td>Processing Fee</td><td>$2,700</td><td>$2,781</td><td>$2,864</td><td>$2,950</td><td>$3,039</td></tr>
<tr><td>Annual Fee (≤2,000 SF)</td><td>$5,500</td><td>$5,665</td><td>$5,835</td><td>$6,010</td><td>$6,190</td></tr>
<tr><td>Annual Fee (>2,000 SF)</td><td colspan="5">Fair market value (not less than $5,500)</td></tr>
<tr><td colspan="6">Special Licenses</td></tr>
<tr><td>Longitudinal Fiber Fees</td><td colspan="5">Fair market value per strand per lineal foot</td></tr>
<tr><td colspan="6">Special Use Permit</td></tr>
<tr><td>Processing Fee</td><td>$1,600</td><td>$1,648</td><td>$1,697</td><td>$1,748</td><td>$1,801</td></tr>
<tr><td>Permit Fee</td><td colspan="5">Fair market value</td></tr>
<tr><td colspan="6">Lease Agreement</td></tr>
<tr><td>Monthly Rent</td><td colspan="5">Fair market rent, but not less than $500 per Month</td></tr>
<tr><td colspan="6">*Fair Market Values and rents are determined by staff at the time of the agreement.</td></tr>
</table>

SERVICE AGREEMENTS AND ASSOCIATED FEES

If staff determines that review of a request to access property will exceed the estimated staff and attorney time reflected by the fees in the adopted fee schedule, the applicant shall enter into a Service Agreement with the JPB. The Service Agreement sets forth the terms and conditions under which the applicant will reimburse the JPB for all actual costs of providing the services and materials required to support the applicant's proposed project (including applicable general and administrative overhead costs) and for costs associated with processing the Property Access Agreement. A Service Agreement conveys neither property rights nor right to use property.

Payment Policy

Service Agreements Valued under $50,000:

Service Agreements with an estimated cost of less than $50,000 or Service Agreements that will be completed in 120 days or less require full prepayment.

Service Agreements Valued over $50,000:

If the Service Agreement has an estimated total project cost of more than $50,000 or will last more than 120 days, a payment option may be pre-arranged on a case-by-case basis. A minimum 10% deposit with monthly progress billings or a deposit based on a cash flow analysis with monthly progress billings (whichever is greater) may be arranged and approved at the discretion of staff. Payments under a progress billing are due 30 days following the date of invoice. All overdue balances due to the JPB not contested in writing by the due date shall bear interest at the rate of 1.5% per month, compounded monthly, from the due date. Additionally, the JPB may require that all work cease until all overdue payments are received in full.

RAIL CORRIDOR USE POLICY USE VARIANCE FEE

All proposed non-railroad uses of JPB property that are six months or longer in duration must be determined to be compatible with the railroad's current and future uses, as demonstrated through compliance with the Board-adopted Rail Corridor Use Policy (RCUP).

The RCUP review process does not charge a fee for the initial compatibility review(s) of proposed uses. However, if a proposed use is determined to be incompatible with the railroad's current and future needs after the initial compatibility review, the third-party applicant may request an RCUP Use Variance. A non-refundable Base Fee must be fully paid by the applicant at the time of submitting the RCUP Use Variance application. The RCUP Use Variance Review Base Fee is intended to cover JPB costs for reviewing most Use Variance applications and reflects staff and attorney time; however, in cases where a more extensive review is required, the JPB may charge an additional fee to cover costs (on top of the Base Fee). Information about the RCUP review process, including the Use Variance process and fees, can be found in the adopted Rail Corridor Use Policy, available on Caltrain's website.

Fees for Fiscal Years 2026–2030 are set forth below for reference.

Fee	FY2026	FY2027	FY2028	FY2029	FY2030
RCUP Variance Base Fee	$2,600	$2,678	$2,758	$2,841	$2,926

Resolution No. 2026-

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

* * *

Adopt Updated Policy Regarding Conveyance of Property Interests Involving Property Owned by the Peninsula Corridor Joint Powers Board and Fee Schedule

Whereas the Peninsula Corridor Joint Powers Board (JPB), owns various properties, including the Caltrain right of way, which are the subject of numerous requests for use by various public and private parties; and

Whereas, in order to respond to third-party requests to enter or use JPB property, on October 7, 2010, pursuant to Resolution 2010-45, updated on April 1, 2021, pursuant to Resolution 2021-18, the Board of Directors (Board) adopted a Policy Regarding Processing of Requests for Conveyance of Property Interests Involving the Property Owned by JPB (Policy); and

Whereas, the Policy includes a Fee Schedule to allow the JPB to recoup costs associated with handling such requests and to generate revenue from the use of JPB property by third parties; and

Whereas, on February 6, 2020, pursuant to Resolution 2020-05, the Board adopted the Caltrain Rail Corridor Use Policy (RCUP) to facilitate agency review of potential uses of JPB property to ensure they are compatible with the railroad's current and future needs; and

Whereas, staff has updated the Policy to support effective and efficient leasing and property management; improve cost recovery and revenue alignment; and enhance policy clarity and usability; and

Whereas, on April 29, 2026, the Board held a public hearing to seek and consider input on the revised Fee Schedule.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby approves the updated "Policy Regarding Process of Requests for Conveyance of Property interests Involving Property Owned by the Peninsula Corridor Joint Powers Board" (now referred to as "The Peninsula Corridor Joint Powers Board Property Conveyance Policy"), and associated Fee Schedule, attached hereto; and

Now, Therefore, Be It Resolved that the Executive Director is authorized to approve or deny requests for access to, or use of, JPB property in accordance with the attached Policy.

Regularly passed and adopted this 7th day of May, 2026 by the following vote:

Ayes:

Noes:

Absent:

____
Chair, Peninsula Corridor Joint Powers Board

Attest:

____
JPB Secretary

Peninsula Corridor Joint Powers Board
Staff Report

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Kate Jordan Steiner, Chief Financial Officer

For: May 2026 JPB Board of Directors Meeting

Subject: **Authorize the Issuance of Peninsula Corridor Joint Powers Board Measure RR Sales Tax Revenue Refunding Bonds in a Principal Amount Not to Exceed $17,000,000; Approve the Forms of a Fifth Supplemental Indenture of Trust, an Escrow Agreement, a Bond Purchase Agreement, a Preliminary Official Statement and a Continuing Disclosure Agreement to be Executed in Connection Therewith; Authorize the Execution and Delivery Thereof; and Authorize the Taking of All Other Actions Necessary in Connection with the Issuance of Measure RR Sales Tax Revenue Refunding Bonds**

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

Purpose and Recommended Action

Staff proposes that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB or Caltrain) approve a set of actions required to refinance farebox revenue bonds issued in 2019 using Measure RR sales tax to achieve approximately $2.62 million in savings over the term of the bonds by:

1. Adopting a resolution authorizing the issuance and sale of not to exceed $17,000,000 of the Board's Measure RR Sales Tax Revenue Refunding Bonds, 2026 Series A (the "2026 Refunding Bonds"), with a True Interest Cost not exceeding 5 percent, and an underwriter's discount not exceeding 0.75 percent to refund the 2044 and 2049 maturities of the Board's outstanding Farebox Revenue Bonds, 2019 Series A;

2. Approving the substantially final forms of financing documents provided with this staff report, including the Fifth Supplemental Indenture, the Escrow Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement; and

3. Authorizing the Executive Director, the Chief Financial Officer, the Chief of Commercial and Business Development of the JPB and the Manager, Treasury Debt and Investments of the JPB or any designee thereof to execute these financing documents and take other actions as may be required to implement the above actions.

Discussion

The issuance of the 2026 Refunding Bonds is expected to result in total cash flow savings of approximately $2.62 million from Fiscal Year (FY) 2027 through FY50, and net present value savings of approximately $1.45 million. These savings estimates are based on interest rates as of April 10, 2026.

Background

Existing Bonds

On February 22, 2019, the JPB issued $47,635,000 in Farebox Revenue Bonds 2019 Series A (the "2019 Bonds"), which refinanced certain prior obligations and financed the acquisition of two facilities that the JPB previously leased. The 2019 Bonds, which mature on October 1, 2044, and 2049, in an aggregate principal amount of $16,070,000, are callable on October 1, 2026, and may be refunded for savings in the current market. The remaining maturities of the 2019 Bonds are callable on October 1, 2029.

The interest rate on the 2044 and 2049 maturities is 5 percent. The JPB's aggregate debt service expense with respect to these maturities is $31,666,500. Unless the 2026 Refunding Bonds are issued, debt service will remain at this level.

Based on an analysis of the economic considerations affecting the October 1, 2044, and 2049 maturities of the 2019 Bonds, staff is proposing to refinance such maturities (the "Refunded 2019 Bonds") to reduce the aggregate debt service costs by approximately $2.62 million based on interest rates as of April 10, 2026.

Objectives in Structuring 2026 Refunding Bonds

In designing the structure of the 2026 Refunding Bonds, staff and the JPB's financing team had the following objectives:

- Replace the JPB's lower rated farebox revenue bond credit with higher rated Measure RR sales tax bonds;
- Provide cash flow savings in each year from FY27 through FY50;
- Utilize a traditional fixed rate financing structure;
- Maintain the same final maturity of October 1, 2049;
- Achieve the highest bond ratings from Standard and Poor's.

Staff and the JPB's municipal advisor believe that the recommended 2026 Refunding Bond structure meets the objectives for the refinancing outlined above.

Mechanics of the Refinancing

Currently, the JPB pays the debt service on the Refunded 2019 Bonds from Caltrain's farebox revenues. The 2019 Bonds are rated "AA-" from Standard and Poor's (and "A1" from Moody's and "A+" from Kroll). The 2026 Refunding Bonds will be paid from Measure RR sales tax revenues on a parity with the JPB's $140,000,000 Measure RR Sales Tax Revenue Bonds (Green Bonds – Climate Bond Certified), 2022 Series A, which are rated "AA+" by Standard and Poor's. Both farebox revenues and Measure RR sales tax revenues are part of the JPB's annual operating budget.

- The refinancing of the Refunded Bonds involves issuing the 2026 Refunding Bonds, the proceeds of which will be used to pay transaction costs and to purchase "escrow securities" (i.e. U.S. government securities) to be held in an Escrow Fund.

- The principal and interest earnings from the escrow securities will be used to repay the outstanding principal ($16,070,000) of the Refunded 2019 Bonds, plus accrued interest, on the redemption date of October 1, 2026. Upon the issuance of the 2026 Refunding Bonds and the deposit of the escrow securities in the Escrow Fund, the Refunded Bonds will be considered "legally defeased" and will no longer be treated as outstanding debt of the JPB. The debt service associated with the Refunded 2019 Bonds will be replaced by the lower debt service associated with 2026 Refunding Bonds.

Financing Team

The finance team for the 2026 Refunding Bonds consists principally of the following:

- Underwriter – The Underwriter for the 2026 Refunding Bonds is Bank of America (BofA) Securities, Inc. (Underwriter). The Underwriter was selected in connection with a request for proposal (RFP) process in which RFPs were distributed to 8 firms. The Underwriter will purchase the 2026 Refunding Bonds from the Board for sale to investors

- Bond Counsel – Nixon Peabody LLP will serve as bond and disclosure counsel. Nixon Peabody was previously selected in connection with an RFP process in which RFPs were distributed to 7 firms. Nixon Peabody LLP will prepare the financing documents needed for the 2026 Refunding Bonds and render an opinion that the 2026 Bonds are legal obligations of the JPB and that interest on the 2026 Refunding Bonds is tax-exempt.

- Municipal Advisor – Ross Financial will serve as the Board's municipal advisor for the 2026 Refunding Bonds. Ross Financial was previously selected as one of the Board's municipal advisors in 2019 in connection with an RFP process conducted by Board staff.

- Trustee and Escrow Agent – U.S. Bank Trust Company will be serving as Trustee and Escrow Agent. U.S. Bank currently serves in this role with respect to the 2019 Bonds.

- Underwriter's Counsel – Kutak Rock LLP will serve as Underwriter's Counsel. Kutak was selected by the Underwriter. Kutak will prepare the Bond Purchase Agreement between the Board and the Underwriter with respect to the 2026 Refunding Bonds and will review the financing and disclosure documents on their behalf.

Overview of Financing Documents

Staff is requesting Committee and Board approval of the substantially final forms of several financing documents required to execute the 2026 Refunding Bonds. Each financing document either has been prepared by the Board's bond counsel, Nixon Peabody, LLP, or has been reviewed by Nixon Peabody, LLP. All financing documents also have been reviewed by the Board's General Counsel and by the JPB's Municipal Advisor. Each financing document is described briefly below and available in the Supplemental Reading File for this agenda item.

Fifth Supplemental Indenture

The Fifth Supplemental Indenture is between the JPB and the Trustee and sets forth the terms of the 2026 Refunding Bonds.

Preliminary Official Statement

The Preliminary Official Statement is the document that will be distributed to potential investors in connection with the marketing of the 2026 Refunding Bonds by the Underwriter. It provides information relating to the terms of the 2026 Refunding Bonds, the security for their repayment, information concerning the JPB and potential investment risks related to the 2026 Refunding Bonds. As required by the U.S. Securities and Exchange Commission, the document must be true and correct in all material respects and may not contain any untrue statement of material fact or omit any material fact. After the 2026 Refunding Bonds are priced, a Final Official Statement will be prepared with final pricing information, but will otherwise generally mirror the Preliminary Official Statement.

Escrow Agreement

This is an agreement between the JPB and U.S. Bank as Escrow Agent regarding the administration of the escrow fund that will hold the Treasury Securities used to pay principal and accrued interest on the Refunded 2019 Bonds until October 1, 2026, at which time the Refunded 2019 Bonds will be fully paid off.

Bond Purchase Agreement

This is an agreement between the JPB and the Underwriter, which sets forth the terms and conditions under which the Underwriter will purchase the 2026 Refunding Bonds from the Board. Under this Agreement, the Underwriter will receive compensation and expense reimbursement in the form of an Underwriters' discount. The compensation and expense reimbursement is contingent upon the closing of the 2026 Refunding Bonds.

Continuing Disclosure Agreement
This is an agreement between the JPB and U.S. Bank, serving as Dissemination Agent, under which the JPB agrees to provide certain financial and operating information on an annual basis and agrees to provide notices of certain specified events to the marketplace for the life of the 2026 Refunding Bonds, as required by U.S. Securities and Exchange Commission (SEC) Rule 15c2-12.

Costs Associated with the 2026 Refunding Bonds
Senate Bill 450 (SB 450) - (Chapter 625 of the 2017-2018 Session of the California Legislature) requires that the governing body of a public body obtain prior to authorizing the issuance of bonds with a term of greater than 13 months, a good faith estimate of the following information and present it in a meeting open to the public. This staff report satisfies SB 450.

- Transaction costs to issue the 2026 Refunding Bonds are estimated to be $275,000. These costs include bond/disclosure counsel, municipal advisor, the rating agency, trustee, underwriter's discount and other miscellaneous fees. All costs, including the underwriter's discount, are anticipated to be paid from the proceeds of the 2026 Refunding Bonds.

- According to the Underwriter, based on market conditions as of April 10, 2026, the estimated **true interest cost** for the 2026 Refunding Bonds was 4.2204 percent.

- Remaining net proceeds from a refunding of the Refunded Bonds after payment of issuance costs and underwriter's discount are estimated to be $16,330,156, which, along with other funds held by Trustee, will be used to retire the Refunded Bonds. Total debt service on the 2026 Refunding Bonds, assuming interest rates as of April 10, 2026, is estimated at $29,043,133.

This staff report and associated presentation at the May 7th Board meeting satisfy SB 450.

Remaining Steps in 2026 Refunding Bonds
In anticipation of their issuance, the JPB requested a rating from Standard and Poor's on the 2026 Refunding Bonds before the May 7th Board meeting.

If the Committee and Board approve the staff recommendation, staff and its financing team will proceed as quickly as possible to bring the 2026 Refunding Bonds to market. The following steps will occur prior to the closing of the 2026 Refunding Bonds, which is currently scheduled for early July 2026 (subject to change based on market conditions):

- Finalization of the Preliminary Official Statement, and distribution of the document to potential investors;

- Pricing of the 2026 Refunding Bonds;

- Purchase of the Escrow Securities;
- Closing of the 2026 Refunding Bonds.

Staff expects to report back to the Board on the final results of the 2026 Refunding Bonds at the July 2026 Board meeting.

Budget Impact
Execution of the 2026 Refunding Bonds is expected to result in aggregate debt service reductions (also known as “cash flow savings”) from FY27 through FY50 in the amount of approximately $2.62 million, based on current interest rate levels. On a net present value basis, the savings are approximately $1.45 million. These estimates are subject to change based on changes in interest rates between now and when the 2026 Refunding Bonds are priced, which is currently expected in early June 2026.

Prepared By:	Daniel Yap	Senior Financial Analyst	4/15/2026
	Kyle Huie	Manager, Accounting	4/15/2026

Resolution No. 2026-

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

*** * ***

Authorize the Issuance of Peninsula Corridor Joint Powers Board Measure RR Sales Tax Revenue Refunding Bonds in a Principal Amount Not to Exceed $17,000,000; Approve the Forms of a Fifth Supplemental Indenture of Trust, an Escrow Agreement, a Bond Purchase Agreement, a Preliminary Official Statement and a Continuing Disclosure Agreement to be Executed in Connection Therewith; Authorize the Execution and Delivery Thereof; and Authorize the Taking of All Other Actions Necessary in Connection with the Issuance of Measure RR Sales Tax Revenue Refunding Bonds

Whereas, the Peninsula Corridor Joint Powers Board (the "JPB"), a public entity duly organized and existing as a joint exercise of powers agency under and by virtue of the laws of the State of California, created pursuant to the Joint Exercise of Powers Agreement-Peninsula Corridor Project, made and entered into as of October 3, 1996 (the "JPA Agreement"), by and among the Santa Clara Valley Transportation Authority, formerly known as the Santa Clara County Transit District, the City and County of San Francisco and the San Mateo County Transit District (each, a "Member Agency," and, hereinafter collectively referred to as the "Member Agencies"), oversees and operates the Caltrain commuter rail service ("Caltrain"); and

Whereas, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the JPA Agreement, the JPB is authorized to issue debt, including revenue debt, from time to time to finance the costs of public capital improvements, including mass transit facilities and vehicles, whenever there are significant public benefits (as such term is defined in the Act) from doing so; and

Whereas, the JPB has heretofore issued $47,635,000,000 aggregate principal amount of Peninsula Corridor Joint Powers Board Farebox Revenue Bonds, 2019 Series A (the "2019 Series

A Bonds"), $41,440,000 of which are outstanding, pursuant to a Trust Agreement, dated as of October 1, 2007 (as supplemented and amended from time to time pursuant to its terms, the "Existing Trust Agreement"), by and between the District and U.S. Bank Trust Company, National Association (as successor in name to U.S. Bank National Association, "U.S. Bank," and U.S. Bank acting in such capacity, the "Existing Trustee"); and

Whereas, on November 3, 2020, the voters in the City and County of San Francisco, San Mateo County and Santa Clara County approved Measure RR ("Measure RR"), which provides the JPB with a dedicated revenue source consisting of a 1/8th cent sales and use tax on taxable transactions in those counties (the "Measure RR Sales Tax"), the collection of which commenced on July 1, 2021, and currently expires in thirty years; and

Whereas, the JPB previously received approval from its Member Agencies to utilize and leverage the Measure RR Sales Tax by issuing Measure RR obligations and bonds to fund a portion of additional capital costs associated with completing the Peninsula Corridor Electrification Project, and, in connection therewith, each of the Member Agencies also approved the refunding of the 2019 Series A Bonds with Measure RR Sales Tax at such time or times that such refunding produces debt service savings; and

Whereas, in order to take advantage of favorable market conditions to reduce debt service, the JPB desires to refund and defease the 2044 and 2049 maturities of the 2019 Series A Bonds that are callable on October 1, 2026 (the "Callable 2019 Series A Bonds"); and

Whereas, in order to provide the funds necessary to refund and defease the Callable 2019 Series A Bonds, the JPB hereby determines to issue sales tax revenue refunding bonds to be designated as the Peninsula Corridor Joint Powers Board Measure RR Sales Tax Revenue

Refunding Bonds, 2026 Series A (hereinafter referred to as the "2026 Series A Bonds"), such 2026 Series A Bonds to be issued in an aggregate principal amount not to exceed $17,000,000, which is the estimated cost of accomplishing the purposes for which such 2026 Series A Bonds (and the costs of issuance thereof) are being issued and which amount does not exceed the amount of sales tax revenue refunding bonds which the JPB is authorized to issue pursuant to the Law and Measure RR; and

Whereas, the 2026 Series A Bonds shall be issued pursuant to an Indenture of Trust (the "Master Indenture"), dated as of August 1, 2021, by and between the JPB and U.S. Bank, as trustee (U.S. Bank acting in such capacity being hereinafter referred to as the "Trustee"), and a Fifth Supplemental Indenture of Trust thereto (the "Supplemental Indenture"), which is proposed to be entered into between the JPB and the Trustee, for the purpose of providing funds to refund and defease the Callable 2019 Series A Bonds; and

Whereas, there has been prepared and placed on file with the Secretary of the governing body of the JPB (hereinafter referred to as the "JPB Secretary") a proposed form of the Supplemental Indenture; and

Whereas, in order to facilitate the refunding and defeasance of the Callable 2019 Series A Bonds, the JPB proposes to enter into an Escrow Agreement (the "Escrow Agreement") with U.S. Bank Trust Company, National Association, as Existing Trustee and as escrow agent (U.S. Bank Trust Company, National Association acting in such capacity being hereinafter referred to as the "Escrow Agent"); and

Whereas, there has been prepared and placed on file with the JPB Secretary a proposed form of Escrow Agreement; and

Whereas, Bank of America (BofA) Securities, Inc. (the "Underwriter") intends to purchase the 2026 Series A Bonds pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement"), which Bond Purchase Agreement is proposed to be entered into between the Underwriter and the JPB; and

Whereas, there has been prepared and placed on file with the JPB Secretary a proposed form of Bond Purchase Agreement; and

Whereas, in order to facilitate the offering of the 2026 Series A Bonds by the Underwriter, the JPB proposes to approve, execute and deliver a Preliminary Official Statement (the "Preliminary Official Statement") describing the 2026 Series A Bonds and certain related matters; and

Whereas, there has been prepared and placed on filed with the JPB Secretary a proposed form of Preliminary Official Statement describing the 2026 Series A Bonds and certain related matters; and

Whereas, in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15(c)2-12(b)(5) ("Rule 15(c)2-12"), the JPB proposes to enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") with the Trustee, acting as dissemination agent; and

Whereas, there has been prepared and placed on file with the JPB Secretary a proposed form of Continuing Disclosure Agreement; and

Whereas, in order to accomplish the foregoing, it will be necessary for the JPB to enter into or approve and deliver the following agreements and instruments, forms of which have been prepared and placed on file with the JPB Secretary prior to this meeting:

(1) Fifth Supplemental Indenture;

(2) Escrow Agreement;

(3) Bond Purchase Agreement;

(4) Preliminary Official Statement; and

(5) Continuing Disclosure Agreement.

Whereas, the JPB desires to authorize the issuance of the 2026 Series A Bonds, and to authorize the taking of such other actions as shall be necessary to consummate the issuance of the 2026 Series A Bonds, as described in the Fifth Supplemental Indenture, the Escrow Agreement, the Bond Purchase Agreement, the Preliminary Official Statement and the Continuing Disclosure Agreement (hereinafter collectively referred to as the "Refunding Documents") and herein, and to authorize the taking of various actions in connection therewith; and

Whereas, in accordance with Government Code Section 5852.1, the JPB has obtained and disclosed the information required thereby in the staff report accompanying this Resolution; and

Now therefore, be it resolved by the governing body of the Peninsula Corridor Joint Powers Board as follows:

Section 1. **Findings**. The JPB hereby finds and determines that the foregoing recitals are true and correct.

Section 2. **Authorization of Issuance of the Bonds**. The issuance of the 2026 Series A Bonds in an amount not to exceed $17,000,000 is hereby authorized and approved. The Executive Director of the JPB, the Chief Financial Officer of the JPB, the Chief of Commercial and Business Development of the JPB and the Manager, Treasury Debt and Investments of the JPB or any designee thereof (each, an "Authorized Representative") is hereby authorized and directed, for and in the name and on behalf of the JPB, to execute and deliver, and the JPB Secretary is hereby authorized and directed, for and in the name and on behalf of the JPB, to acknowledge and deliver the 2026 Series A Bonds in substantially said form, with such changes therein as the Authorized Representative executing the same, with the advice of the general counsel to the JPB ("General Counsel") and Nixon Peabody LLP as Bond Counsel to the JPB ("Bond Counsel"), may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. **Approval of Fifth Supplemental Indenture**. The proposed form of Fifth Supplemental Indenture placed on file with the JPB Secretary prior to this meeting is hereby approved. Each Authorized Representative is hereby authorized and directed, for and in the name and on behalf of the JPB, to execute and deliver, and the JPB Secretary is hereby authorized and directed, for and in the name and on behalf of the JPB, to acknowledge and deliver, a Fifth Supplemental Indenture, in substantially said forms, with such changes therein as the Authorized Representative executing the same, with the advice of General Counsel and Bond Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. Interest payment dates, denominations, forms, series designation, registration and exchange privileges, place or places of payment, tender provisions, terms of redemption and other terms of the 2026 Series A Bonds shall be as provided in the 2026 Series A Bonds and the Fifth Supplemental Indenture, as finally executed and delivered, the approval by the JPB of said final forms of the 2026 Series A Bonds to be conclusively evidenced by the execution and delivery thereof. The date, maturity date or dates (which shall not exceed the expiration of Measure RR) yields (with a True Interest Cost not-to-exceed 5 percent), interest payment dates, denominations, forms, series designation, registration and exchange privileges, place or places of payment, tender provisions, terms of redemption and other terms of the 2026 Series A Bonds shall be as provided in the Fifth Supplemental Indenture, as finally executed and delivered, the approval by the JPB of said final form of Fifth Supplemental Indenture to be conclusively evidenced by the execution and delivery thereof.

Section 4. Approval of Escrow Agreement. The proposed form of Escrow Agreement placed on file with the JPB Secretary prior to this meeting is hereby approved. Each Authorized Representative is authorized and directed to execute and deliver the Escrow Agreement to the Existing Trustee and the Escrow Agent, in substantially the form of the Escrow Agreement presented to this meeting, with such additions thereto or changes therein, as such officer executing the same may require or approve, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Escrow Agreement.

Section 5. Application of Proceeds of the Bonds. The proceeds of the 2026 Series A Bonds shall be applied to finance the refunding of the Callable 2019 Series A Bonds and costs of issuance related thereto, all in accordance with and as more particularly described in the Fifth Supplemental Indenture as finally executed and delivered.

Section 6. Approval of Bond Purchase Agreement. The proposed form of Bond Purchase Agreement placed on file with the JPB Secretary prior to this meeting is hereby approved. The sale of the 2026 Series A Bonds to the Underwriter at the principal amount thereof, less an underwriter's discount of not to exceed 0.75 percent of such principal amount, less any original issue discount, plus any original issue premium, in accordance with said form of Bond Purchase Agreement, is hereby approved. Each Authorized Representative, acting alone, is hereby authorized and directed, for and in the name and on behalf of the JPB, to execute and deliver a Bond Purchase Agreement in connection with the sale by the JPB and the purchase by the Underwriter, such Bond Purchase Agreement to be in substantially said form, with such changes therein as the Authorized Representative executing the same, with the advice of the General Counsel and Bond Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Approval of Preliminary Official Statement. The proposed form of Preliminary Official Statement placed on file with the JPB Secretary prior to this meeting is hereby approved. Each Authorized Representative, acting alone, is hereby authorized and directed, for and in the name and on behalf of the JPB, to execute and deliver to the Underwriter a final Official Statement, in substantially said form, with such changes therein as the Authorized Representative executing the same, with the advice of the General Counsel and Bond Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby authorized to distribute copies of said Official Statement, as finally executed, to persons who may be interested in the purchase of 2026 Series A Bonds and is hereby directed to deliver such copies to all actual purchasers of 2026 Series A Bonds.

The execution by either Authorized Representative of a certificate deeming the Preliminary Official Statement in preliminary form final on behalf of the JPB for purposes of

Rule 15c2-12, and the distribution of the Preliminary Official Statement, in such preliminary form as shall be deemed final by either Authorized Representative, is hereby authorized and approved.

Section 8. **Approval of Continuing Disclosure Agreement**. The proposed form of Continuing Disclosure Agreement attached to the Preliminary Official Statement and placed on file with the JPB Secretary prior to this meeting is hereby approved. Each Authorized Representative, acting alone, is hereby authorized and directed, for and in the name and on behalf of the JPB, to execute and deliver a Continuing Disclosure Agreement, in substantially said form, with such changes therein as the Authorized Representative executing the same, with the advice of the General Counsel and Bond Counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. **Approval of Professionals.** In connection with the 2026 Series A Bonds, the JPB hereby approves the appointment of (a) Ross Financial, as Municipal Advisor, (b) BofA Securities, Inc., as Underwriter, (b) Nixon Peabody LLP, as Bond Counsel and Disclosure Counsel, and (c) U.S. Bank Trust Company, National Association, as Trustee and Escrow Agent. The JPB is hereby authorized and directed to execute services agreements with these financing team members, to the extent necessary.

Section 10. **Completion of Financing**. Each Authorized Representative, the JPB Secretary and other appropriate staff of the JPB are each hereby authorized and directed, for and in the name and on behalf of the JPB, to do any and all things and to take any and all actions and to execute and deliver any and all agreements, certificates, documents, instruments and instructions, including, without limitation, the Refunding Documents, the certificates concerning the representations in any of the Refunding Documents, disclosure certificates, no-litigation certificates, signature certificates, tax certificates, investment instructions and contracts for rebate compliance services or other post-issuance compliance services, including, but not limited to, post-issuance tax-compliance services, and to do any and all things and take any and all actions which may be necessary or advisable to effectuate the actions which the JPB has approved in this Resolution, and to carry out, consummate and perform the duties of the JPB set forth in the Refunding Documents.

Section 11. Authorized Representative; Subsequent Actions. All approvals, consents, directions, notices, orders, requests and other actions permitted or required by any of Refunding Documents or by any of the other documents authorized by this Resolution, including, without limitation, any of the foregoing which may be necessary or desirable in connection with any investment of the proceeds of the 2026 Series A Bonds, any investment or reinvestment of the amounts held on deposit in any of the funds and accounts established by the Master Indenture and the Refunding Documents, any amendment of any of the Master Indenture or Refunding Documents, any amendment of any other agreements, documents or certificates authorized by this Resolution, may be given or taken or made, as applicable, by any Authorized Representative without further authorization or direction by the governing body of the JPB, and each Authorized Representative is hereby authorized and directed to give any such approval, consent, direction, notice, order, request or other action and to take any such action which such Authorized Representative may deem necessary or desirable to further the purposes of this Resolution.

Section 12. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution which shall continue in full force and effect.

Section 13. Effective Date. This Resolution shall take effect immediately upon its passage.

Regularly passed and adopted this 7th day of May 2026 by the following vote:

Ayes:

Noes:

Absent:

____
Chair, Peninsula Corridor Joint Powers Board

Attest:

____
JPB Secretary

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	James Harrison, General Counsel
For:	May 2026 JPB Board of Directors Meeting
Subject:	**Adopt Caltrain Salary Ordinance**

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

Purpose and Recommended Action

Consistent with the recommendation of the Governance Ad Hoc Committee and staff's presentation at the March 2026 Peninsula Corridor Joint Powers Board (JPB or Caltrain) Board of Directors (Board) meeting, staff recommend that the JPB Board adopt a salary ordinance establishing a pay schedule for Caltrain employees consistent with the Caltrain salary schedule approved by the Board of Directors of the San Mateo County Transit District (SamTrans) while reserving its authority to make changes to the ordinance in the future, based on data and analysis from staff, and confirming the Executive Director's authority to set salaries for Caltrain employees pursuant to the ordinance. Staff will propose any updates to the salary ordinance on an annual basis as part of the budget process.

Discussion

Background:

Caltrain employees currently accrue pension and healthcare benefits through SamTrans's contracts with the California Public Employees Retirement System (CalPERS). Following the execution of the Governance Memorandum of Understanding (MOU), CalPERS contacted SamTrans for information about the employment status of Michelle Bouchard and other rail employees. Separately, counsel for the Member Agencies and Caltrain had determined that rail employees should be treated as common law employees of Caltrain, rather than SamTrans, and that Caltrain should have a separate contract with CalPERS for the railroad's employees. In light of this plan, SamTrans and Caltrain requested that CalPERS defer its questions about rail employees' employment status while Caltrain pursued its own contract with CalPERS, and CalPERS agreed to do so. The proposed contract with CalPERS is critical to ensuring that rail employees continue to receive the same benefits they have received as SamTrans employees.

The California Public Employees Retirement Law permits an agency that establishes eligibility, both as a public entity and on a financial basis, to become a contracting agency with CalPERS. It further permits an agency that assumes the obligations of another agency, in whole or in part, to establish a successor agency contract to assume contractual responsibility for the accrued benefits of those employees. In April 2024, staff recommended that Caltrain, in close coordination with SamTrans, apply for a successor agency contract with CalPERS. Under a successor agency contract, the railroad's employees would be moved from the SamTrans plan to a new Caltrain plan, and Caltrain would continue its fiscal responsibility for providing pension and healthcare benefits for those employees under a separate contract with CalPERS.

On April 4, 2024, the Board authorized staff to apply to CalPERS to become a successor agency to SamTrans for the purpose of providing benefits to the railroad's employees, and on June 28, 2024, the JPB filed an application with CalPERS. CalPERS has since determined that Caltrain is financially eligible to contract with CalPERS. In addition, CalPERS has agreed to negotiate a successor agency contract with Caltrain, with an effective date of July 1, 2012. This will ensure that the railroad's employees continue to receive the same level of benefits to which they are currently entitled under the SamTrans contract. CalPERS, Caltrain, and SamTrans staff are currently in the process of identifying those employees who will be moved from the SamTrans plan to the Caltrain plan.

Before Caltrain can enter into a contract with CalPERS, the JPB must adopt a salary ordinance establishing a pay schedule for Caltrain employees. The Governance Ad Hoc Committee considered various proposals to address this requirement, including abiding by the salary schedule adopted by the SamTrans Board for all rail employees or adopting a salary schedule that aligns with the SamTrans salary ordinance for administrative positions performing similar functions but independently determines pay rates for rail-specific positions. The Governance Ad Hoc Committee ultimately recommended that the JPB should align with the SamTrans salary ordinance for administrative positions performing similar functions and independently determine pay rates for rail-specific positions. This proposal reflects Caltrain's desire to ensure equity between similar positions at both agencies, in light of the close relationship between SamTrans and Caltrain and the history of employees moving from one agency to the other, while supporting the JPB's authority to determine pay rates for its own employees, particularly with respect to rail specific positions.

SamTrans recently adopted a salary schedule for rail employees following a lengthy compensation study, including for rail positions. In light of SamTrans' work and in response to the Ad Hoc Committee recommendation, staff propose that the Board adopt the attached salary schedule (Exhibit "A") for Caltrain employees included in the ordinance approved by the SamTrans Board while preserving the JPB's authority to make modifications in the future, based on data and analysis of competitive rates for rail positions, and confirming the Executive Director's authority to establish salaries for Caltrain employees pursuant to the ordinance. While staff are concerned about the pay bands for certain positions, they will work through the existing exceptions process to address those concerns. In the future, staff will present proposed recommendations for changes to classification of positions in the salary ordinance based on analysis and data for similar positions. To ensure administrative ease, staff plan to use the existing pay grade framework established by SamTrans. Staff will propose any updates to the salary ordinance on an annual basis as part of the budget process.

Recommendation:
Staff recommend that the Board adopt the attached salary ordinance for Caltrain employees, reserve the Board's authority to make changes in the future, and confirm the Executive Director's authority to establish salaries for Caltrain employees pursuant to the ordinance.

Budget Impact
Salaries for Caltrain employees are included in Caltrain's operating budget.

Prepared By:	James Harrison	General Counsel	04/21/2026

SALARY PAY STRUCTURE

Grade	Pay Range Minimum	Pay Range 30%	Pay Range Midpoint	Pay Range 70%	Pay Range Maximum
A	$46,603	$52,195	$55,923	$59,652	$65,244
B	$48,933	$54,805	$58,720	$62,634	$68,506
C	$51,380	$57,545	$61,656	$65,766	$71,931
D	$53,949	$60,422	$64,738	$69,054	$75,528
E	$56,646	$63,444	$67,975	$72,507	$79,304
F	$59,478	$66,616	$71,374	$76,132	$83,270
G	$62,452	$69,946	$74,943	$79,939	$87,433
H	$65,575	$73,444	$78,690	$83,936	$91,805
I	$72,296	$80,972	$86,756	$92,539	$101,215
J	$79,707	$89,271	$95,648	$102,024	$111,589
K	$87,877	$98,422	$105,452	$112,482	$123,027
L	$96,884	$108,510	$116,261	$124,011	$135,637
M	$106,815	$119,632	$128,178	$136,723	$149,540
N	$117,763	$131,895	$141,316	$150,737	$164,868
O	$129,834	$145,414	$155,800	$166,187	$181,767
P	$143,142	$160,319	$171,770	$183,221	$200,398
Q	$157,814	$176,751	$189,376	$202,001	$220,939
R	$165,704	$185,589	$198,845	$212,102	$231,986
S	$173,990	$194,868	$208,787	$222,707	$243,585
T	$191,823	$214,842	$230,188	$245,534	$268,553
U	$211,485	$236,864	$253,782	$270,701	$296,080
V	$222,060	$248,707	$266,472	$284,236	$310,884
W	$244,821	$274,199	$293,785	$313,371	$342,749
X	$269,915	$302,305	$323,898	$345,491	$377,881

Table of Caltrain Position Classifications **Exhibit "B"**

Job Title	Pay Grade	Salary Range Minimum	Midpoint	Maximum
Administrative Analyst II	L	96,884	116,261	135,637
Administrative Analyst III	N	117,763	141,316	164,868
Administrative Support Specialist	I	72,296	86,756	101,215
Assistant Manager, Rail Operations	N	117,763	141,316	164,868
Assistant Project Manager, Warranty Analysis	N	117,763	141,316	164,868
Budget Analyst III	N	117,763	141,316	164,868
Business Operations Project Manager	O	129,834	155,800	181,767
CAD Technician	J	79,707	95,648	111,589
Chief of Staff	W	244,820	293,785	342,749
Chief Operating Officer, Rail	W	244,820	293,785	342,749
Chief Safety Officer	W	244,820	293,785	342,749
Chief, Diridon Station Redevelopment Program (Limited Term - 3 Years)	W	244,820	293,785	342,749
Chief, Rail Commercial & Business Development	W	244,820	293,785	342,749
Chief, Rail Planning	W	244,820	293,785	342,749
Construction Program Manager, Caltrain Capital Projects	R	165,704	198,845	231,986
Contract Administrator	N	117,763	141,316	164,868
Deputy Director, Caltrain Policy Development	S	173,990	208,787	243,585
Deputy Director, Capital Program Delivery	S	173,990	208,787	243,585
Deputy Director, Capital Program Planning	S	173,990	208,787	243,585
Deputy Director, Construction Services	S	173,990	208,787	243,585
Deputy Director, Infrastructure Engineering	S	173,990	208,787	243,585
Deputy Director, Program Management & Environmental Compliance	S	173,990	208,787	243,585
Deputy Director, Project Controls	S	173,990	208,787	243,585
Deputy Director, Quality Assurance & Standards	S	173,990	208,787	243,585
Deputy Director, Rail Operations	S	173,990	208,787	243,585
Deputy Director, Rail Systems Engineering	S	173,990	208,787	243,585
Deputy Director, Traction Power Engineering	S	173,990	208,787	243,585
Deputy Executive Director, Project Delivery and Caltrain Modernization	X	269,915	323,898	377,881
Director, Budgets and Financial Analysis	T	191,823	230,188	268,553
Director, Capital Program Delivery	U	211,485	253,782	296,080
Director, Capital Program Management	T	191,823	230,188	268,553
Director, Engineering	U	211,485	253,782	296,080
Director, Government & Community Affairs	T	191,823	230,188	268,553
Director, Grants and Fund Management	T	191,823	230,188	268,553
Director, Infrastructure Delivery	T	191,823	230,188	268,553
Director, Major Planning Projects	T	191,823	230,188	268,553
Director, Overhead Contact Systems (OCS)	T	191,823	230,188	268,553
Director, Rail Contracts & Budget	T	191,823	230,188	268,553
Director, Rail Maintenance	T	191,823	230,188	268,553
Director, Rail Network and Operations Planning	T	191,823	230,188	268,553
Director, Rail Vehicle Maintenance	T	191,823	230,188	268,553
Director, Real Estate Development	T	191,823	230,188	268,553
Director, Strategy and Policy	T	191,823	230,188	268,553
Director, Systemwide Planning & Policy	T	191,823	230,188	268,553
Director, Traction Power and Blended Systems	T	191,823	230,188	268,553
Document Controls Analyst	L	96,884	116,261	135,637
Engineer II	N	117,763	141,316	164,868
Engineer III	O	129,834	155,800	181,767

Table of Caltrain Position Classifications **Exhibit "B"**

Job Title	Pay Grade	Salary Range Minimum	Midpoint	Maximum
Enterprise Asset Management (EAM) Analyst II	N	117,763	141,316	164,868
Environmental Compliance Coordinator (Rail)	N	117,763	141,316	164,868
Estimator	O	129,834	155,800	181,767
Executive Assistant III	K	87,877	105,452	123,027
Manager, Asset Management	P	143,142	171,770	200,398
Manager, Business Partnerships	P	143,142	171,770	200,398
Manager, Caltrain Planning	P	143,142	171,770	200,398
Manager, Capital Projects and Environmental Planning	P	143,142	171,770	200,398
Manager, Cost Control	P	143,142	171,770	200,398
Manager, Energy	P	143,142	171,770	200,398
Manager, Engineering	Q	157,814	189,376	220,939
Manager, Engineering Standards	P	143,142	171,770	200,398
Manager, Engineering -Vehicles	P	143,142	171,770	200,398
Manager, Facility Engineering	P	143,142	171,770	200,398
Manager, Fleet Maintenance	P	143,142	171,770	200,398
Manager, Intelligent Infrastructure	P	143,142	171,770	200,398
Manager, Maintenance of Way	P	143,142	171,770	200,398
Manager, Maintenance Rail Equipment	P	143,142	171,770	200,398
Manager, OCS Traction Power Operations	P	143,142	171,770	200,398
Manager, Project Estimates	Q	157,814	189,376	220,939
Manager, Quality Control/Auditor	P	143,142	171,770	200,398
Manager, Rail Communications and Fiber Optics Maintenance	P	143,142	171,770	200,398
Manager, Rail Contracts and Budget	P	143,142	171,770	200,398
Manager, Rail Manuals & Training	P	143,142	171,770	200,398
Manager, Rail Network Engineering	P	143,142	171,770	200,398
Manager, Rail Operations	O	129,834	155,800	181,767
Manager, Rail Operations Planning	P	143,142	171,770	200,398
Manager, Records Management	O	129,834	155,800	181,767
Manager, Schedule Controls	P	143,142	171,770	200,398
Manager, Signal and Crossing	P	143,142	171,770	200,398
Manager, Standards and Procedures	P	143,142	171,770	200,398
Manager, Stations and Communications Maintenance	O	129,834	155,800	181,767
Manager, Systemwide Planning	P	143,142	171,770	200,398
Manager, Third Party Projects	P	143,142	171,770	200,398
Manager, TOD & Real Estate	P	143,142	171,770	200,398
Manager, Train Control Systems	P	143,142	171,770	200,398
Manager, Utilities	P	143,142	171,770	200,398
Network Administrator II, Rail	N	117,763	141,316	164,868
Office Engineer	N	117,763	141,316	164,868
Policy Program Manager	P	143,142	171,770	200,398
Principal Transporation Planner	O	129,834	155,800	181,767
Program Coordinator, Rail Customer Experience	M	106,815	128,178	149,540
Program Manager	R	165,704	198,845	231,986
Project Controls Analyst II	L	96,884	116,261	135,637
Project Controls Analyst III	N	117,763	141,316	164,868
Project Controls Analyst/Scheduler	L	96,884	116,261	135,637
Project Director, Diridon	T	191,823	230,188	268,553
Project Manager	O	129,834	155,800	181,767
Quality Assurance Engineer	N	117,763	141,316	164,868

Table of Caltrain Position Classifications **Exhibit "B"**

Job Title	Pay Grade	Salary Range Minimum	Salary Range Midpoint	Salary Range Maximum
Quality Assurance/Quality Control Auditor	N	117,763	141,316	164,868
Rail Liaison	N	117,763	141,316	164,868
Rail Operations Analyst III	N	117,763	141,316	164,868
Rail Safety Officer	N	117,763	141,316	164,868
Scheduler	O	129,834	155,800	181,767
Senior Cost Engineer	O	129,834	155,800	181,767
Senior Energy Analyst	N	117,763	141,316	164,868
Senior Manager, Rail Sysems Engineer	Q	157,814	189,376	220,939
Senior Project Manager	Q	157,814	189,376	220,939
Senior Rail Safety Officer	O	129,834	155,800	181,767
Senior Transportation Planner	M	106,815	128,178	149,540
Transportation Asset Management (TAM) Analyst II	N	117,763	141,316	164,868
Transportation Planner	L	96,884	116,261	135,637
Utility Coordinator	N	117,763	141,316	164,868

Resolution No. 2026-

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

* * *

Adopt Caltrain Salary Ordinance

Whereas, railroad employees who serve the Peninsula Corridor Joint Powers Board (JPB or Caltrain) currently accrue pension and healthcare benefits through the San Mateo County Transit District's (SamTrans) contracts with the California Public Employees Retirement System (CalPERS); and

Whereas, on April 4, 2024, the Board of Directors (Board) of the JPB authorized staff to apply to CalPERS to become a successor agency to SamTrans for the purpose of providing benefits to the railroad's employees, and on June 28, 2024, the JPB filed an application with CalPERS to become a successor agency. Since then, CalPERS has agreed to negotiate a successor agency contract with Caltrain, with an effective date of July 1, 2012, to ensure that the railroad's employees continue to receive the same level of benefits to which they are currently entitled under the SamTrans contract. CalPERS, Caltrain, and SamTrans staff are currently in the process of identifying those employees who will move from the SamTrans plan to the Caltrain plan; and

Whereas, before Caltrain can enter into a contract with CalPERS, the JPB must adopt a salary ordinance establishing a pay schedule for Caltrain employees; and

Whereas, the JPB Governance Ad Hoc Committee recommended that the JPB should align with the SamTrans salary ordinance for administrative positions performing similar functions and independently determine pay rates for rail-specific positions; and

Whereas, SamTrans recently adopted a salary schedule for rail employees following a lengthy compensation study, including for rail positions; and

Whereas, in light of SamTrans' work and in response to the Governance Ad Hoc Committee recommendation, staff recommend that the Board of Directors adopt the salary schedule for Caltrain employees included in the ordinance approved by the SamTrans Board while preserving the JPB's authority to make modifications in the future, based on data and analysis of competitive rates for rail positions, and confirming the Executive Director's authority to establish salaries for Caltrain employees pursuant to the ordinance. Staff will propose any updates to the salary ordinance on an annual basis as part of the budget process.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby adopts the attached salary ordinance for Caltrain employees, reserves the authority to make changes in the future; and

Be it Further Resolved that the Executive Director is authorized to establish salaries for Caltrain employees pursuant to the ordinance.

Regularly passed and adopted this 7th day of May 2026 by the following vote:

Ayes:

Noes:

Absent:

____

Chair, Peninsula Corridor Joint Powers Board

Attest:

____

JPB Secretary

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	Casey Fromson, Chief of Staff
For:	May 2026 JPB Board of Directors Meeting
Subject:	**Receive State and Federal Legislative Update; Consider Positions on Senate Bill (SB) 1375 (Cortese), Assembly Bill (AB) 1941 (González), and AB 2308 (Haney); and Receive Update on SB 63 Phase 1 Financial Efficiency Review**

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

Purpose and Recommended Action

In keeping with the 2026 Legislative Program, the attached reports highlight the recent issues and actions that are relevant to the Board. Further, Staff will provide an update on the Senate Bill (SB) 63 Phase 1 Financial Efficiency Review.

Staff proposes the Board consider for position:

1. SB 1375 (Cortese) California Environmental Quality Act: exemption: urban intermodal rail station project

2. Assembly Bill (AB) 1941 (González) Organized metal theft

3. AB 2308 (Haney) Redevelopment: successor agency debt: City and County of San Francisco

Discussion

The 2026 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.

Budget Impact

There is no impact on the budget.

Prepared By:	Devon Ryan	Government and Community Affairs Officer	04/30/2026
	Isabella Conferti	Government and Community Affairs Specialist	04/30/2026

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Caltrain
Federal Report
April 2026

President Trump Releases FY27 Budget Request

- On April 3, 2026, the Trump Administration released its FY27 Presidential Budget Request. The Department of Transportation (DOT) request proposes $26.6 billion in new discretionary budget authority and $87.3 billion in mandatory funding, a $1.6 billion increase in DOT discretionary funding compared to the FY26 enacted level.

- Several programs face elimination or funding cuts. The President's budget does not request to continue any advance appropriations under the Infrastructure Investment and Jobs Act (IIJA), which results in substantial cuts to key public transit and passenger rail investments, including:
    - Capital Investment Grants (-$1.6 billion)
    - State of Good Repair grants (-$950 million)
    - All Station Accessibility Program (-$350 million)
    - Federal-State Partnership for Intercity Passenger Rail Grants (-$7.2 billion)
    - Railroad Crossing Elimination Grants (-$500 million)

- The request also rescinds $4.2 billion in unobligated funds from the 2021 infrastructure law for the National Electric Vehicle Formula (NEVI) and Charging and Fueling Infrastructure (CFI) grant programs.

- Last year, Congress rejected many of the administration's similar proposed cuts and funded most transportation programs at the same level as the previous year.

Congressional Update

FY27 Appropriations Update

- House and Senate lawmakers continue to finalize their community project funding/Congressionally directed spending (earmark) submissions to the respective appropriations committees.

- Rep. Mullin (D-CA) and Rep. Liccardo (D-CA) each submitted Caltrain's Safety Enhancements community project requests for $2.5M to the House Appropriations Committee. The House Appropriations Transportation-HUD Subcommittee is expected to mark-up its bill in late May/early June, where the accepted list of community projects will be revealed.

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Surface Transportation Reauthorization Markup Postponed

- The markup of the surface transportation bill has been delayed from April 15 until late April. Lawmakers will reportedly continue negotiating the top-line funding level and several outstanding programs. The last surface transportation bill, the IIJA, expires on September 30. Despite some progress on the bill, it is likely Congress will require an extension past the September 30 deadline.

Administration Update

DOT Announces Apportionment of FY 2026 Funding

- On March 31, the Federal Transportation Administration (FTA) announced $20.6 billion in funding to support public transportation throughout the country.

- The apportionment tables list funding totals for grant programs, including Metropolitan Transportation Planning, Statewide Transportation Planning, Transit-Oriented Development Planning, Urbanized Area Formula, Passenger Ferry Grant, State Safety Oversight, Rural Area Formula, and Public Transportation Innovation Transit Research programs. These formula grant programs allocate funding to states, urbanized areas, and transit agencies based on formulas set by Congress.

- Tables also list the total funding amounts that each state and urbanized area (UZA) will receive from FTA in formula funding made available under the Full-Year Consolidated Appropriations Act, 2026.

FEMA Announces $1B for BRIC Funding

- The Federal Emergency Management Agency (FEMA) published the funding opportunity for the Fiscal Years 2024 and 2025 Building Resilient Infrastructure and Communities (BRIC) program. The new funding opportunity is specifically designed to fund infrastructure projects that are ready to implement and incentivize the adoption of the latest hazard-resistant building codes.

- It eliminates phased projects, simplifying the National Competition scoring system and removing sub-application scoring by the National Review panel. The funding opportunity also removes funding for hazard mitigation planning and non-financial direct technical assistance provisions.

- For the Fiscal Years 2024-25 funding cycle, the funding opportunity makes available: $112 million for states and territories; $50 million Tribal set-aside; $56 million for

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State or Territory Building Code Plus-Up; $25 million for Tribal nation Building Code Plus-Up; and $757 million for National Competition.

- Applications are due by July 23, 2026.

Senate Signals Potential Restart of Permitting Reform Negotiations

- Sen. Sheldon Whitehouse (D-RI), Ranking Member of the Senate Environment and Public Works (EPW) Committee, indicated that formal Senate negotiations on permitting reform are likely to resume, though he did not provide a specific timeline. Permitting negotiations have been paused since December, following the Trump administration's issuance of stop-work orders for several offshore wind projects.

- Whitehouse stated that he and other Democratic negotiators have been in discussions with Sen. Shelley Moore Capito (R-WV), Chair of the EPW Committee, regarding conditions for restarting formal talks, while cautioning that further executive actions affecting previously approved renewable projects could again halt negotiations.

- If negotiations resume, lawmakers will face a compressed legislative timeline, as attention later this year is expected to shift toward midterm elections. In addition, the EPW Committee is responsible for the highways and infrastructure title of the surface transportation reauthorization, which is set to expire at the end of September.

GSA Proposes Adding New Language to SAM

- The General Services Administration (GSA) proposed adding new legal attestations to the System for Award Management (SAM), a required registration for entities to receive federal grants, contracts, loans, and other assistance. Every organization receiving federal funding, including local governments, state agencies, and universities, must affirm they will not:
    - "Grant preferential treatment based on race or color, such as race-based scholarships or programs or preferential hiring or promotion practices, including the use of cultural competency requirements or diversity statements.
    - Hold training programs that stereotype, exclude, or single out individuals based on protected characteristics or create a hostile environment.
    - Bring or attempt to bring an illegal immigrant to the United States.
    - Fund, subsidize, or facilitate violence, terrorism, or other illegal activities that threaten public safety or national security."

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- The proposed SAM rule could override agency regulations and guidance, program-specific eligibility standards, and the conditions outlined in notices of funding opportunity (NOFOs). Entities with active federal awards must maintain continuous SAM registration, and entities renewing their SAM registration might be required to accept the new requirements.

Caltrain Bill Matrix as of Friday, April 10, 2026

Bill ID/Topic	Location	Summary	Position
AB 259 Rubio, Blanca D Open meetings: local agencies: teleconferences.	This is a two-year bill.	Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act authorizes the legislative body of a local agency to use teleconferencing, as specified, and requires a legislative body of a local agency that elects to use teleconferencing to comply with specified requirements, including that the local agency post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Existing law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Existing law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would extend the alternative teleconferencing procedures until January 1, 2030. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 942 Calderon D Electricity: climate credits.	This bill is in the Senate Rules Committee, pending referral to policy committee.	The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms in regulating those emissions. The implementing regulations adopted by the state board provide for the direct allocation of greenhouse gas allowances to electrical corporations pursuant to a market-based compliance mechanism. Existing law vests the Public Utilities Commission (PUC) with regulatory authority over public utilities, including electrical corporations. Existing law requires the PUC to continue a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200% of the federal poverty guidelines, as specified, which is referred to as the California Alternate Rates for Energy (CARE) program. Existing law also requires the PUC to continue a program of assistance to residential customers of the state's 3 largest electrical corporations consisting of households of 3 or more persons with total household annual gross income levels between 200% and 250% of the federal poverty guideline level, which is referred to as the Family Electric Rate Assistance (FERA) program. Existing law, except as provided, requires revenues received by an electrical corporation as a result of the direct allocation of greenhouse gas allowances to be credited directly to residential, small business, and emissions-intensive trade-exposed retail customers of the electrical corporation, commonly known as the California Climate Credit. This bill would exclude residential customers from receiving the California Climate Credit if they are not enrolled in the CARE or FERA program and their total electricity bills for the previous year were less than $300. This bill contains other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1198 Haney D Public works: prevailing wages.	This bill is in the Senate Rules Committee, pending referral to policy committee.	Existing law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Existing law requires the body awarding a contract for a public work to obtain from the director the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is to be performed, and the general prevailing rate of per diem wages for holiday and overtime work, for each craft, classification, or type of worker needed to execute the contract. Under existing law, if the director determines during any quarterly period that there has been a change in any prevailing rate of per diem wages in a locality, the director is required to make that change available to the awarding body and their determination is final. Under existing law, that determination does not apply to public works contracts for which the notice to bidders has been published. This bill would instead state, commencing July 1, 2027, that if the director determines, within a semiannual period, that there is a change in any prevailing rate of per diem wages in a locality, that determination applies to any public works contract that is awarded or for which notice to bidders is published after July 1, 2027. The bill would authorize any contractor, awarding body, or specified representative affected by a change in rates on a particular contract to, within 20 days, file with the director a verified petition to review the determination of that rate, as specified. The bill would require the director to, upon notice to the interested parties, initiate an investigation or hold a hearing, and, within 20 days after the filing of that petition, except as specified, make a final determination and transmit the determination in writing to the awarding body and to the interested parties. The bill would make that determination issued by the director effective 10 days after its issuance, and until it is modified, rescinded, or superseded by the director. The bill would exempt certain housing projects from these provisions, including, among others, projects that are restricted by deed or subject to regulatory restrictions contained in an agreement with a governmental agency or other recorded document, as specified.	Watch
AB 1331 Elhawary D Workplace surveillance.	This is a two-year bill.	Existing law establishes the Division of Labor Standards Enforcement within the Department of Industrial Relations. Existing law authorizes the division, which is headed by the Labor Commissioner, to enforce the Labor Code and all labor laws of the state the enforcement of which is not specifically vested in any other officer, board or commission. This bill would limit the use of workplace surveillance tools, as defined, by employers, including by prohibiting an employer from monitoring or surveilling workers in employee-only, employer-designated areas, as specified. The bill would provide workers with the right to leave behind workplace surveillance tools that are on their person or in their possession when entering certain employee-only areas and public bathrooms and during off-duty hours, as specified. The bill would prohibit a worker from removing or physically tampering with any component of a workplace surveillance tool that is part of or embedded in employer equipment or vehicles. This bill would subject an employer who violates the bill to a civil penalty of $500 per violation and would authorize a public prosecutor to bring specified enforcement actions.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1337 Ward D Information Practices Act of 1977.	This is a two-year bill.	Existing law, the Information Practices Act of 1977, prescribes a set of requirements, prohibitions, and remedies applicable to agencies, as defined, with regard to their collection, storage, and disclosure of personal information, as defined. Existing law exempts from the provisions of the act counties, cities, any city and county, school districts, municipal corporations, districts, political subdivisions, and other local public agencies, as specified. This bill would recast those provisions to, among other things, remove that exemption for local agencies, and would revise and expand the definition of "personal information." The bill would make other technical, nonsubstantive, and conforming changes. Because the bill would expand the duties of local officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Watch
AB 1383 McKinnor D Public employees' retirement benefits: safety members.	This bill is in the Senate Rules Committee, pending referral to policy committee.	The Public Employees' Retirement Law (PERL) establishes the Public Employees' Retirement System (PERS) to provide a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law creates the Public Employees' Retirement Fund, which is continuously appropriated for purposes of PERS, including depositing employer and employee contributions. Under the California Constitution, assets of a public pension or retirement system are trust funds. The California Public Employees' Pension Reform Act of 2013 (PEPRA) establishes a variety of requirements and restrictions on public employers offering defined benefit pension plans. In this regard, PEPRA restricts the amount of compensation that may be applied for purposes of calculating a defined pension benefit for a new member, as defined, by restricting it to specified percentages of the contribution and benefit base under a specified federal law with respect to old age, survivors, and disability insurance benefits. Existing law, the Teachers' Retirement Law, establishes the State Teachers' Retirement System (STRS) and creates the Defined Benefit Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, creditable service, and age at retirement, subject to certain variations. This bill, on and after January 1, 2027, would require a retirement system subject to PEPRA to adjust pensionable compensation limits to be consistent with specified percentages of the contribution and benefit base under the specified federal law with respect to old age, survivors, and disability insurance benefits. The bill would require a new member of STRS to be subject to specified limits of the Teachers' Retirement Law. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1421 Wilson D Vehicles: Road Usage Charge Technical Advisory Committee.	This bill is in the Senate Rules Committee, pending referral to policy committee.	Existing law requires the Chair of the California Transportation Commission to create a Road Usage Charge Technical Advisory Committee in consultation with the Secretary of Transportation to guide the development and evaluation of a pilot program assessing the potential for mileage-based revenue collection as an alternative to the gas tax system. Existing law additionally requires the Transportation Agency, in consultation with the commission, to implement the pilot program, as specified. Existing law repeals these provisions on January 1, 2027. This bill would require the commission, in consultation with the Transportation Agency, to consolidate and prepare research and recommendations related to a road user charge or a mileage-based fee system. The bill would require the commission to submit a report, as specified, on the research and recommendations described above to the appropriate policy and fiscal committees of the Legislature by no later than January 1, 2027. The bill would require the commission to consult with appropriate state agencies and other stakeholders, as specified, in preparing the research and recommendations and report described above.	Watch
AB 1564 Ahrens D Employer-employee relations: confidential communications.	This bill is in the Assembly Appropriations Committee.	Existing law that governs the labor relations of public employees and employers, including, among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of existing law further prohibit denying to employee organizations the rights guaranteed to them by existing law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation. The bill would also prohibit a public employer from compelling a public employee, a representative of a recognized employee organization, or an exclusive representative to disclose those confidential communications to a third party. The bill would not apply to a criminal investigation or when a public safety officer is under investigation and certain circumstances exist.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1578 Jackson D State and local officials: sexual harassment training and education: anti-hate speech training.	This bill is in the Assembly Local Government Committee.	The California Fair Employment and Housing Act makes specified employment practices unlawful, including the harassment of an employee directly by the employer or indirectly by agents of the employer with the employer's knowledge. Under existing law, the Civil Rights Department administers these provisions. Existing law requires a specified employer with 5 or more employees to, by January 1, 2021, provide at least 2 hours of classroom or other effective interactive training and education regarding sexual harassment to all supervisory employees and at least one hour of classroom or other effective interactive training and education regarding sexual harassment to all nonsupervisory employees in California and, after that date, once every 2 years. Existing law requires an employer to include prevention of abusive conduct as a component of that training and education. This bill would additionally require, beginning on January 1, 2028, for an employer that is a state agency or local agency that the above-described training and education include, as a component of the training and education for elected officials, anti-hate speech training. This bill contains other related provisions and other existing laws.	Watch
AB 1599 Ahrens D Public transit: California Transit Stop Registry: transit datasets.	This bill is in the Assembly Transportation Committee.	Existing law establishes the Department of Transportation and vests it with various powers and duties. This bill would require the department to create, on or before December 31, 2026, the California Transit Stop Registry as a centralized, statewide dataset of standardized information regarding transit stops that includes, but is not limited to, each transit stop's name, location, available amenities, and unique identifier, as specified. This bill contains other related provisions and other existing laws.	Watch
AB 1608 Wilson D Office of the Inspector General, High-Speed Rail.	This bill is in the Assembly Appropriations Committee.	Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state. Existing law creates the High-Speed Rail Authority Office of the Inspector General and authorizes the High-Speed Rail Authority Inspector General to initiate an audit or review regarding oversight related to delivery of the high-speed rail project undertaken by the authority and the selection and oversight of contractors related to that project. Existing law authorizes the Inspector General to select, appoint, and employ officers and employees necessary to carry out the functions of the office, as specified. This bill would rename the office as the Office of the Inspector General, High-Speed Rail and revise the title of the Inspector General as the Inspector General of the High-Speed Rail. This bill would authorize the Inspector General to adopt and make use of the classifications, associated salary ranges, and other forms of compensation established or otherwise used by other state agencies identified by the Inspector General as performing comparable oversight work, as specified. This bill would authorize the Inspector General to contract for goods and services that the Inspector General deems necessary for the furtherance of the purposes of the office. For a contract up to $1,000,000 in value, the bill would exempt the Inspector General from all contract requirements of the Public Contract Code that require oversight, review, or approval by the Department of General Services or any other state agency. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1624 Zbur D Public Lands Protection Act.	This bill is in the Assembly Local Government Committee.	The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and of any land outside its boundaries that bears relation to its planning. Existing law authorizes the legislative body of a county or city to adopt ordinances that, among other things, regulate the use of buildings, structures, and land as between industry, business, residences, open space, and other purposes, as provided. For these purposes, existing law authorizes the legislative body to divide a county or city into zones, but requires that regulations adopted be uniform for each class or kind of building or use of land throughout each zone. The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare 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. This bill, the Public Lands Protection Act, would, upon transfer to any private or nonfederal entity of a parcel of land located within the state that is owned by the United States government on or after January 1, 2025, and that has been designated in an adopted general plan or zoning ordinance as open space, public land, resource conservation, or an equivalent conservation-oriented designation, immediately subject that parcel to the zoning designation and associated state and local restrictions. The bill would also, upon transfer of a parcel of land located within the state that is owned by the United States government on or after January 1, 2025, and that has not been designated in an adopted general plan or zoning ordinance at the time of transfer to any private or nonfederal entity, automatically subject that parcel to the most restrictive conservation-oriented zoning designation currently applied in the jurisdiction, by operation of law. The bill would prohibit a parcel of land governed by these provisions from being rezoned, subdivided, or granted any development entitlement that is inconsistent with a conservation-oriented zoning designation, unless certain requirements are satisfied, including that a full environmental impact report is completed in accordance with CEQA. Notwithstanding these provisions, the bill would require electric infrastructure and clean energy facilities necessary to achieve California's climate and decarbonization goals to be deemed permitted uses in a conservation-oriented zoning designation if certain conditions are met. The bill would also exempt certain other parcels from these provisions. This bill contains other related provisions.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1630 Caloza D Meet and confer: observation.	This bill is in the Assembly Appropriations Committee.	Existing law provides for negotiations concerning wages, hours, and other terms and conditions of employment between a higher education employer and an exclusive representative of a recognized or certified employee organization, as these terms are defined. Existing law requires higher education employers, or such representatives as they may designate, to engage in meeting and conferring with the employee organization selected as exclusive representative of an appropriate unit on all matters within the scope of representation. Existing law requires a reasonable number of representatives of an exclusive representative to have the right to receive reasonable periods of released or reassigned time without loss of compensation when engaged in meeting and conferring and for the processing of grievances prior to the adoption of the initial memorandum of understanding. This bill would authorize an exclusive representative, in their discretion, to invite one or more members of a bargaining unit to remotely and passively observe a session held for the purpose of a meet and confer on a memorandum of understanding. The bill would prohibit, absent an agreement of the parties, a member of a bargaining unit observing a session pursuant to these provisions from receiving released or reassigned time or compensation to observe a session.	Watch
AB 1654 DeMaio R Vehicles: commercial driver's licenses.	This bill is in the Assembly Transportation Committee.	Existing law prohibits a person from operating a commercial motor vehicle unless that person has in their immediate possession a valid commercial driver's license of the appropriate class. Existing law requires a person to pass a knowledge test and driving test for the operation of a commercial motor vehicle that complies with minimum federal standards, as specified, before being issued a commercial driver's license. This bill would require the Department of Motor Vehicles, before issuing or renewing a commercial driver's license, to verify the applicant's lawful presence in the United States, as specified. The bill would require the department to revoke any commercial driver's license issued to a person subsequently determined to be unlawfully present in the United States, as specified.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1837 González, Mark D Video imaging of parking violations.	This bill is in the Assembly Privacy & Consumer Protection Committee.	Existing law authorizes a public transit operator in the state, until January 1, 2027, and authorizes the City and County of San Francisco indefinitely, to enforce parking violations in specified transit-only traffic lanes and at transit stops through the use of video imaging, and to install automated forward facing parking control devices on city-owned public transit vehicles for the purpose of video imaging parking violations occurring in transit-only traffic lanes, as specified. Existing law requires a public transit operator, prior to issuing notices of parking violations, to issue warning notices for the first 60 days and to make a public announcement of the program. Existing law requires a designated employee, or a contracted law enforcement agency, to review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane or at a transit stop and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Existing law makes these video image records confidential and provides that these records are available only to public agencies to enforce parking violations. Existing law requires a public transit operator that implements an automated enforcement system to enforce parking violations in transit-only traffic lanes and at transit stops to submit a report to specified committees of the Legislature by no later than January 1, 2025. This bill would extend the authorization for the use of video imaging to enforce parking and stopping violations indefinitely. The bill would require that a public transit operator issue warnings for 60 days prior to issuing notices of violations when it uses video imaging for enforcement of a violation that it has not previously used video imaging to enforce. The bill would require that a public transit operator that used video imaging to enforce parking violations who has not had a system in operation at any time prior to January 1, 2027, to report to the Legislature until January 1, 2031, as specified. This bill contains other related provisions and other existing laws.	Watch
AB 1838 Berman D Public contracts: local agencies: responsive bidders.	This bill is on the Assembly Floor.	Existing law governs the procurement process for contracts of specified public entities. Existing law requires a local agency that requires that contracts be awarded to the lowest responsible bidder meeting, or making a good faith effort to meet, participation goals for minority, women, or disabled veteran business enterprises to provide in the general conditions under which bids will be received that any person making a bid or offer to perform a contract shall include specified information in that bid or offer. This bill would require a contractor, as a condition of submitting a bid to a local agency for a public works contract, to fully disclose any history of wage and hour violations, as specified, and provide supporting documentation, as described. The bill would authorize a contractor that fails to provide the required disclosures and supporting materials to be disqualified from the bid.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1855 Gonzalez, Jeff R California Environmental Quality Act: exemption: passenger rail service.	This bill is in the Assembly Natural Resources Committee.	The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA, until January 1, 2040, exempts from its requirements certain projects for the improvement, institution, or increase of passenger rail service, including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, as provided. CEQA requires, for purposes of this exemption, that the project be located entirely within an existing rail right-of-way or existing highway right-of-way, as provided. This bill would instead eliminate the condition that the public project be exclusively used by zero-emission trains or certified Tier 4 or cleaner rolling stock or locomotives, thereby expanding the scope of the exemption. The bill would require, for purposes of the exemption, the mainline rail of the project, instead of the whole project, to be located entirely within an existing right-of-way or existing highway right-of-way. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1859 Ortega D Public works.	This bill is on the Assembly Floor.	Existing law requires that, except as specified, not less than the general prevailing rate of per diem wages be paid to workers employed on public works. Existing law defines "public works," for the purposes of regulating public works contracts as, among other things, construction, alteration, demolition, installation, or repair work done under contract and paid for, in whole or in part, out of public funds. Existing law makes any officer, agent, or representative of the state or of any political subdivision who willfully violates specified provisions, including providing notice of certain public works projects, as specified, to the Department of Industrial Relations, guilty of a misdemeanor. Existing law requires the Labor Commissioner to investigate allegations that a contractor or subcontractor violated the law regulating public works projects, including the payment of prevailing wages. Existing law requires each contractor and subcontractor on a public works project to keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor or subcontractor in connection with the public work. This bill would require an awarding body or owner to give reasonable access, as defined, to representatives of a joint-labor management committee in order to monitor compliance with the prevailing wage and apprenticeship requirements. The bill would authorize the committee to bring an action against an awarding body, contractor, or subcontractor that willfully denies the committee's representative reasonable access. The bill would require the court to award various civil penalties and costs, as specified. By expanding the definition of a crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1941 González, Mark D Organized metal theft.	This bill is in the Assembly Appropriations Committee.	Existing law makes a person who is a dealer in or collector of junk, metals, or secondhand materials, or their agent, employee, or representative, who buys or receives any wire, cable, copper, lead, solder, mercury, iron, or brass that the person knows or reasonably should know is used by or belongs to specified entities, including a railroad, certain utility companies, or a public entity engaged in furnishing public utility service, without using due diligence to ascertain that the person selling or delivering that material has a legal right to do so, guilty of criminally receiving that property and, in addition to imprisonment, makes that act punishable by a fine of not more than $5,000. This bill would prohibit organized metal theft, described as acting in concert with one or more persons to steal metal materials from one or more of specified materials and items with the intent to sell, exchange, or return those metal materials for value, acting in concert with 2 or more persons to receive, purchase, or possess those metal materials knowing or believing it to have been stolen, acting as an agent of another to steal those metal materials as part of an organized plan to commit theft, or recruiting, coordinating, organizing, supervising, directing, managing, or financing another to undertake acts of theft of metal. The bill would make a violation of organized metal theft punishable as either a misdemeanor or a felony. The bill would make related findings and declarations and state the intent of the Legislature. By creating new crimes, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Recommend Support
AB 1944 Lee D Zero-emission transit buses: axle weight.	This bill is in the Senate Rules Committee, pending referral to policy committee.	Existing law prohibits the maximum gross weight on any one axle of a bus from exceeding 20,500 pounds, except the maximum limit for the curb weight on any one axle of a transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2019, is set at 22,000 pounds. Existing law, notwithstanding the previous provisions, sets specified higher maximum limits up to 25,000 pounds for the curb weight on any one axle of an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued during specified periods between January 1, 2016, and December 31, 2021, inclusive, and sets the 22,000-pound maximum limit for an articulated transit bus or zero-emission transit bus procured through a solicitation process pursuant to which a solicitation was issued on or after January 1, 2022. A violation of this provision is a crime. This bill would, until January 1, 2032, establish specified higher weight limitations up to 25,000 pounds for zero-emission transit buses procured through a solicitation process pursuant to which a solicitation was issued at various specified periods between January 1, 2027, and December 31, 2031 inclusive.	Watch

Bill ID/Topic	Location	Summary	Position
AB 1967 Zbur D Juveniles.	This bill is in the Assembly Judiciary Committee.	Existing law establishes the jurisdiction of the juvenile court, which may adjudge a child to be a dependent of the court under certain circumstances, including when the child suffered, or there is a substantial risk that the child will suffer, serious physical harm. Existing law establishes the grounds for removal of a dependent child from the custody of the child's parents or guardian. Under existing law, a proceeding in the juvenile court to declare a child to be a dependent child of the court is commenced by a social worker who files a petition with the court. Existing law also requires a social worker to investigate whether a petition should be filed with the court whenever any person applies to the social worker to commence proceedings in the juvenile court by affidavit. This bill would require, if an application to commence proceedings is submitted by a minor on their own behalf, and the minor is currently residing at a residential facility for children and youth, the social worker, when conducting a safety assessment or substitute care provider safety assessment, to also assess the safety of the home of those who hold custodial rights of the minor. This bill contains other related provisions and other existing laws.	Watch
AB 1968 Gallagher R Juveniles: transfer to court of criminal jurisdiction: offense.	This bill is in the Assembly Public Safety Committee.	Existing law, as amended by the Public Safety and Rehabilitation Act of 2016, enacted by Proposition 57 at the November 8, 2016, statewide general election, authorizes the district attorney or other prosecuting officer to make a motion to transfer a minor from juvenile court to a court of criminal jurisdiction in a case in which a minor is alleged to have committed a felony when the minor was 16 years of age or older, or in a case in which a specified serious offense is alleged to have been committed by a minor when the minor was 14 or 15 years of age, but the minor was not apprehended prior to the end of juvenile court jurisdiction. This bill would add the crime of conspiracy to commit murder to the list of offenses for which a juvenile may be transferred to a court of criminal jurisdiction pursuant to the above-described provisions.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2074 Haney D Regional transit hub districts: downtown housing developments.	This bill is in the Assembly Local Government Committee.	The Planning and Zoning Law generally regulates local government zoning and approval of certain types of housing development projects. The law authorizes a development proponent to submit an application for a development that is subject to a prescribed ministerial approval process if the development complies with certain procedural requirements and satisfies specified objective planning standards. The law also requires a housing development project within a specified distance of a transit-oriented development stop to be an allowed use as a transit-oriented housing development on any site zoned for residential, mixed, or commercial development, if the development complies with specified requirements, as applicable. This bill would, by July 1, 2027, require major transit cities to designate one or more regional transit hub districts and prescribe requirements for those districts, including requiring that a district make a downtown housing development an allowable use, as specified. The bill would prescribe requirements for downtown housing developments, including requiring specified labor standards and requiring the developments to be eligible for streamlined ministerial approval, as specified. The bill would establish the Downtown Revitalization Loan Fund and continuously appropriate moneys in the fund to the California Housing Finance Agency for the purpose of making loans to applicants to develop downtown housing developments, as specified. By establishing a continuously appropriated fund, the bill would make an appropriation. By requiring certain cities to designate regional transit hub districts and requiring streamlined ministerial approval of certain housing developments, the bill would impose a state-mandated local program. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2190 Wallis R Internet website accessibility.	This bill is in the Assembly Privacy & Consumer Protection Committee.	The Unruh Civil Rights Act requires persons within the jurisdiction of the state to be free and equal and, regardless of the person's sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status, to be entitled to the full and equal accommodations, advantages, facilities, privileges, or services in all business establishments, as prescribed, and makes a violation of the federal Americans with Disabilities Act of 1990 (ADA) a violation of the act. Existing law imposes liability upon a person who denies, aids, or incites a denial of, or makes any discrimination or distinction contrary to, rights afforded by law for actual damages suffered, exemplary damages, a civil penalty, and attorney's fees, as specified, to any person who was denied the specified rights. Existing law also imposes liability upon a person, firm, or corporation that denies or interferes with admittance to, or enjoyment of, public facilities or otherwise interferes with the rights of an individual with a disability, as specified, for damages and attorney's fees to a person who was denied those rights. This bill would grant to an entity an affirmative defense to a claim seeking statutory damages under the provisions described above on the basis of a specific accessibility barrier on the entity's internet website, as defined, if the entity provided evidence to the plaintiff demonstrating within 30 days of receiving a written prelawsuit demand from the plaintiff that either (1) the entity published a digital accessibility report on the accessibility page of its internet website disclosing the specific access barrier and updated that report to reflect remediation of the access barrier or (2) that various things were true regarding the entity's efforts to identify and remediate access barriers on its internet website, including the entity had a reasonable and good faith basis to believe that the internet website was accessible and conformed with the internet website accessibility standard, as specified. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2239 Carrillo D Infrastructure-constrained energization areas: energization timelines: environmental review.	This bill is in the Assembly Utilities & Energy Committee.	Existing law vests the Public Utilities Commission (PUC) with regulatory authority over public utilities, including electrical corporations. Existing law requires the PUC to establish reasonable average and maximum target energization time periods, as defined, and a procedure for customers to report energization delays to the PUC, as provided. Existing law requires the PUC to require an electrical corporation to take remedial actions necessary to achieve the PUC's targets. This bill would require the PUC to require each electrical corporation to meet energization timelines or targets established pursuant to the above-described provisions or by PUC order. The bill would require the PUC to impose a penalty if an electrical corporation fails to meet an energization timeline or target approved or required by the PUC, as provided. This bill would require the PUC to designate an infrastructure-constrained energization area based on objective criteria, including limited distribution or transmission infrastructure relative to available electrical capacity or projected load growth, inland or desert geography, and extended energization timelines. The bill would require the PUC to adopt rules authorizing over-the-fence transactions within infrastructure-constrained energization areas when an electrical corporation cannot reasonably meet energization targets and other specific conditions are met, as specified. The bill would require the PUC, in coordination with the State Energy Resources Conservation and Development Commission (Energy Commission) and local jurisdictions, to establish procedures to facilitate expedited development of electrical generation and energy storage facilities in infrastructure-constrained energization areas, as specified. The bill would require the PUC, in coordination with the Energy Commission, the Office of Land Use and Climate Innovation, and local jurisdictions, to establish procedures to facilitate expedited permitting, siting, and construction of electrical infrastructure owned or operated by an electrical corporation within infrastructure-constrained energization areas, as specified. The bill would require the PUC and the Energy Commission to coordinate with, and advocate before, the Independent System Operator (ISO) for expedited review and prioritization of projects in infrastructure-constrained energization areas, as specified. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2308 Haney D Redevelopment: successor agency debt: City and County of San Francisco.	This bill is in the Assembly Housing & Community Development Committee.	Existing law dissolved redevelopment agencies and community development agencies as of February 1, 2012, and provides for the designation of successor agencies to, among other things, wind down the affairs of the dissolved redevelopment agencies and make payments due for enforceable obligations. Existing law, among other powers granted to successor agencies generally, additionally vests the successor agency to the former Redevelopment Agency of the City and County of San Francisco with the authority, rights, and powers of that former redevelopment agency solely for the purpose of issuing bonds or incurring other indebtedness, subject to the approval of the oversight board of the successor agency, to finance the construction of affordable housing and infrastructure required by specified development agreements, including the infrastructure required by the Transbay Implementation Agreement. Under existing law, these bonds and indebtedness are considered indebtedness incurred by the dissolved redevelopment agency secured by moneys deposited in the Redevelopment Property Tax Trust Fund established for that agency. This bill would specify this authority to issue bonds or incur other indebtedness to finance the infrastructure required by the Transbay Implementation Agreement includes entering into arrangements with the Transbay Joint Powers Authority and the City and County of San Francisco to extend the time period for pledges of gross sales proceeds and net tax increments. This bill would make legislative findings and declarations as to the necessity of a special statute for the City and County of San Francisco.	Recommend Support
AB 2341 Fong D Local government: emergency response services: use of languages other than English.	This bill is in the Assembly Emergency Management Committee.	Existing law requires, in the event of an emergency within the jurisdiction of a local agency that provides emergency response services and that serves a population within which 5% or more of the people speak English less than “very well,” according to American Community Survey data, and jointly speak a language other than English, that the local agency provide information related to the emergency in English and in all languages spoken jointly by the 5% or more of the population that speaks English less than “very well,” as specified. This bill would revise these provisions to instead require the local agency to provide information related to an emergency within a local agency’s jurisdiction in English and translated in each language spoken by 5% or more of the population that speaks English less than “very well.” The bill, to determine whether a language meets the criteria for translation, would require a local agency to calculate the total population of those within its jurisdiction that speaks English less than “very well,” and, for each language included in the American Community Survey data, determine whether speakers of any language who speak English less than “very well” comprise at least 5% of the total population of that jurisdiction that speaks English less than “very well.” The bill would make organizational and clarifying changes to the above-described provisions, as specified.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2411 McKinnor D California Olympic and Paralympic Public Safety Command: agreements with state and local agencies.	This bill is in the Assembly Emergency Management Committee.	Existing law requires the Office of Emergency Services to establish the California Olympic and Paralympic Public Safety Command (COPPSC) to facilitate the planning, resourcing, management, and delivery of safety and security at the 2028 Olympic and Paralympic Games in Los Angeles. Existing law repeals provisions relating to COPPSC on January 1, 2029. Existing law requires the Commission on Peace Officer Standards and Training (POST) to adopt rules establishing minimum standards relating to physical, mental, and moral fitness that govern the recruitment of certain peace officers. Existing law requires POST to establish a certification program for certain peace officers, as provided. This bill would require COPPSC to negotiate and enter into agreements to facilitate training, mutual cooperation, sharing of information and resources, and the use of law enforcement personnel with other state and local agencies within and outside of the State of California for the purposes of ensuring public safety for the 2028 Olympic and Paralympic Games. The bill would require the agreement to, among other things, require law enforcement personnel contracted from out of state to obtain a certificate of training from the commission. The bill would require the commission to establish a streamlined training program for out-of-state law enforcement personnel that, among other things, satisfies the key requirements for qualifications under the POST program that are necessary for the unique conditions of the 2028 Olympic and Paralympic Games. The bill would repeal the requirement to establish a streamlined training program on January 1, 2029.	Watch
AB 2413 Ransom D Large-format public advertisements: public expense.	This bill is in the Assembly Elections Committee.	The Political Reform Act of 1974 provides for the comprehensive regulation of campaign financing and activities. The act defines “mass mailing” to mean over 200 substantially similar pieces of mail, and defines “mass electronic mailing” to mean sending more than 200 substantially similar pieces of electronic mail within a calendar month. The act prohibits a mass mailing from being sent at public expense if, among other things, the mailing features an elected officer affiliated with the agency that produces or sends the mailing, or includes the name, office, photograph, or other reference to the elected officer and is prepared or sent in cooperation, consultation, coordination, or concert with the elected officer. This bill would define “large-format public advertisement” as a billboard, wrap on a bus or other public transportation vehicle, advertisement affixed to a bus stop, and other public advertisements designated by the commission by regulation that are 24 inches by 36 inches or more in size. This bill would prohibit a large-format public advertisement from being published or displayed at public expense if, among other things, the advertisement includes the photograph of an elected officer affiliated with the agency that produces or purchases the large-format public advertisement and is prepared in cooperation, consultation, coordination, or concert with the elected officer. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2492 Gabriel D Public safety: mega sporting events.	This bill is in the Assembly Emergency Management Committee.	Existing law requires the Office of Emergency Services to establish, and oversee the development, approval, and adoption of, the California Olympic and Paralympic Public Safety Command to facilitate the planning, resourcing, management, and delivery of safety and security at the 2028 Olympic and Paralympic Games in Los Angeles, as specified. Existing law requires the office to enter into a memorandum of understanding with the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games, and with other necessary parties, to implement these requirements, as specified. This bill would require the office, in collaboration with the host counties and any relevant host committee or partner, to prepare for the planning, resourcing, management, and delivery of safety and security at and around certain mega sporting events or any official watch party, as specified. The bill would require the office to enter into a memorandum of understanding with the host counties and any other necessary party to implement these provisions by January 1, 2027. The bill would repeal these provisions on January 1, 2030. This bill contains other related provisions and other existing laws.	Watch
AB 2516 **Petrie-Norris D** California Grid Manufacturing Initiative.	This bill is in the Assembly Economic Development, Growth, and Household Impact.	Existing law establishes the Governor's Office of Business and Economic Development (GO-Biz) within the Governor's office and requires GO-Biz to serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Existing law creates within GO-Biz the Energy Unit to accelerate the planning, financing, and execution of critical energy infrastructure projects, as specified. This bill would require the Energy Unit, in coordination with other specified state entities, to establish the California Grid Manufacturing Initiative. The bill would require the Energy Unit to serve as the state's central entity for aggregating demand for critical electricity grid components, to coordinate the procurement of electricity grid components, and to incentivize new or existing in-state manufacturing of electricity grid components. This bill would require the Energy Unit to develop a process for each public utility, on or before January 1, 2028 and regularly thereafter, to submit a projection of its purchasing needs for critical electricity grid components for which the public utility has not entered into a purchase agreement. The bill would require the Energy Unit, based on the projections, to determine the statewide aggregate purchasing needs for critical electricity grid components, as specified. The bill would require a public utility that purchases electricity grid components identified pursuant to the bill to purchase those components from the initiative, except as provided. The bill would permit an electrical corporation, and require the Public Utilities Commission, to authorize the recovery of costs incurred by the electrical corporation in implementing the above-described requirements, and would authorize a local publicly owned electric utility to recover the costs incurred from the implementation of the above-described requirements from its ratepayers. By imposing new duties on local publicly owned electric utilities, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2529 Johnson R Civil claims: public employees: perjury.	This bill is in the Assembly Appropriations Committee.	Existing law, the Government Claims Act, governs the tort liability and immunity of, and claims and actions against, public entities, officers, and employees. Existing law requires that a claim against a public entity or public employee be signed by the claimant or by some person on the claimant's behalf. This bill would require a claim against a public entity or public employee to include a declaration that, upon information and belief, the contents of the claim are true and correct. By expanding the definition of a crime, this bill would impose a state-mandated local program. This bill contains other existing laws.	Watch
AB 2554 Addis D Railroad crossings: permit applications: review: public notice.	This bill is in the Assembly Utilities & Energy Committee.	Under existing law, the Public Utilities Commission has the exclusive power to, among other things, determine and prescribe the manner and the terms of installation, operation, maintenance, use, and protection of railroad crossings. Existing law prohibits the construction of a public road, highway, or street across the track of any railroad corporation at grade and other specified actions with regard to railroad crossings without the permission of the commission. Existing law requires the commission to adopt an expedited review and approval process for ratesetting proceedings for an exempt railroad crossing application, as defined. Existing law requires the commission, upon initiating a ratesetting proceeding, to determine whether the proceeding is for an exempt railroad crossing application, and if so, to issue a proposed resolution pursuant to the expedited review and approval process. Existing law requires the proposed resolution to be publicly noticed on the commission's voting agenda and to be subject to public comment. This bill would additionally require the proposed resolution to be publicly noticed on a publicly accessible website.	Watch
AB 2557 Bauer-Kahan D Legislative information system: bill position letters.	Pending referral to policy committee.	Existing law requires the Legislative Counsel, with the advice of the Assembly Committee on Rules and the Senate Committee on Rules, to make certain legislative information available to the public in electronic form, including the text, bill history, and bill status of each bill introduced and amended in each current legislative session and all bill analyses prepared by legislative committees in connection with each bill in each current legislative session. This bill would add all position letters submitted through the Legislature's internet portal in connection with each bill in each current legislative session to the information the Legislative Counsel is required to make publicly available in electronic form.	Watch
AB 2560 Schultz D Climate Action Plan for Transportation Infrastructure: goals.	This bill is in the Assembly Transportation Committee.	Existing law provides for the funding of projects on the state highway system and other transportation improvements, including under the interregional transportation improvement program, the Transit and Intercity Rail Capital Program, a program within the Road Maintenance and Rehabilitation Program, commonly known as the Local Partnership Program, the Trade Corridor Enhancement Program, the Active Transportation Program, and the Solutions for Congested Corridors Program. This bill would establish the Climate Action Plan for Transportation Infrastructure (CAPTI) goals, and would authorize the Transportation Agency to update those CAPTI goals, as specified. The bill would require a project under the above-described programs to apply, where feasible, within the fix-it-first approach, the CAPTI goals as established or updated by the agency, as specified.	Watch

Bill ID/Topic	Location	Summary	Position
AB 2659 Bains D Vehicles: commercial driver's license.	This bill is in the Assembly Transportation Committee.	Existing law declares the intent of the Legislature to adopt those standards required of drivers by the Federal Highway Administration of the U.S. Department of Transportation, as set forth in the Commercial Motor Vehicle Safety Act of 1986, and to reduce or prevent commercial motor vehicle accidents, fatalities, and injuries by permitting drivers to hold only one license, disqualifying drivers for certain criminal offenses and serious traffic violations, and strengthening licensing and testing standards. This bill would prohibit the Department of Motor Vehicles from revoking, suspending, cancelling, or downgrading a commercial driver's license based solely on administrative deficiencies or clerical errors created or made by the department, or due to changes in the department's interpretation of domicile or residency requirements, unless the department provides the licensee with a written notice of intent to revoke, suspend, cancel, or downgrade their license at least 180 days prior to the effective date of the action. The bill would require the department to issue a specified notice to the licensee and to prioritize assisting the licensee in resolving the administrative error or deficiency within the 180 day notice period. The bill would require the department to establish a dedicated process to review documents submitted by the affected licensees to expedite compliance. The bill would authorize the department to grant a one-time extension of up to 90 days and require the extension to be granted if the licensee has taken steps to resolve the deficiency but is unable to complete the process within the 180 day period due to processing delays by the department or a federal agency. The bill would require the extension to be granted if the department determines that the licensee is making a good faith effort to comply, and that the issue is likely to be fully resolved within the extension period. The bill would provide that these provisions are to be implemented only to the extent authorized by federal law.	Watch

Bill ID/Topic	Location	Summary	Position
SB 117 Committee on Budget and Fiscal Review Transit and Intercity Rail Capital Program: loans: transit operating purposes: San Francisco Bay area.	This bill is in the Assembly Budget Committee.	Existing law establishes the Transit and Intercity Rail Capital Program, which is funded in part by a continuously appropriated allocation of a specified portion 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. 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, including the San Francisco Bay Area Rapid Transit District and the Alameda-Contra Costa Transit District, with specified powers and duties relating to providing public transit services. This bill would require, on or before July 1, 2026, the Transportation Agency, subject to various requirements, to loan to the Metropolitan Transportation Commission up to $590,000,000 of funding approved under the program for projects within the San Francisco Bay area. The bill would require the Metropolitan Transportation Commission to use the proceeds of that loan to offer loans, subject to certain conditions, for public transit operating purposes to the San Francisco Bay Area Rapid Transit District, the San Francisco Municipal Transportation Agency, the Peninsula Corridor Joint Powers Board, and the Alameda-Contra Costa Transit District. By changing the purpose for which continuously appropriated funds may be expended, the bill would make an appropriation. The bill would require the California Transportation Commission, if certain conditions are met, to establish an allocation plan for the awarded projects in the San Francisco Bay area under which future allocations under the program to those projects may be adjusted or deferred during the repayment period of the loan made to the Metropolitan Transportation Commission, as specified. The bill would require a transit operator to use its respective share of specified funding under the State Transit Assistance Program as security for any loan made by the Metropolitan Transportation Commission and would authorize the Metropolitan Transportation Commission to redirect those funds as repayment for an outstanding loan if the specified transit entity fails to make timely loan payments. The bill would make these provisions inoperative upon full repayment of the loan by the Metropolitan Transportation Commission, as specified. To the extent the bill would impose new duties on the Metropolitan Transportation Commission, the bill would impose a state-mandated local program.	Watch

Bill ID/Topic	Location	Summary	Position
SB 445 Wiener D High-speed rail: third-party agreements, permits, and approvals: regulations.	This is a two-year bill.	The California High-Speed Rail Act creates the High-Speed Rail Authority (authority) to develop and implement a high-speed rail system in the state, with specified powers and duties, including the power to enter into contracts, relocate highways and utilities, and enter into cooperative or joint development agreements with local governments or private entities, as specified. The act establishes legal procedures for the relocation of publicly and privately owned utility facilities, as defined, when the authority requires any utility to remove any utility facility lawfully maintained in the right-of-way of any high-speed rail property to a location entirely outside the high-speed rail property right-of-way subject to specified conditions. The act authorizes the authority and any utility to enter into a specified agreement or contract to remove or relocate any utility facility that provides for, among other things, the respective amounts of the cost to be borne by each party or that apportions the obligations and costs of each party. Existing law creates the High-Speed Rail Authority Office of the Inspector General (office) and authorizes the High-Speed Rail Authority Inspector General (inspector general) to initiate an audit or review regarding oversight related to delivery of the high-speed rail project undertaken by the authority and the selection and oversight of contractors related to that project. Existing law requires the inspector general to submit annual reports to the Legislature and Governor regarding its findings. This bill would require the authority, on or before July 1, 2026, to develop and adopt internal rules, as defined, setting forth standards and timelines for the authority to engage utilities to ensure coordination and cooperation in relocating utility infrastructure or otherwise resolving utility conflicts affecting the delivery of the high-speed rail project. The bill would require the authority to ensure that the internal rules, among other things, identify the circumstances under which the authority would be required seek to enter into a cooperative agreement with a utility that, where relevant, identifies who is responsible for specific utility relocations, as specified. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 545 Cortese D High-speed rail: economic opportunities.	This is a two-year bill.	Existing law establishes the Governor's Office of Business and Economic Development as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Existing law creates the High-Speed Rail Authority, with specified powers and duties related to the development and implementation of a high-speed train system. This bill would require the Governor's Office of Business and Economic Development, on or before January 1, 2027, to commission a study on economic opportunities along the corridor of the California high-speed rail project, as defined, and other high-speed rail projects in California that are planned to directly connect to the California high-speed rail project, as provided, and to submit a progress report to the chairpersons of the Senate Committee on Transportation and the Assembly Committee on Transportation for input. The bill would require, on or before January 1, 2028, the study to be completed and a report on the study's findings and recommendations to be submitted to the appropriate policy and fiscal committees of the Legislature. The bill would require an infrastructure district, as defined, that uses its revenue to finance the construction of the high-speed rail project to dedicate a majority of its revenue to infrastructure projects within the jurisdiction of the local agencies that establish the district.	Watch
SB 555 Caballero D Workers' compensation: average annual earnings.	This bill is at the Assembly Desk.	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 provides for temporary disability, permanent total disability, or permanent partial disability benefits, among other benefits, for an injured employee and requires the computation of an injured employee's average annual earnings and average weekly earnings for purposes of determining those disability benefits. Existing law requires, for computing average annual earnings for purposes of permanent partial disability indemnity, that average weekly earnings be taken at various amounts, including between $240 and $435 for injuries occurring on or after January 1, 2014, except as specified. This bill would require, for computing average annual earnings for purposes of permanent partial disability indemnity, that average weekly earnings be taken at between $____ and $____ for injuries occurring on or after January 1, 2027.	Watch

Bill ID/Topic	Location	Summary	Position
SB 667 Archuleta D Railroads: safety: wayside detectors.	This bill is at the Assembly Desk.	The existing Federal Railroad Safety Act (FRSA) authorizes the United States Secretary of Transportation to prescribe regulations and issue orders for railroad safety and requires the United States Secretary of Homeland Security, when prescribing a security regulation or issuing a security order that affects the safety of railroad operations, to consult with the United States Secretary of Transportation. The FRSA provides for state participation in the enforcement of the safety regulations and orders issued by the United States Secretary of Transportation or the United States Secretary of Homeland Security, pursuant to an annual certification, and authorizes the respective secretaries to make an agreement with a state to provide investigative and surveillance activities. The FRSA provides that, to the extent practicable, laws, regulations, and orders related to railroad safety and security are required to be nationally uniform, but authorizes a state to adopt or continue in force a law, regulation, or order related to railroad safety or security until the United States Secretary of Transportation, with respect to railroad safety matters, or the United States Secretary of Homeland Security, with respect to railroad security matters, prescribes a regulation or issues an order covering the subject matter of the state requirement. A state is additionally authorized to adopt or continue in force an additional or more stringent law, regulation, or order related to railroad safety or security, when necessary to eliminate or reduce an essentially local safety or security hazard, that is not incompatible with a federal law, regulation, or order, and that does not unreasonably burden interstate commerce. This bill would require a railroad corporation to install and operate a network of wayside detector systems on or adjacent to any track used by a freight train, require that each wayside detector system include a hot wheel bearing detector, and prescribe the maximum spacing for individual detection devices along a continuous track. The bill would define “wayside detector system” to mean an electronic device or series of connected devices that scans passing freight trains and their component equipment and parts for defects. The bill would require the Public Utilities Commission to adopt rules and processes to implement these provisions, including a penalty of not less than $25,000 for violating these provisions, as provided. The bill would not apply to a class II or class III carrier that has a speed limit of 10 miles per hour or less.	Watch

Bill ID/Topic	Location	Summary	Position
SB 741 Blakespear D Coastal resources: coastal development permit: exemption: Los Angeles-San Diego-San Luis Obispo Rail Corridor.	This is a two-year bill.	The California Coastal Act of 1976, which is administered by the California Coastal Commission, requires any person wishing to perform or undertake any development in the coastal zone, as defined, to obtain a coastal development permit from a local government or the commission. Existing law exempts from that coastal development permitting process certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore existing highways, as provided. This bill would expand that exemption to include certain emergency projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore existing railroad track along the Los Angeles-San Diego-San Luis Obispo Rail Corridor, as provided. This bill would make legislative findings and declarations as to the necessity of a special statute for the Los Angeles-San Diego-San Luis Obispo Rail Corridor.	Watch
SB 908 Wiener D Residential windows: retrofitting: California Energy Code compliance.	This bill is in the Senate Local Government Committee.	Existing law, the Davis-Stirling Common Interest Development Act, governs the management and operation of common interest developments. Existing law places various limits and prohibitions on the governing documents, as defined, relative to an owner's separate interest within those developments. This bill would prohibit those governing documents from limiting or prohibiting the owner of a separate interest within a common interest development from replacing existing residential windows with California Energy Code-compliant windows, as defined, or from imposing any requirements on California Energy Code-compliant windows in a housing development project, as defined. This bill contains other related provisions and other existing laws.	Watch
SB 929 Jones R State Energy Resources Conservation and Development Commission: chair: report to the Legislature.	This bill is in the Senate Appropriations Committee.	Existing law establishes the State Energy Resources Conservation and Development Commission consisting of 5 members and establishes various duties and responsibilities of the commission relating to energy usage in the state. Existing law requires the Governor to designate a chair of the commission and requires the chair to direct the public advisor, the executive director, and other staff of the commission in the performance of their duties in conformance with the policies and guidelines established by the commission. This bill would require the chair of the commission to appear annually before the appropriate policy committees of the Legislature to report on activities of the commission, as specified.	Watch

Bill ID/Topic	Location	Summary	Position
SB 935 Choi R Local agency design-build projects: authorization.	This bill is in the Senate Appropriations Committee.	Existing law authorizes a local agency, as defined, with approval of its governing body, to procure design-build contracts for public works projects in excess of $1,000,000, awarding the contract either to the lowest bid or the best value. Existing law, among other requirements for the design-build procurement process, requires specified information submitted by a design-build entity to be certified under penalty of perjury. These provisions authorizing local agencies to use the design-build procurement process are repealed on January 1, 2031. This bill would repeal the above-described January 1, 2031, repeal date, thereby extending the operation of these provisions indefinitely. By indefinitely extending provisions that would otherwise be repealed on January 1, 2031, the bill would expand the crime of perjury, thereby imposing a state-mandated local program. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 939 Laird D Public employees' retirement: service credit: payments.	This bill is in the Senate Appropriations Committee.	The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS), which provides a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject to certain variations. PERL vests management and control of PERS in the Board of Administration. Under that law, members may make certain elections, including elections to purchase service credit for various types of public service, upon payment of additional contributions. Existing law permits a member who retires before paying off the entire amount for service credit to pay the balance due by deductions from their retirement allowance equal to those authorized as payroll deductions, as specified. Under existing law, upon the death of that member, a survivor of the member, who is eligible for a monthly allowance, may elect to continue those deductions from the survivor's allowance. Existing law authorizes the member, survivor, or beneficiary, as an alternative, on or after January 1, 2020, to elect to receive an allowance that is reduced by the actuarial equivalent of any balance remaining unpaid by the member. This bill would limit that alternative option to elections made on or after January 1, 2020, with an initial effective date prior to January 1, 2028. (2)Existing law provides that all elections taking effect on or after January 1, 2020, including elections for normal contributions, arrears contributions, absences, or public service become due and payable at the time of the member's retirement or preretirement death. This bill would require, for all elections with an effective date on or after January 1, 2028, except as specified, the member's payment to be received by the system no later than 90 days after the member's retirement effective date, or the survivor or beneficiary's payment to be received by the system no later than 90 days after the date the notification of balance due is mailed. For any balance not paid, the service credit included in the election would be reduced or eliminated, as specified. This bill would also require all contributions or service credit adjustments required by law or agreement with an effective date on or after January 1, 2028, to become due and payable at the time of retirement or preretirement death. The bill would require the member, survivor, or beneficiary to have their allowance reduced by the actuarial equivalent of any balance remaining unpaid by the member. (3)Existing law permits a member of PERS who has elected to receive credit for service and who retires for disability, including a safety member who retires due to industrial disability, to elect to cancel the installments prospectively, in accordance with certain provisions. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 994 Cabaldon D Local government: nondisclosure agreements.	This bill is in the Senate Local Government Committee.	Existing law, the legislative code of ethics, prohibits Members of the Legislature from entering into, or requesting that another party enter into, a nondisclosure agreement relating to the drafting, negotiation, or discussion of proposed legislation. Existing law also makes any nondisclosure agreement relating to the drafting, negotiation, or discussion of proposed legislation entered into after January 1, 2026, void and unenforceable. Existing law provides an exception for nondisclosure agreements, or portions thereof, that prevent only the disclosure of trade secrets, financial information, or proprietary information, as specified. This bill would prohibit a local government official acting in their official capacity from entering into, or requesting that another individual enter into, a nondisclosure agreement relating to public business that precludes their ability to share information with fellow local government officials serving on the same council, board, commission, district, or agency. The bill would require a local government official in violation of that provision to, among other things, disclose the existence of the nondisclosure agreement, as specified, and would provide that these requirements imposed on a local government official also apply to a local government official acting in their official capacity who entered into, or requested that another individual enter into, a nondisclosure agreement described above before January 1, 2027. By imposing additional duties on local government officials, the bill would impose a state-mandated local program. The bill would also make any nondisclosure agreement relating to public business that precludes the ability of a local government official to share information with fellow local government officials serving on the same council, board, commission, district, or agency and that is entered into after January 1, 2027, void and unenforceable. The bill would prohibit staff of a local government official acting in their official capacity from entering into, or requesting that another individual enter into, a nondisclosure agreement relating to public business that precludes their ability to share information with the local government official who they serve under. The bill would also make any nondisclosure agreement relating to public business that precludes the ability of any staff of a local government official acting in their official capacity to share information with the local government official who they serve under and that is entered into after January 1, 2027, void and unenforceable. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1008 Ochoa Bogh R California Environmental Quality Act: exemption: railroad grade crossing closure.	This bill is in the Senate Energy, Utilities, & Communications Committee.	The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA exempts certain projects from its requirements and authorizes a lead agency, if it determines a certain project is exempt from CEQA, to file a notice of exemption, as provided. This bill would exempt from CEQA the closure of a railroad grade crossing by order of the Public Utilities Commission if the commission finds the crossing to present a threat to public safety. The bill would provide that the exemption is inapplicable to any crossing for high-speed rail or any crossing for a project carried out by the High-Speed Rail Authority. The bill would require the lead agency to file the notice of exemption with specified public entities, as provided. Because the bill would impose additional duties on lead agencies with regards to the filing of the notice of exemption, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Watch
SB 1035 Strickland R Motor vehicle fuel tax: greenhouse gas reduction programs: suspension.	This bill is in the Senate Environmental Quality Committee.	The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. Pursuant to the act, the state board has adopted the Low Carbon Fuel Standard regulations. The act authorizes the state board to include in its regulation of those emissions the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. This bill would suspend the Low Carbon Fuel Standard regulations for one year. The bill would also exempt suppliers of transportation fuels from regulations for the use of market-based compliance mechanisms for one year. This bill would direct the Controller to transfer a specified amount from the General Fund to the Greenhouse Gas Reduction Fund. By transferring General Fund moneys to a partially continuously appropriated fund, this bill would make an appropriation. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1087 Cabaldon D Transportation planning: sustainable communities strategies: transportation funding programs.	This bill is in the Senate Transportation Committee.	Existing law requires certain transportation planning agencies to prepare and adopt regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Existing law requires a regional transportation plan to include a policy element, a sustainable communities strategy prepared by a metropolitan planning organization, an action element, and a financial element, as provided. Existing law requires those transportation planning agencies to adopt and submit every 4 years, except as provided, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. Existing law requires a sustainable communities strategy to achieve regional targets set by the State Air Resources Board for the reduction of greenhouse gas emissions from the automobile and light truck sector in the region for 2020 and 2035, respectively, and requires the state board to update those targets every 8 years, consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan, as specified. Existing law establishes certain procedural requirements for setting and updating those targets and authorizes the state board to revise the targets every 4 years based on changes in specified factors. This bill would instead require, commencing with the first or 2nd regional transportation plan prepared on or after January 1, 2027, as determined by the applicable metropolitan planning organization, the regional transportation plan to include an 8-year sustainable communities strategy prepared by the metropolitan planning organization. Upon the submission of a regional transportation plan that does not include a new sustainable communities strategy, the bill would require the metropolitan planning organization to submit a sustainable communities strategy implementation report. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1097 Wiener D California Environmental Quality Act: electrical distribution: clean energy: exemptions: standard of review.	This bill is in the Senate Environmental Quality Committee.	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 (EIR) on a project that the lead agency 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. This bill would exempt from CEQA projects that consist of the inspection, maintenance, repair, restoration, reconditioning, reconductoring with advanced conductors, replacement, or removal of a transmission wire or cable used to conduct electricity or other piece of equipment that is directly attached to the wire or cable and that meet certain requirements. If a lead agency determines that a project is exempt from CEQA pursuant to the above-described provision, the bill would require the lead agency to file a notice of exemption with the Office of Land Use and Climate Innovation and the county clerk in each county in which the project is located, as provided. By increasing the duties of a lead agency, the bill would impose a state-mandated local program. This bill would, for a project to construct (1) a solar photovoltaic or terrestrial wind electrical generating powerplant, (2) an energy storage system, (3) a stationary electrical generating powerplant using any source of thermal energy, as provided, or (4) specified overhead electrical transmission lines, establish a modified approval process for a lead agency to follow when approving those projects, as provided. In order to use the modified approval process, the bill would require certain of these projects to not be located on specified lands and, for a project to construct specified overhead electrical transmission lines, to, among other things, not include construction that physically disturbs specified lands, as provided. The bill would, for the above-described projects, require that the lead agency determine, based upon substantial evidence in light of the whole record before the lead agency, that it is more likely than not that a project will have a significant effect on the environment, as defined, for purposes of the preparation of an EIR. Because the bill would require a lead agency to make these determinations, the bill would impose a state-mandated local program.	Watch
SB 1136 Blakespear D Intercity rail and commuter rail: special events service plans.	This bill is in the Senate Transportation Committee.	Existing law sets forth various provisions applicable to all public transit and transit districts and includes specific requirements applicable to public entities that operate commuter rail or rail transit systems. This bill would require, on or before July 1, 2027, a regional rail operator, as defined, operating within an intercity rail corridor to ensure that its fare systems are fully integrated with the fare systems of the intercity rail operator, and any other regional rail operator, operating in the intercity rail corridor. By imposing additional duties on regional rail operators, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1187 Durazo D Open meetings: majority.	This bill is in the Senate Local Government Committee.	Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Existing law defines “meetings” for these purposes to mean any congregation of a majority of the members of a legislative body at the same time and location, as specified, to hear, discuss, deliberate, or take action on any item that is within the subject matter jurisdiction of the legislative body. This bill would define “majority” for purposes of the act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body. This bill contains other related provisions and other existing laws.	Watch
SB 1241 Smallwood-Cuevas D Skilled and trained workforce requirements.	This bill is in the Senate Appropriations Committee.	Existing law establishes requirements with respect to public contracts that apply when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project, as specified. Existing law requires a public entity subject to skilled and trained workforce requirements to include a specified notice in all bid documents. Existing law specifies that a failure of a public entity to include the required notice that a project is subject to the skilled and trained workforce requirement does not excuse a public entity from those requirements. This bill would expand the circumstances under which those requirements apply to specified instruments and laws, including development agreements and resolutions, as provided. The bill would make various technical and conforming changes. This bill contains other related provisions and other existing laws.	Watch
SB 1275 McNerney D Sales and use tax exemption: vehicle license fee imposition: motor vehicles.	This bill is in the Senate Transportation Committee.	Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes. This bill would, on and after July 1, 2027, and before July 1, 2032, exempt from those taxes the gross receipts from the sale of, and the storage, use, or other consumption of a used motor vehicle sold by specified dealers or their affiliates or a new motor vehicle. This bill contains other related provisions and other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1292 Richardson D Enhanced curb management system.	This bill is in the Senate Transportation Committee.	Existing law authorizes, until January 1, 2030, a local agency, as defined, to install automated forward facing parking control devices on city-owned or district-owned parking enforcement vehicles for the purpose of taking photographs of parking violations occurring in bicycle lanes. Existing law requires a designated employee of a city, county, city and county, or a contracted law enforcement agency for a special transit district, who is qualified by the city and county or the district to issue parking citations, to review photographs for the purpose of determining whether a parking violation occurred in a bicycle lane and to issue a notice of violation to the registered owner of a vehicle within 15 calendar days, as specified. Existing law requires these photographic records to be confidential and makes these records available only to public agencies to enforce parking violations. Existing law requires any local agency that implements this pilot program to report to specified committees of the Legislature on the system's effectiveness and impact on traffic outcomes, among other things, by December 31, 2028. This bill would authorize a local agency, as defined, to establish an enhanced curb management system (system) that records images of vehicles for the purpose of enforcing parking violations or automating parking payments if certain requirements are met. The bill would require the governing body of the local agency to adopt a public ordinance or resolution that would authorize the use of a system in specified locations, including, among others, passenger loading zones and commercial loading zones. The bill would require a local agency that automates parking payments by charging vehicles a fee for access to outline the fee, and any adjusted rates, in an ordinance or resolution. This bill contains other related provisions and other existing laws.	Watch
SB 1324 Blakespear D Passenger and freight rail: LOSSAN Rail Corridor: working group report.	This bill is in the Senate Transportation Committee.	Existing law establishes the Department of Transportation in the Transportation Agency. Existing law authorizes the department, subject to approval of the Secretary of Transportation, to enter into an interagency transfer agreement under which a joint powers board assumes responsibility for administering state-funded intercity rail service in certain rail corridors, including the LOSSAN Rail Corridor. Existing law defines the LOSSAN Rail Corridor as the intercity passenger rail corridor between San Diego, Los Angeles, and San Luis Obispo. Pursuant to this authority, the department entered into an interagency transfer agreement with the LOSSAN Rail Corridor Agency to administer intercity passenger rail service in the LOSSAN Rail Corridor. Existing law requires the Secretary of Transportation to convene a working group composed of representatives of certain types of entities, including, among others, representatives from county transportation commissions and metropolitan planning organizations from specified counties. Existing law requires the working group to submit consensus recommendations and feedback in a report to the Legislature on or before February 1, 2026, on various topics relating to rail service in the LOSSAN Rail Corridor. This bill would instead require the working group to submit this report to the Legislature on or before February 1, 2027. By extending the duties of representatives of local agencies, the bill would impose a state-mandated local program. This bill contains other existing laws.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1366 Rubio D State government: California Prompt Payment Act: Public Utilities Commission: State Energy Resources Conservation and Development Commission.	This bill is in the Senate Energy, Utilities, & Communications Committee.	The California Prompt Payment Act requires a state agency that awards a grant or that acquires property or services pursuant to a contract to make timely payments pursuant to the grant or contract. If a state agency fails to take certain timely actions and payment is not issued within 45 calendar days from the state agency's receipt of an undisputed invoice, the act requires the state agency to pay certain penalties. Existing law vests the Public Utilities Commission (PUC) with regulatory authority over public utilities, including every common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, and heat corporation, as specified. Existing law vests the State Energy Resources Conservation and Development Commission (Energy Commission) with various responsibilities for developing and implementing the state's energy policies. This bill would require the PUC and the Energy Commission, in administering or approving programs, to comply with the California Prompt Payment Act and to ensure that payment timelines, advance payment structures, and accountability measures required under the act are incorporated into program designs, implementation plans, and cost recovery authorizations. The bill would require the PUC and the Energy Commission to provide a minimum advance payment of 25%, and, if the nonprofit organization has been in good standing with the state for at least 3 years, to provide an advanced payment of 100%, except as provided. The bill would prohibit the PUC and the Energy Commission from structuring procurement or payment terms in a way that unreasonably restricts participation by small businesses, nonprofit organizations, community-based organizations, or certain certified suppliers, as specified. The bill would require the PUC and the Energy Commission to annually submit a report to the Legislature with information related to the payment of invoices.	Watch

Bill ID/Topic	Location	Summary	Position
SB 1375 Cortese D Diridon Station Environmental Streamlining.	This bill is in the Senate Environmental Quality Committee.	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. Existing law exempts from CEQA a public project for the improvement, institution, or increase of passenger rail service, including the maintenance, construction, or rehabilitation of stations, terminals, or existing operations facilities that will be exclusively used by zero-emission trains or specified rolling stock or locomotives, as provided. This bill would exempt from CEQA a public urban, intermodal rail station project within a long-urbanized area within the statewide passenger rail network, at which high-capacity light, commuter, and intercity rail services converge that meets specified conditions, including, among other requirements, a requirement for compliance with various environmental laws and for the adoption of a plan for how any displacement from the project will be fully addressed, as provided. Because a lead agency would be required to determine the applicability of this exemption, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.	Recommend Support
SB 1411 Stern D Greenhouse Gas Reduction Fund: funding conditions: high-speed rail.	This bill is in the Senate Transportation Committee.	Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state. Existing law requires moneys collected by the State Air Resources Board from the auction or sale of certain allowances as part of a market-based compliance mechanism to be deposited into the Greenhouse Gas Reduction Fund and continuously appropriates a portion of the moneys in the fund for various purposes, including a specified portion to the authority for certain purposes. Existing law prohibits the authority from entering into new funding commitments with those moneys for activities outside of the Merced to Bakersfield segment, until June 30, 2030, or when that segment is fully funded, whichever is sooner. Notwithstanding that prohibition, existing law authorizes the authority to enter into new funding commitments outside of the Merced to Bakersfield segment for additional activities, not to cumulatively exceed $500,000,000, that maximize the efficiency of delivering the project, as specified. This bill would authorize the authority to enter into new funding commitments with the above-described moneys outside of the Merced to Bakersfield segment in any amount for additional activities that maximize the efficiency of delivering the project, as specified. By expanding the purposes for which continuously appropriated moneys may be used, the bill would make an appropriation.	Recommend Support

Bill ID/Topic	Location	Summary	Position
SB 1425 Cortese D High-Speed Rail Authority: property: right-of-way.	This bill is in the Senate Transportation Committee.	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, including the power to acquire rights-of-way through purchase or eminent domain, as specified. This bill would establish a permit program, administered by the authority, for encroachments on the authority's rights-of-way. The bill would make any person who installs or performs an encroachment within the authority's right-of-way, without a permit, guilty of a misdemeanor. The bill would also make any person who willfully damages any feature of the high-speed train system or any portion of the authority's right-of-way guilty of a misdemeanor. The bill would provide for civil penalties for specified categories of encroachment and, unless authorized by law or an encroachment permit, would make it unlawful to manage water flows in certain ways that impact the high-speed train system or the authority's right-of-way, as specified. The bill would require all moneys, including moneys from permit fees and civil penalties, collected pursuant to its provisions to be deposited into the High-Speed Rail Property Fund. The bill would, upon appropriation by the Legislature, make the penalty moneys available to the authority for use in the development, improvement, and maintenance of the high-speed rail system, and the other moneys available for administering these provisions.By creating new crimes, this bill would impose a state-mandated local program. 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.	Watch
SCR 84 Blakespear D California Rail Month.	This bill is on the Senate Floor.	This measure would recognize May 2026 as California Rail Month.	Watch

Shaw Yoder Antwih Schmelzer & Lange

April 28, 2026

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

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

RE: STATE LEGISLATIVE UPDATE – May 2026

General Update
As noted in last month's report, the deadlines for Assembly Members and Senators to amend "spot bills" (i.e. placeholder legislation) were March 16 and March 25, respectively. Pursuant to those deadlines, nearly 600 bills were amended and now include substantive language.

On March 26, the Legislature broke for their Spring Recess and reconvened on April 6. Upon their return, policy committees and budget subcommittees in both houses continue to review legislation introduced in the session and the Governor's budget proposals, with April 24 as the last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house; the last day for policy committees to hear and report to the Floor non-fiscal bills introduced in their house is May 1.

Finally, The Governor is expected to release the May Revise, the mid-year update to the proposed Fiscal Year 2026-27 budget, on May 14.

For information about key legislative and budget deadlines for next year, please see the 2026 Legislative Calendar here.

REMINDER: CalSTA Releases TIRCP Cycle 8 Guidelines and Call for Projects
On February 23, the California State Transportation Agency (CalSTA) released final guidelines and a call for projects for the Transit and Intercity Rail Capital Program (TIRCP) Cycle 8. The call for projects details the application requirements and procedures to apply for funding under the program. TIRCP Cycle 8 will program projects starting with the Fiscal Year (FY) 2026-27 and ending with the FY 2030-31. The new program cycle will include previously awarded and active projects that have not been fully allocated by the end of the FY 2025-26 fiscal year, and projects selected from Cycle 8. The new capacity available for Cycle 8 is currently estimated at least $950 million, but could be adjusted based on auction proceeds and changing cash flow requirements of already awarded projects between now and the September 2026 award announcement.

Applications are due May 18, 2026, and CalSTA expects to announce awards no later than September 18, 2026.

REMINDER: Affordable Housing and Sustainable Communities Program Notice of Funding Availability
On March 4, the Department of Housing and Community Development (HCD) and the Strategic Growth Council (SGC) released the Notice of Funding Availability (NOFA) for Round 10 of the Affordable Housing and Sustainable Communities (AHSC) Program. The AHSC supports transit, housing, and land use projects which reduce greenhouse gas emissions. Approximately $750 million in funding capacity is available for Round 10.

Applications are due May 4, 2026, and awards are expected to be announced in December, 2026.

Bills with Recommended Action
SB 1375 (Cortese) Diridon Station Modernization: CEQA Exemption – RECOMMEND SUPPORT
This bill would exempt the Diridon Station Modernization Program from the California Environmental Quality Act (CEQA). Although existing law provides CEQA exemptions for certain rail and transit projects, SB 1375's proponents believe a specific, targeted CEQA exemption will help avoid further delays and additional risks of litigation. ***This bill is set to be heard in the Senate Environmental Quality Committee.***

AB 1941 (Mark González) Organized Metal Theft – RECOMMEND SUPPORT
This bill would create the new crime of organized metal theft for those who act in concert with additional persons to steal high-value metals used in public infrastructure, including copper wiring. The bill would make this crime punishable as either a misdemeanor or a felony. Last year, the Governor signed AB 476, also by Assemblymember González, to combat metal and copper theft by requiring junk dealers to collect more detailed records, provide access of those records to law enforcement, and increase the fine for noncompliance. Caltrain supported this bill. ***This bill passed out of the Assembly Public Safety Committee on March 25 and is now in the Assembly Appropriations Committee.***

AB 2308 (Haney) Redevelopment: Successor Agency Debt Support – RECOMMEND SUPPORT
This bill would authorize the successor agency to the former San Francisco Redevelopment Agency to extend its existing Net Tax Increment (NTI) collection period in order to finance and complete Transbay infrastructure projects, including the delivery of the Caltrain Downtown Extension (The Portal). ***In the Assembly Local Government Committee.***

Bills with Positions
SB 667 (Archuleta) Railroad Wayside Detectors – OPPOSE
This bill would require a railroad, including passenger and commuter rail agencies, to install and operate a network of wayside detector systems on or adjacent to its tracks. SB 667 also prohibits freight trains from traveling faster than 10 miles per hour in areas without wayside detectors. This bill would have a significant impact on Caltrain scheduling and reliability. The California Transit Association is opposing the bill and leading the fight to secure favorable amendments. ***In the Assembly, pending referral to policy committee.***

Bills of Interest
SB 1087 (Cabaldon) Sustainable Communities Strategy Modernization Bill – WATCH
This bill seeks to modernize SB 375, the 2008 law that established the sustainable communities strategies regional planning framework. SB 1087 updates these planning requirements to better align climate, transportation, and housing goals. Specifically, it requires MPOs to include a new 8-year SCS in every other regional transportation plan, rather than every year. It also revises how GHG reduction targets are set and requires the target to reflect the combined effect of policies, regulations, and investments to improve fleet efficiency and reduce vehicle miles traveled and be based on what is achievable for the region. Additionally, it provides a CEQA exemption for these regional plans. ***This bill***

passed out of the Senate Environmental Quality Committee on April 8 and is now in the Senate Transportation Committee.

SB 1136 (Blakespear) Special Events Service Requirements – WATCH
As amended on April 6, this bill would require California's intercity passenger rail agencies to include a special events service plan in their annual business plan, commencing with the 2027-28 fiscal year, and require fare integration between some commuter rail agencies and intercity rail operators. The California Transit Association is leading the effort on behalf of affected rail agencies, including Caltrain, to engage with the Author to seek favorable amendments. ***In the Senate Transportation Committee.***

SB 1361 (Durazo) Affordable Housing Exemption for SB 79 – WATCH
This bill would exempt from the requirements of SB 79 certain local agencies or local governments if the entity has adopted a policy by January 1, 2026, to complete at least 10,000 housing units, at least 50% of which will be income restricted, by January 1, 2032. This exemption would not apply to Tier 2 transit-oriented development stops served by light rail transit or high-frequency commuter rail or the Tier 1 transit-oriented development stops that are operational or in pre-revenue service as of January 1, 2026. ***This bill is pending referral from Senate Rules.***

AB 1383 (McKinnor) PEPRA Compensation Limits – WATCH
This bill makes several changes to the Public Employees' Pension Reform Act (PEPRA) of 2013, a bill passed in 2012 to reform public employee retirement systems and help local agencies better manage future pension costs. First, AB 1383 authorizes a public employer and labor organization to negotiate an increase to Defined Benefit retirement formulas for *safety* plan members. This change would impact only public safety employees (e.g. police, firefighters) and would not impact most transit agencies, unless they manage their own police force. However, the bill also requires retirement systems subject to PEPRA *which are not enrolled in the social security program* to increase their compensation limit from 120% to 135% -- thus increasing those systems' pension obligations. Systems with employees enrolled in social security would see no change. ***In the Senate, pending referral to policy committee.***

AB 1599 (Ahrens) California Transit Stop Registry – WATCH
This bill would require the Department of Transportation to create the California Transit Stop Registry as a centralized, statewide dataset of standardized information regarding transit stops by December 31, 2026. Additionally, this bill would require all transit operators that qualify for the funding under the Mills-Alquist-Deddeh Act to ensure that the name, location, of each of their transit stops are accurately reflected in the California Transit Stop Registry. ***This bill passed out of the Assembly Transportation Committee on March 24 and is now in the Assembly Appropriations Committee.***

AB 1883 (Bryan) Workplace Surveillance – WATCH
This bill would prohibit an employer from using specified surveillance tools in the workplace. AB 1883 additionally provides for a civil penalty for each violation. The bill is opposed by a variety of local government stakeholders, including the State Association of Counties (CSAC), the League of California Cities, the California Special Districts Association, and more, who are concerned that this bill will negatively impact workplace safety. ***This bill passed out of the Assembly Labor Committee on March 19 and is now in the Assembly Privacy and Consumer Protection Committee.***

AB 2074 (Haney) Regional Transit Hubs – WATCH
This bill would require major transit cities (cities with a population greater than 400,000) to designate one or more regional transit hub districts by July 1, 2026. Additionally, the bill would permit housing as

an allowed use in regional transit hubs subject to certain requirements downtown housing development to be allowed use within a regional transit hub district. The bill would establish the Downtown Revitalization Loan Fund at the California Housing Finance Agency for the development of housing in these districts. ***This bill passed out of the Assembly Housing & Community Development Committee on April 8 and is now in the Assembly Local Government Committee.***

AB 2576 (Harabedian) SB 79 Delay Implementation – WATCH
This bill delays the implementation of SB 79 (Wiener) by one year and increases the population threshold for certain requirements to apply to cities from 35,000 to 40,000. ***This bill is set to be heard in Assembly Housing & Community Development.***

Peninsula Corridor Joint Powers Board
Staff Report

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Kate Jordan Steiner, Chief Financial Officer

For: May 2026 JPB Board of Directors Meeting

Subject: **Receive Update on Fiscal Year 2027 Preliminary Operating Budget**

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

Purpose and Recommended Action

This report is submitted for informational purposes only. Based on Board of Directors (Board) feedback, final discussions with funding partners and member agencies, and further budget request refinements, staff will present a final budget proposal to the Finance Committee for review at its May 18, 2026 meeting, and the Peninsula Corridor Joint Powers Board (JPB) Board for consideration and adoption at its June 4, 2026 meeting.

Discussion

Service Transformation and Strong Ridership Recovery

Caltrain ridership has demonstrated a robust recovery following the profound impacts of the COVID-19 pandemic. The transition to electrified service and a continued regional return to in-person work have provided a strong increase in ridership with year-over-year performance in March 2026 up by 45 percent compared to the same period in 2025, reaching 70.3 percent of pre-pandemic levels. This growth is directly attributable to the enhanced value proposition of electrified service: increased frequency, reduced travel times, optimized stopping patterns, and modernized onboard amenities like Wi-Fi. The strong passenger response underscores Caltrain's evolving role as a premier, modern transit link for the region.

Structural Operating Deficit and Financial Risks

Despite the increase in farebox revenue and the foundational support of Measure RR sales tax revenue, Caltrain faces a structural operating deficit. Like many of the Bay Area's transit systems, Caltrain's financial challenges are driven by ridership that continue to be lower than pre-pandemic levels and escalating costs associated with electrification, labor, and insurance or claims. Additionally, volatility in sales tax, cost fluctuations in electricity and fuel, and uncertainty in federal and state funding increase overall financial risk.

Fiscal Year 2027 (FY27) Strategy and Revenue Diversification

To maintain current service levels and achieve a balanced budget for FY27, Caltrain will rely on one-time State Loan funds. To mitigate future reliance on bridge financing, the agency is aggressively pursuing a multi-pronged stabilization strategy:

- **Ridership Growth:** Implementing initiatives to promote ridership growth and improve customer experience.
- **Operational Efficiency:** Continuous auditing of the operating budget to identify cost-reduction opportunities and resource reallocation.
- **Non-Fare Revenue Expansion:** Diversifying the agency's revenue base through:
    - Optimized parking pricing and expanded advertising programs.
    - Innovative energy storage solutions to capture and monetize regenerative braking energy.
    - Explore leasing of telecommunications and fiber optic infrastructure.
    - Active management and development of Caltrain's real property portfolio.

The Biennial Budget and Long-Term Outlook

Following the adoption of Caltrain's first biennial budget (FY24 and FY25), Caltrain was only able to balance the first of the two-year budget (FY26 and FY27) due to resource constraints. Through a comprehensive review and cost reduction efforts of the FY27 budget line items, and the securing of one-time State Loan financing, the preliminary FY27 Operating Budget is now balanced, a draft of which was presented to the Board during the April Board Workshop.

As presented during the April Board Workshop, long-term financial stability remains contingent on new external funding for FY28 and beyond. Sufficient new external funding would allow Caltrain to sustain its service level while it prepares for a more sustainable business model. If no new external funding materializes in FY28, Caltrain will need to implement significant service reductions and aggressive cost-containment measures, but service cuts alone would not be enough to address the structural deficit.

FY27 Preliminary Operating Budget Overview

For FY27, a balanced operating budget is achieved by using State Loan funding. Staff will continue to refine the budget in preparation for final review at the June Board.

The following assumptions have been incorporated into the operating budget:

- Maintain existing service levels at 104 trains per day (tpd), including current off-peak service

- Assumes a 5 percent growth in annual ridership and a 5.4 percent increase in average fare per passenger
- Incorporate regenerative braking credit to traction power budget
- Dedicate FY27 Measure RR revenue to operating needs and set aside $15 million for State of Good Repair (SOGR)
- Allocate $10.3 million in State Rail Assistance (SRA), Low Carbon Transit Operations Program (LCTOP), and Low Carbon Fuel Standard (LCFS) for the operating budget
- Use of $48.4 million one-time State Loan funds to balance the budget
- Assumes that Santa Clara Valley Transportation Authority (VTA) will fund the incremental cost only for the fourth Train to Gilroy
- No member agency contribution assumed for FY27

FY27 Preliminary Operating Budget Compared to the FY27 Draft Operating Budget
On April 2, 2026, at the Caltrain Board Budget workshop, the FY27 Draft Budget was presented as an informational item. The table below shows the comparison between the FY27 Preliminary and Draft Budgets. There are slight changes from what was presented.

In Millions	FY27 Draft Budget	FY27 Preliminary Budget	Change ($)	Change (%)
Total Sources	$235.1	$236.4	$1.3	0.6%
Total Uses	($269.7)	($269.8)	($0.1)	0.0%
Contribution to Reserve	$0.0	$0.0	$0.0	
Measure RR for Capital (SOGR)	($15.0)	($15.0)	$0.0	0.0%
Projected Sources Over Uses	**($49.6)**	**($48.4)**	**$1.2**	**-2.4%**
Draw from Measure RR Reserve	$0.0	$0.0	$0.0	
State Loan	$49.6	$48.4	($1.2)	-2.4%
Projected Net Sources Over Uses	**$0.0**	**$0.0**	**$0.0**	

The FY27 Draft Budget shows a projected deficit of $49.6 million in comparison to the FY27 Preliminary Budget projected deficit of $48.4 million. Both budgets require the use of State Loan funds to achieve a balanced budget.

Changes in Sources from the FY27 Draft Budget include:

Sources (In Millions)	FY27 Draft Budget	FY27 Preliminary Budget	Change ($)	Change (%)
Fares and Parking	$81.2	$81.3	$0.1	0.1%
Rental and Other Income	$6.2	$7.3	$1.1	18.1%
Measure RR	$124.9	$124.9	($0.0)	0.0%
External Funds	$21.0	$21.0	$0.0	0.0%
4th Train to Gilroy	$1.8	$1.9	$0.1	5.3%
Total Sources	**$235.1**	**$236.4**	**$1.3**	**0.6%**

FY27 Preliminary Budget Total Sources increased by $1.3 million.

- Parking Revenue was further refined resulting in an increase of $0.1 million
- Rental and Other Income
  - Interest Revenue increased by $0.7 million driven by the State Loan fund holdings
  - Advertising Revenue increased by $0.4 million driven by growing ridership
- Fourth Train to Gilroy increased by $0.1 million per draft agreement with VTA

Changes in Uses from the FY27 Draft Budget include:

Uses (In Millions)	FY27 Draft Budget	FY27 Prelim Operating Budget	Change ($)	Change (%)
Rail Operations	$129.3	$129.3	$0.0	0.0%
Maintenance, Facilities & Security	$29.6	$29.6	$0.0	0.0%
Insurance and Risk Management	$19.7	$19.7	$0.0	0.0%
Operations Support	$23.6	$23.6	$0.0	0.0%
Total Operating Expense	**$202.2**	**$202.2**	**$0.0**	**0.0%**
Wages and Benefits	$25.7	$25.7	$0.0	0.0%
Professional & Legal Services	$10.7	$10.7	$0.0	0.0%
Other Financing Expense	$1.0	$1.0	$0.0	0.0%
Administrative, Office & Others	$8.3	$8.4	$0.1	1.2%
Managing Agency Overhead	$6.8	$6.8	$0.0	0.0%
Total Admin & Overhead Expense	**$52.5**	**$52.6**	**$0.1**	**0.2%**
Debt Service Expense	$15.0	$15.0	$0.0	0.0%
Total Uses	**$269.7**	**$269.8**	**$0.1**	**0.0%**

FY27 Preliminary Budget Total Uses increased by $0.1 million.

- Additional software requirements (i.e. Safety Management, Papercast) for $0.1 million were incorporated in the FY27 Preliminary Budget

FY27 Preliminary Operating Budget Detail
Please refer to Attachment A – FY27 Preliminary JPB Financial Statement- Preliminary Budget for a comparative schedule of the FY27 Preliminary Operating Budget which shows the FY25 Actuals, FY26 Forecast, and the FY27 Preliminary Operating Budget. The line numbers for each revenue and expense item detailed below refer to the corresponding line numbers on Attachment A.

Sources
Total Sources for FY27 are projected at $236.4 million, a decrease of $9.5 million or 3.9 percent lower than the FY26 Forecast:

- Revenue from Operations for FY27 is projected at $88.6 million, an increase of $1.4 million or 1.6 percent over the FY26 Forecast.

- Revenue from Contributions for FY27 is projected at $147.8 million, a decrease of $10.9 million or 6.9 percent lower than the FY26 Forecast.

Line 1 **Caltrain Fares:** $63.1 million in FY27, an increase of $2.6 million or 4.3 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Caltrain Fares	43,162,519	60,501,753	63,084,148	2,582,395	4.3%

Caltrain Fares includes fare receipts collected directly from rail passengers. Caltrain Fares projection assumes a 5 percent growth in annual ridership and a 5.4 percent increase in average fare per passenger.

Line 2 **Go Pass:** $14.1 million in FY27, no change from the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Go Pass	15,416,806	14,100,000	14,100,000	0	0.0%

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

Go Pass for FY27 remains flat to FY26 Forecast, reflective of continued challenges with program participation.

Line 3 **Parking Revenue:** $4.1 million in FY27, $0.09 million or 2.1 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Parking Revenue	3,217,106	4,045,765	4,132,065	86,300	2.1%

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

FY27 Preliminary Budget assumes a 3 percent increase over FY26 Forecast excluding one-time increases related to Federation Internationale de Football Association (FIFA) and Super Bowl.

Line 4 **Rental Income:** $1.5 million in FY27, a decrease of $0.08 million or 4.8 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Rental Income	1,528,991	1,614,634	1,537,877	(76,757)	-4.8%

Rental income is derived from contract arrangements and lease negotiations for third-party use of properties owned by the JPB along the Caltrain Right-of-Way (ROW). Rental income for FY27 is derived by applying a 3 percent growth rate over FY26 contracted rent.

Line 5 **Interest Revenue:** $2.8 million in FY27, a slight decrease of $0.04 million or 1.4 percent lower than the FY26 Forecast.

Interest revenue is derived from earnings on investment account holdings based on market rates. The decrease in FY27 is driven by a lower interest rate of 3.25 percent, partially offset by higher projected average holdings of $86.1 million. This line includes projected interest revenue from the State Loan fund holdings.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Interest Revenue	4,184,488	2,845,349	2,805,420	(39,929)	-1.4%

Line 6 **Other Income:** $2.9 million in FY27, a decrease of $1.2 million or 28.4 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Advertising Income	695,063	1,000,000	950,000	(50,000)	-5.0%
Fare Evasion Revenue	141,130	219,801	220,780	979	0.4%
Insurance Reimbursements	178,807	790,983	0	(790,983)	-100.0%
Misc Operating Revenue	559,577	460,000	368,701	(91,299)	-19.8%
Online Store / Other Mktg Revenue	71,142	74,774	0	(74,774)	-100.0%
Other Non-Transit Revenues	(271,611)	670,000	580,000	(90,000)	-13.4%
Parking Citation Program Revenue	195,581	320,464	254,000	(66,464)	-20.7%
Shared Track Maintenance Revenue	472,708	554,000	554,295	295	0.1%
Other Income	**2,042,397**	**4,090,022**	**2,927,776**	**(1,162,246)**	**-28.4%**

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

The decrease in FY27 is driven by one-time revenues reflected in FY26 such as insurance reimbursements, license fees and station use income from prior year, and advertising and marketing revenue related to FIFA and Super Bowl.

Line 10 **Operating Grants:** $10.6 million in FY27, a decrease of $0.3 million or 2.7 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Operating Grants	10,943,557	10,920,750	10,624,575	(296,175)	-2.7%

FY27 Operating Grants include State Transit Assistance (STA) and Metropolitan Transportation Commission's (MTC) Regional Early Action Planning (REAP) Grant Program Funds. STA revenue is generated from the statewide sales tax on diesel fuel and allocated to the region's transit operators by formula. The formula allocates funds based on population, the amount of passenger fares, and local support revenues collected by transit operators. The State sends out projections assuming a growth rate and adjusts these throughout the year. MTC's REAP Grant Program Funds is to fund a portion of Caltrain's revenue losses for participating in the No-Cost and Reduced Cost Interagency Transfer (RCT) Pilot Program. RCT offers region-wide discounts to customers paying with Clipper Cards for trips involving multiple operators.

Line 11 **Measure RR:** $124.9 million in FY27, no change from the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Measure RR	123,057,621	124,939,720	124,939,720	0	0.0%

Measure RR is an eighth of a cent sales tax approved in November 2020 that provides Caltrain's first source of dedicated non-fare revenues. Measure RR is collected in the counties of San Mateo, Santa Clara, and San Francisco. Average percentage of Measure RR sales tax collected from the three counties are as follows: San Mateo (23 percent), Santa Clara (55 percent), and San Francisco (22 percent). Projections are based on HdL Companies (HdL) estimates as of January 26, 2026, reflective of consumer spending that is more conservative due to inflation and economic uncertainty.

Line 12 **Member Agency VTA-Gilroy:** $1.9 million in FY27, a decrease of $1.4 million or 42.2 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Member Agency (VTA - Gilroy)	987,000	3,318,233	1,916,395	(1,401,838)	-42.2%

The fourth train to Gilroy commenced in FY24 for which Caltrain projects revenue from VTA to cover applicable costs. In FY27, an update in methodology has been applied where the estimated revenue will be based on incremental cost instead of the full cost.

Line 13 **LCFS, LCTOP, SRA:** $10.3 million in FY27, a decrease of $ 9.2 million or 47.3 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
LCFS		4,690,000	2,750,000	(1,940,000)	-41.4%
LCTOP	2,619,704	2,568,686	1,654,526	(914,160)	-35.6%
SRA	306,118	12,300,000	5,900,000	(6,400,000)	-52.0%
LCFS/LCTOP/SRA	**2,925,822**	**19,558,686**	**10,304,526**	**(9,254,160)**	**-47.3%**

This item is comprised of grant funding from the following programs: LCFS, LCTOP, and SRA.

LCFS is a program to encourage the use of cleaner low-carbon transportation fuels in California. LCFS is a market-based compliance measure that creates economic value from low-carbon and renewable fuel technologies. The LCFS program works as a market system where users and producers of clean energy, including electric vehicle fleets, earn credits through their emission reductions, while emitters purchase those credits to offset their carbon footprint. The reduction in FY27 LCFS is due to the new Credit Sale Policy requiring LCFS proceeds to be allocated equally between operating and capital needs. Previously, LCFS proceeds were solely dedicated to operating.

LCTOP is administered by the California Department of Transportation (Caltrans), in coordination with the California Air Resources Board (CARB) and the State Controller's Office (SCO). The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility. Staff recommend allocation of LCTOP for operating needs in FY27 for $1.6 million per estimate provided by Caltrans.

The State Rail Assistance (SRA) was created to provide capital and operating support for intercity and commuter rail programs. The SRA program is administered by the California State Transportation Agency, with funding managed by the Department of Tax and Fee Administration and the Department of Finance. The funding is received through the revenue obtained from 0.5 percent sales and use tax on diesel fuel from the State. Caltrain is currently projecting a total of $5.9 million SRA funding for FY27. This is a $6.4 million reduction from FY26 Forecast due to receipt of prior year's SRA allocation in FY26.

Uses
Total Uses for FY27 are projected at $269.8 million, an increase of $15.0 million or 5.9 percent higher than the FY26 Forecast:

- Direct Operating Expense for FY27 is projected at $202.2 million, an increase of $9.1 million or 4.7 percent over the FY26 Forecast**.**

- Administrative Expense for FY27 is projected at $45.8 million, an increase of $3.5 million or 8.4 percent over the FY26 Forecast.

- Managing Agency Admin OH Cost is projected at $6.8 million, an increase of $0.4 million or 6.1 percent over the FY26 Forecast.

- Debt Service Expense for FY27 is projected at $12.9 million, a decrease of $0.1 million or 0.8 percent lower than the FY26 Forecast.

- State Loan Interest Expense for FY27 is projected at $2.1 million, an increase of $2.1 million or 100 percent over FY26 Forecast.

Operating Expense
Line 20 **Rail Operations:** $129.3 million in FY27, an increase of $0.8 million or 0.6 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Rail Operations	120,201,906	128,517,225	129,299,776	782,551	0.6%

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

The FY27 budget for Rail Operations maximizes the available workforce to support all required operating and maintenance activities, including a 3 percent increase for management labor and a 4.5 percent increase for non-management labor to reflect market conditions. TASI understands its responsibility to recommend resources necessary to safely and effectively operate and maintain the system while recognizing Caltrain's fiscal constraints. As such, it has taken targeted steps to reduce costs while maintaining existing service levels and delivering high-quality rider experience.

Line 21 **Maintenance and Facilities**: $19.3 million in FY27, an increase of $3.2 million or 20.1 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Maintenance & Facilities	12,096,877	16,087,577	19,324,947	3,237,370	20.1%

This item includes the costs for building maintenance, contracted services, and the Technical Support and Spare Supply Agreement (TSSSA) with Stadler Rail (Stadler).

The increase in FY27 projection is driven by higher contractual obligations related to the TSSSA with Stadler, and other contracted systems services pertaining to Broadband Operations and Maintenance, Positive Train Control (PTC), dispatch systems, and safety and security.

Line 22 **Security and Safety:** $10.3 million in FY27, a decrease of $0.5 million or 4.7 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Security & Safety	8,450,129	10,824,820	10,314,651	(510,169)	-4.7%

Security and Safety services are provided through a law enforcement and communications services contracts with the San Mateo County Sheriff's Office (SMCSO), and a building security guard contract.

The FY27 Preliminary Budget reflects a $0.5 million decrease driven by one-time security services expenses in FY26 related to FIFA and Super Bowl, partially offset by the annual increase in Law Enforcement costs.

Line 23 **Fuel and Lubricants:** $1.3 million in FY27, a decrease of $0.06 million or 4.1 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Fuel and Lubricants	3,893,403	1,405,350	1,347,882	(57,468)	-4.1%

This item covers the cost of diesel fuel for JPB locomotive operations, including the associated taxes and fees. The FY27 fuel budget, with electrified service, assumes eight-diesel train service per weekday with a fuel consumption of 162,000 gallons at $4.00 per gallon. The budget also includes $0.7 million for non-revenue vehicles operating at Caltrain's Central Equipment and Maintenance Facility (CEMOF). Caltrain is currently engaged in a fuel hedging program that helps manage exposure to the volatility of fuel prices.

Line 24 **Electric Charges and Power Traction:** $15 million in FY27, no change from the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Electric Charges for Power Traction	11,503,302	15,000,000	15,000,000	0	0.0%

FY27 budget assumes the same service level at 104-electric train service per weekday with a projected electricity consumption of 71,000,000 kilowatt-hours (kWh) at $0.21127 per kWh.

Line 25 **Insurance and Risk Management:** $19.7 million in FY27, an increase of $ 4.2 million or 26.8 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Insurance & Risk Management	15,436,481	15,576,949	19,745,000	4,168,051	26.8%

The Insurance and Risk Management budget includes the costs for insurance premiums, deductibles, adjuster and broker fees, and claims.

The increase of $4.2 million is driven by the anticipated rise in insurance premium costs, higher projected claims expense per actuarial study, addition of the Federal Employers' Liability Act (FELA) claims fee, and increase in claims legal fees.

Line 26 **Revenue Collection and Customer Service:** $2.9 million in FY27, an increase of $0.9 million or 45.6 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Revenue Collection & Customer Service	1,834,929	1,995,232	2,905,572	910,340	45.6%

This item includes the Clipper Operator Charges, costs for cash management services, Caltrain Shuttle, and the maintenance of electronic lockers and bike stations.

The increase of $0.9 million is mainly due to Clipper Operator Charges being driven by higher customer service costs and transaction fees, partially offset by savings from switching to a new cash management service provider Loomis.

Line 27 **Utilities and Telecommunications:** $4.3 million in FY27, an increase of $0.6 million or 15.7 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Utilities & Telecommunications	3,430,250	3,697,539	4,277,830	580,291	15.7%

This item covers the cost of gas and electric, telephone, water and sewer, and trash. It also includes utility costs for PTC maintenance such as data circuits, radio license fees, and spectrum lease. Increase of $0.6 million is driven by higher fiber and electricity costs due to transfer of said costs from capital to operating, and increased passenger activity at stations.

Administrative Expense

Line 31 **Wages and Benefits:** $25.7 million in FY27, an increase of $2.2 million or 9.1 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Wages and Benefits	20,512,064	23,572,722	25,728,797	2,156,075	9.1%

The San Mateo County Transit District serves as the managing agency for the JPB. This line item includes the Wages and Benefits and JPB's share of the total CalPERS and Retiree Medical costs for both Rail and Shared Services staff. Wages and benefits are calculated based on the approved Salary Ordinance positions, current salary levels, universal wage increase, and assumed vacancy rate savings. The increase in Wages and Benefits is reflective of (a) workforce shifts from capital to operating, (b) annualization of positions partially budgeted in FY26, and (c) increase in Fringe Benefit rates from 58.64 percent to 67.09 percent. It must be noted that there are no new positions for FY27. There is a projected full-time equivalent (FTE) of 109.70 for Operating and 118.80 for Capital.

Operating FTE

Operating FTE	FY26 Forecast	FY27 Preliminary Budget
Shared Services	51.81	53.98
Rail	53.19	55.72
Total	**105.00**	**109.70**

Capital FTE

Capital FTE	FY26 Adopted Budget	FY27 Preliminary Budget
Shared Services	22.89	23.69
Rail	98.45	95.11
Total	**121.34**	**118.80**

***These positions are included in the capital project budgets adopted by the board.**

Line 32 **Professional and Contracted Services:** $8 million in FY27, a decrease of $0.9 million or 9.9 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Professional & Contracted Services	10,215,786	8,975,497	8,089,189	(886,308)	-9.9%

This covers the cost of consultant, audit, and legislative advocacy services. The FY27 decrease is driven by cost efficiencies and efforts to reduce reliance on consultants. In addition, Climate Change Vulnerability Study ends in FY26 hence contributing to the decrease as well.

Line 33 **Legal Services:** $2.6 million in FY27, an increase of $0.005 million or 0.2 percent higher than the FY26 Forecast. This line covers the cost of legal services.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Legal Services	2,884,960	2,627,719	2,632,750	5,031	0.2%

Line 34 **Other Financing Expense:** $1 million in FY27, an increase of $0.03 million or 2.6 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Other Financing Expense	145,190	958,299	983,299	25,000	2.6%

This line item includes interest expense for Lines of Credit (LOC), debt fees, investment fees, and financing issuance costs. The increase in FY27 is driven by the slightly higher interest rate of 3.7 percent for the Peninsula Corridor Electrification Project (PCEP) LOC compared to 3.6 percent in FY26.

Line 35 **Administrative and Office Expense:** $7.5 million, an increase of $2.4 million or 45.9 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
District Vehicle Mileage	49,977	35,000	69,000	34,000	97.1%
Employee Program & Safety Culture	69,671	140,308	193,383	53,074	37.8%
Other Office Expense	267,105	315,660	753,475	437,815	138.7%
Property Taxes and Bank Fees	2,300,196	801,897	783,880	(18,017)	-2.2%
Recruitment Costs & Temporary Staff	107,978	259,918	257,550	(2,368)	-0.9%
Rent Expense	1,807,055	2,009,605	3,105,124	1,095,519	54.5%
Software Maintenance	1,138,277	1,590,559	2,357,750	767,191	48.2%
Administrative & Office Expenses	**5,740,260**	**5,152,947**	**7,520,161**	**2,367,214**	**45.9%**

This line item includes rent expenses, software maintenance costs, property taxes and bank fees, dues and subscriptions, office supplies and printing costs, recruitment and temporary staff, and employee program and safety culture.

The FY27 budget reflects an increase of $2.4 million driven by the rent for the new Millbrae headquarters; additional software subscription, support, and licensing costs; and printing and information services.

Line 36 **Board of Directors:** $0.1 million in FY27, an increase of $0.005 million or 3.9 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Board of Directors	20,455	128,621	133,620	4,999	3.9%

This covers director compensation and board meeting costs for hosting (Pen Media) and agenda tracking (OnBase).

Line 37 **Communications and Marketing:** $0.5 million in FY27, a decrease of $0.2 million or 24.7 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Communications & Marketing	549,162	699,926	526,900	(173,026)	-24.7%

This line covers promotional events and advertising costs for the agency. The decrease of $0.2 million is driven by one-time promotional costs in FY26 related to FIFA and Super Bowl.

Line 38 **Training and Employee Development:** $0.2 million in FY27, an increase of $.03 million or 20.5 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Training & Employee Development	143,071	160,946	193,970	33,024	20.5%

This line item includes costs for seminar and training, professional development, and business travel. The FY27 Training and Employee Development budget reflects a 15 percent reduction from the FY26 budget. Several training sessions that were initially budgeted in FY26 are being deferred to FY27.

Line 42 **Managing Agency Admin Overhead (OH) Cost:** $6.8 million in FY27, an increase of $0.4 million or 6.1 percent higher than the FY26 Forecast, based on the draft FY27 ICAP plan. The increase is driven by a higher Agency Indirect Administration (AIA) cost primarily due to software subscription, maintenance and licensing costs.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Managing Agency Admin OH Cost	3,949,926	6,432,728	6,822,440	389,712	6.1%

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

The Indirect Cost Allocation Plan (ICAP) calculates the indirect cost rate used to recover overhead costs related to agency indirect administrative overhead and capital projects. The District procured the assistance of an outside consulting firm to develop a methodology that equitably allocates the costs incurred by the District for services and functions shared by the different agencies administered by District staff. The consultant team is selected for its experience and knowledge in developing allocation methodologies for governmental and public entities.

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

The ICAP calculates two components:

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

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

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

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

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

Line 46 **Debt Service Expense:** $12.9 million, a decrease of $0.1 million or 0.8 percent lower than the FY26 forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Debt Service Expense	8,203,759	13,004,854	12,895,900	(108,954)	-0.8%

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

FY27 budget includes the principal and interest payment for the 2019 Farebox Revenue Bond and the 2022 Measure RR Bond. The decrease is driven by the reduction in interest expense due to the 2026 refunding of the 2019 Fare Revenue Bond.

Line 47 **State Loan Interest Expense:** $2.1 million, an increase of $2.1 million or 100 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
State Loan Interest Expense	0	0	2,100,000	2,100,000	100.0%

This line covers the interest expense for the State Loan assumed to have a principal amount of $50 million and interest rate of 4.2 percent. The loan has a 12-year repayment term with interest-only payments for the first two years.

Line 50 **Projected Contribution to Reserve:** $0 in FY27, no change from the FY26 Forecast.

Line 53 **One-Time Funds- SB125:** $0 in FY27, a decrease of $25.5 million or 100 percent lower than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
One time Funds- SB125	0	25,488,000	0	-25,488,000	-100.0%

Senate Bill (SB) 125 funds are one-time funds received in FY26, driving the decrease of $25.5 million in FY27. SB125 funds arose from amendments to the California State Budget Act of 2023 to provide immediate transit operating assistance to help avert the near-term transit operating fiscal cliff that resulted from the COVID-19 pandemic and associated changes in travel patterns.

Line 54 **Draw from Measure RR Reserve:** $0 in FY27, an increase of $2.4 million from the FY26 Forecast.

Caltrain was awarded $410 million funding required to finish the Peninsula Corridor Electrification Project (PCEP) in FY23. This grant released Measure RR funds originally allocated for PCEP. With this, Caltrain obtained a total of $60 million Measure RR PCEP reimbursement that can be used for operating needs.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Draw from Measure RR Reserve	21,745,600	(2,363,912)	0	2,363,912	100.0%

In FY25, $21.7 million was utilized to balance the budget, resulting in a remaining balance of $38.3 million. The use of said amount was partially driven by the delayed receipt of SRA funding for FY25. In FY26, SRA funding for prior years was received, contributing to a favorable net position allowing the partial return of the Measure RR Reserve from PCEP. This return increases its balance to $40.6 million.

Description	FY2025	FY2026	FY2027
Measure RR Reserve for PCEP, Beg Bal	60,000,000	38,254,400	40,618,312
Draw from Measure RR Reserve	(21,745,600)	2,363,912	0
Measure RR Reserve for PCEP, End Bal	38,254,400	40,618,312	40,618,312

Line 55 **State Loan:** $48.4 million in FY27, an increase of $48.4 million or 100 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
State Loan	0	0	48,470,182	48,470,182	100.0%

California State Transportation Agency (CalSTA) was authorized to loan $590 million to the Metropolitan Transportation Commission (MTC) to provide Bay Area transit agencies operating loans that will help support and stabilize transit services as the region continues to recover from the impacts of the pandemic. Caltrain will use this State Loan to balance the FY27 budget.

Line 56 **Measure RR for Capital (SOGR):** $15 million in FY27, an increase of $0.8 million or 5.6 percent higher than the FY26 Forecast.

Description	FY2025 Actuals	FY2026 Forecast	FY2027 Preliminary Budget	$ Change FY2027 Preliminary Budget to FY2026 Forecast	% Change FY2027 Preliminary Budget to FY2026 Forecast
Measure RR for Capital (SOGR)	0	14,200,049	15,000,000	799,951	5.6%

Caltrain assumes to annually set aside $15 million in Measure RR funds to be allocated for critical State of Good Repair (SOGR) capital expenditures. The FY26 Forecast reflects a $14.2 million contribution, which is lower than the desired $15 million, since during the FY26 budget development this is the amount that can be set aside to achieve a balanced budget. The FY27 budget assumes to set aside $15 million.

Budget Impact

No budget impact for this informational report.

Prepared By:	Lisa Aranda	Budget Analyst III	04/10/2026
	Claudette Valbuena	Manager, Budgets	04/10/2026
	Ladi Millard-Olmeda	Director, Budgets and Financial Analysis	04/10/2026

PENINSULA CORRIDOR JOINT POWERS BOARD
STATEMENT OF SOURCES AND USES
PRELIMINARY OPERATING BUDGET
FISCAL YEAR 2027

		FY2025 ACTUALS	FY2026 FORECAST	FY2027 PRELIMINARY BUDGET	FY2027 Prelim Budget to FY2026 Forecast $ Variance	FY2027 Prelim Budget to FY2026 Forecast % Variance
		A	*B*	*C*	*D = C - B*	*E = D/ B*
	SOURCES					
	OPERATIONS:					
1	Caltrain Fares	43,162,519	60,501,753	63,084,148	2,582,395	4.3%
2	Go Pass	15,416,806	14,100,000	14,100,000	-	0.0%
3	Parking Revenue	3,217,106	4,045,765	4,132,065	86,300	2.1%
4	Rental Income	1,528,991	1,614,634	1,537,877	(76,757)	-4.8%
5	Interest Revenue	4,184,488	2,845,349	2,805,420	(39,929)	-1.4%
6	Other Income	2,042,397	4,090,022	2,927,776	(1,162,246)	-28.4%
7	**TOTAL OPERATING REVENUE**	**69,552,308**	**87,197,523**	**88,587,286**	**1,389,763**	**1.6%**
8						
9	CONTRIBUTIONS:					
10	Operating Grants	10,943,557	10,920,750	10,624,575	(296,175)	-2.7%
11	Measure RR	123,057,621	124,939,720	124,939,720	-	0.0%
12	Member Agency (VTA - Gilroy)	987,000	3,318,233	1,916,395	(1,401,838)	-42.2%
13	LCFS/LCTOP/SRA	2,925,822	19,558,686	10,304,526	(9,254,160)	-47.3%
14	**TOTAL CONTRIBUTED REVENUE**	**137,913,999**	**158,737,389**	**147,785,216**	**(10,952,173)**	**-6.9%**
15						
16	**TOTAL SOURCES**	**207,466,307**	**245,934,912**	**236,372,502**	**(9,562,410)**	**-3.9%**
17						
18	**USES**					
19	DIRECT OPERATING EXPENSE:					
20	Rail Operations	120,201,906	128,517,225	129,299,776	782,551	0.6%
21	Maintenance & Facilities	12,096,877	16,087,577	19,324,947	3,237,370	20.1%
22	Security & Safety	8,450,129	10,824,820	10,314,651	(510,169)	-4.7%
23	Fuel & Lubricants	3,893,403	1,405,350	1,347,882	(57,468)	-4.1%
24	Electric Charges for Power Traction	11,503,302	15,000,000	15,000,000	-	0.0%
25	Insurance & Risk Management	15,436,481	15,576,949	19,745,000	4,168,051	26.8%
26	Revenue Collection & Customer Service	1,834,929	1,995,232	2,905,572	910,340	45.6%
27	Utilities & Telecommunications	3,430,250	3,697,539	4,277,830	580,291	15.7%
28	**TOTAL DIRECT OPERATING EXPENSE**	**176,847,275**	**193,104,692**	**202,215,659**	**9,110,967**	**4.7%**
29						
30	ADMINISTRATIVE & OVERHEAD EXPENSE					
31	Wages & Benefits	20,512,064	23,572,722	25,728,797	2,156,075	9.1%
32	Professional & Contracted Services	10,215,786	8,975,497	8,089,189	(886,308)	-9.9%
33	Legal Services	2,884,960	2,627,719	2,632,750	5,031	0.2%
34	Other Financing Expense	145,190	958,299	983,299	25,000	2.6%
35	Administrative & Office Expense	5,740,260	5,152,947	7,520,161	2,367,214	45.9%
36	Board of Directors	20,455	128,621	133,620	4,999	3.9%
37	Communications & Marketing	549,162	699,926	526,900	(173,026)	-24.7%
38	Training & Employee Development	143,071	160,946	193,970	33,024	20.5%
39	**TOTAL ADMIN & OVERHEAD EXPENSES**	**40,210,947**	**42,276,677**	**45,808,686**	**3,532,009**	**8.4%**
40						
41	**MANAGING AGENCY ADMIN OH COST**					
42	Managing Agency Admin OH Cost	3,949,926	6,432,728	6,822,440	389,712	6.1%
43						
44	**TOTAL OPERATING EXPENSE**	**221,008,149**	**241,814,097**	**254,846,784**	**13,032,687**	**5.4%**
45						
46	Debt Service Expense	8,203,759	13,004,854	12,895,900	(108,954)	-0.8%
47	State Loan Interest Expense	-	-	2,100,000	2,100,000	100.0%
48	**TOTAL USES**	**229,211,907**	**254,818,951**	**269,842,684**	**15,023,733**	**5.9%**
49						
50	**PROJECTED CONTRIBUTION TO RESERVE**	-	-	-	-	0.0%
51						
52	**PROJECTED SOURCES OVER USES**	**(21,745,600)**	**(8,884,039)**	**(33,470,182)**	**(24,586,143)**	**276.7%**
53	One-Time Funds - SB125	-	25,448,000	-	(25,448,000)	
54	Draw from Measure RR Reserve	21,745,600	(2,363,912)	-	2,363,912	
55	State Loan	-	-	48,470,182	48,470,182	
56	Measure RR for Capital (SOGR)	-	(14,200,049)	(15,000,000)	(799,951)	
57	**PROJECTED NET SOURCES OVER USES**	-	-	-	-	
	Operating Reserve, Beginning Balance	26,878,850	26,878,850	26,878,850		
	Operating Reserve Set Aside	-	-	-		
	Operating Reserve, Ending Balance	**26,878,850**	**26,878,850**	**26,878,850**		

Peninsula Corridor Joint Powers Board
Staff Report

To:	JPB Board of Directors
Through:	Michelle Bouchard, Executive Director
From:	Li Zhang, Chief, Commercial and Business Development
For:	May 2026 JPB Board of Directors Meeting
Subject:	**Receive Update on Draft Framework for Caltrain's "No External Funding" Scenario**

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

Purpose and Recommended Action

Following discussion at the April 2026 Peninsula Corridor Joint Powers Board (JPB) Board of Directors (Board) Budget Workshop, staff will present an update on the Draft Framework for Caltrain's "No External Funding" Scenario. The purpose of this framework is for the Board to confirm and direct staff on the high-level approach and principles for addressing Caltrain's potential future without external funding, such as developing potential service reduction scenarios. This is a discussion item only; staff will return with a proposed Framework for Board adoption at the June JPB meeting.

Discussion

Over the last several months, staff has developed high-level service and financial planning scenarios in the event Senate Bill 63, known as the Connect Bay Area Act, fails to receive sufficient voter support in November and Caltrain is unable to secure new external funding to close the anticipated deficit for Fiscal Year 2028 (FY28) and beyond.

The Framework establishes guiding principles, identifies internal and external factors to consider when developing potential scenarios, and lists potential cost-cutting and revenue generating measures for staff to further evaluate. In the absence of external funding, staff will prepare a preliminary FY28 budget reflecting proposed service reductions and other cost saving measures, consistent with the Framework.

Budget Impact
This is an informational item.

Prepared By:	Melissa Jones	Deputy Director, Caltrain Policy Development	04/29/2026
	Oscar Quintanilla Lopez	Director, Budgets and Financial Analysis	04/29/2026

Draft Framework for Caltrain's No External Funding Scenario

This Framework will be used to guide the planning and budgeting process for Caltrain's potential future without external funding. In the absence of external funding, staff will request input from the Board on measures to include in the railroad's budget, which will then be incorporated in the proposed Fiscal Year 2028 (and beyond) budgets for Board adoption.

Guiding Principles

Staff propose that these principles be used to guide decision-making in the planning and budgeting process for Caltrain's potential future without Connect Bay Area.

A. Maintain safety first and always.

B. Minimize risk and comply with regulations.

C. Minimize ongoing operating and maintenance costs.

D. Maximize ridership and revenue opportunities.

E. Provide dependable access to the system for low income and minority populations.

F. Maximize geographic equity in access to the system.

Scenarios

Given the many uncertainties and risks facing the railroad, multiple potential future scenarios will be considered and evaluated to plan for Caltrain's potential future without Connect Bay Area.

Example factors to include in potential future scenarios:

- Varied durations of potential service reductions
- Caltrain service shutdown (temporary vs. permanent)
- FTA Waiver Extension
- Additional "bridge funding" before receipt of potential external funds
- Cashflow limitations
- Ridership fluctuations

Cost-saving Measures

Current and additional cost-saving measures and their risks, costs, and benefits will be evaluated to plan for Caltrain's potential future without Connect Bay Area or other external funding.

Example cost-saving measures could include:

- Service cuts impacting frequency and span, such as:
  - Hourly service;
  - Earlier evening shutdowns;
  - No weekend service;
  - Station closures;
  - Segment closures;
  - No special event service; and
  - Eventual suspension of Caltrain service
- Staffing reductions, such as administrative staff cuts
- Deferred State of Good Repair
- Reduced cleaning and maintenance
- Mothballing or retiring portions of the fleet

Revenue-generating Measures

Potential bridge funding and new revenue-generating measures and their risks, costs, and benefits will be evaluated to plan for Caltrain's potential future without Connect Bay Area.

Example potential revenue-generating measures could include:

- Additional bridge funding sources
- Member agency contributions
- Additional potential ballot measures
- Monetization of various assets
- Fare increases

Peninsula Corridor Joint Powers Board
Citizens Advisory Committee

1250 San Carlos Avenue, San Carlos, CA 94070

DRAFT Minutes of April 15, 2026

Members Present:	William Abbott, Davis Albohm, Madeeha Ayub, Melody Pagee (Alternate), Rohit Sarathy, Mark Thurber, Peter Wickman (Alternate), Patricia Leung (Chair)
Members Present via Teleconference:	Adrian Brandt (Vice Chair)
Members Absent:	Rosalind Kutler, Kristopher Linquist
Staff Present:	B. Baney, T. Burgwyn, L. Ko, D. Provence

1. **Call to Order**
   Chair Patricia Leung called the meeting to order at 5:40 pm.

2. **Roll Call**
   Lauryn Ko, CAC Secretary, called the roll and confirmed a Committee quorum was present.

3. **Pledge of Allegiance / Safety Briefing**
   Chair Leung led the Pledge of Allegiance and delivered the safety briefing.

4. **Approval of Meeting Minutes for March 18, 2026**
   Ms. Ko explained the clerical error in draft minutes Item 4.

   The Committee Members had Committee comments, which included the Report of the CAC and inclusion of CAC minutes in the Board packet.

   Motion/Second: Brandt/Sarathy
   Ayes: Abbott, Albohm, Ayub, Sarathy, Thurber, Wickman, Brandt, Leung
   Noes: None
   Absent: Kutler, Linquist
   Abstain: Pagee

5. **Public Comment for Items Not on the Agenda**
   Jeff Carter commented on public transit perception, sales tax voting, and verbal Report of the CAC.

   Christina F commented on repairs, security cameras and monitoring, and vandalism regarding the Bayshore elevators.

Roland commented on minute taking using zoom transcription.

6. **Report of the Chair**
Chair Leung noted Vice Chair Brandt's teleconference accommodations and stated there was no report.

7. **Revisit Meeting Start Time**
The Committee Members had a robust discussion which included revisiting the meeting start time after settling into the new headquarters (HQ), Senate Bill (SB) 707 flexibility, and bylaw adjustments.

Public Comment
Jeff Carter commented on commute times, transit services accessibility, and meeting duration.

Roland commented on the public Zoom view.

Christina F commented on the public Zoom view.

8. **Bikes on Board Update**
Dan Provence, Principal Planner, provided the presentation that included the following:
- 20 percent of customers use bikes, leading to increased amount of bike parking spaces and limited bike spaces on train cars
- Bike policy to prioritize safety, ridership growth, comprehensibility, and enforceability
- Feedback received from CAC and Bicycle and Active Transportation Advisory Committee (BATAC) Electric Multiple Units (EMU) Bike Car Design workshop
- Stacking space accommodations and limited space
- Bike usage combined with other modes of transportation
- Electronic lockers (e-lockers), bike valet, controlled access bike rooms, and bike and scooter share availability at specific stations
- Sample feedback from community: rider needs, signage, bike type distinction, width and child seat accommodations, and time of day rules associated with commute times or Limited and Express trains
- Difficulties with adding more space or increasing service; ridership growth and invalidation of funding agreements

The Committee Members had a robust discussion and staff provided further clarification in response to the Committee comments and questions, which included the following:
- Communication of full bike cars; automatic bike counter (ABC)
- Station accessibility difficulties and bike storage accommodations; station-specific data to identify bike parking opportunities
- Monitoring of bike parking usage and additional spaces at places with high demand
- Equitable riding system, accounting for bike car traffic alleviation

- Bike bumping on Limited and Express trains; user friendly bike lockers
- Reliability for riders who use bikes on the full route, last mile needs, and municipality shared microtransit opportunities
- Motorcycle and folding bikes presence; system to alleviate misuse of lockers and to ensure rental indication
- Equitable and enforceable policy with width, child seat needs, and accommodations with other items
- Compliance issues with off-peak fares for time-of-day rules and day of weeks
- Real-time crowding data collected with ABC
- Menlo Park and Redwood City bike shelters
- Biker rental flexibility; messaging and videos to educate riders on appropriate procedures; provision of electronic locker (e-locker) video for messaging

<u>Public Comment</u>
Jeff Carter commented on bike car ridership, storage alleviation, child seat importance, and Palo Alto bike hub.

Roland commented on limited bike spaces, free bike parking, paid parking, bike shed day passes, and ABCs.

Christina F commented on first-last mile options, valet parking availability, station vandalism, bike policy enforcement at other transit agencies, bike share docking locations in San Mateo County, and electric bike state proposals.

Daniel Karpelevitch commented on meeting demands, bike car restrictions and ticketing, bike sharing opportunities and Bay Wheels, time of day restrictions, and alerts for express and limited trains.

9. Climate Vulnerability Study Findings
Bo Baney, Manager, Environmental Compliance, provided the presentation that included the following:

- Observed climate impacts of high heat, storm flooding, and wildfire smoke affecting service through precautionary speed restrictions, accessibility, and rider discomfort
- Internal and external stakeholder (Committee) meetings as well as public outreach to provide feedback and collect data
- 1,265 survey responses indicated effects from climate impacts and weather hazards; transportation option concerns and adjusted service accommodations
- Low and high emissions looked at during present day, mid-century, and end-of-century conditions
- Riverine flooding: bus bridges impacts and delays; storm frequency to increase over time
- Coastal flooding: increase in storming, tidal events, and sea level rising

- Extreme heat: increasing temperatures result in slow orders, delays, and low asset damage
- Wildfires are not a significant threat overall and quick damage repair; impacts to all transit options
- Wind and power are not a significant threat; service disruptions from fallen trees and power outages

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

- Stormwater design improvements; revisiting design criteria to better incorporate findings and information from High-Speed Rail (HSR)
- Categorization of vulnerabilities into controllable and uncontrollable items; municipality mitigation steps for flooding
- Slow orders; rail temperature vulnerability and reduction; slab track and rail webbing painting
- Wooden ties flooding susceptibility

Public Comment

Jeff Carter commented on flooding frequency, Millbrae Station shelter availability, and poor draining systems in Millbrae.

10. Staff Report (Ted Burgwyn)

10.a. Customer Experience Task Force Update

10.b. JPB CAC Work Plan Update

Theodore Burgwyn, Interim Chief Operating Officer, provided the presentation that included the following:

- 95.2 percent for March on-time performance (OTP)
- Four days of vehicles on tracks; 77 minutes of delay for mechanical and 365 minutes of delay for Stadler warranty
- Villa Terrace train strike and fatality
- 1.1 million rides in March, highest post-pandemic weekday and weekend ridership
- New South County Connect ridership dashboard
- Unresolved Clipper Next Generation core problems; pilot confirmed persisting issues
- Bayshore Station elevator repairs, vandalism, and modifications to reduce vandalism
- Clipper reader vandalism and increased security measures
- Automatic passenger counter (APC) short-term software fix for data transmission and no improvements seen; looking to replace entire software; ability to count riders and bikes
- Quiet car paused due to HQ move and communications to provide signage and wording
- Fédération Internationale de Football Association (FIFA) planning and extra service accommodations for late night games; June 12 to July 19 fan events

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

- Increased rebooting train to improve passenger information systems (PIS) on board by clearing cache; re-booting for various situations; ABC implementation
- No counting issues with APC software but unable to transmit information
- Visibility issues for cars on tracks and delineator specifications; vehicle strikes patterns and solutions
- Fare evasion report and citing efforts
- Early departures and General Code of Operating Rules (GCOR) rules

11. Committee Member Requests

The Committee Members commemorated the passing of Rodney Diridon, Senior.

12. Date/Time/Location of Next Regular Meeting: Wednesday, May 20, 2026 at 5:40 pm at via Zoom and in person at the San Mateo County Transit District, Public Hearing Room, 5th Floor, 166 North Rollins Road, Millbrae, CA.

13. Adjourn – The meeting adjourned at 7:43 pm.