Peninsula Corridor Joint Powers Board
Board of Directors
Regular Meeting

166 North Rollins Road, Millbrae, California 94030

Minutes of June 4, 2026

Members Present:	Margaret Abe-Koga (arrived at 9:14 am), David J. Canepa, David Cohen (arrived at 9:13 am), Jeff Gee, Steve Heminger, Shamann Walton, Pat Burt (Vice Chair), Rico E. Medina (Chair)
Members Absent:	Greg Wagner
Staff Present:	J. Baker, M. Bouchard, C. Fromson, J. Harrison, M. Jones, L. Lumina-Hsu, O. Quintanilla Lopez, D. Ryan, M. Tseng

1. **Call to Order**
   Chair Medina called the meeting to order at 9:00 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.

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

5. **Public Comment for Items Not on the Agenda**
   Jeff Carter commented on restroom availability.

   Aleta Dupree, Team Folds, commented on Clipper.

   Adrian Brandt commented on zone-based fare system.

6. **Closed Session: Conference with Legal Counsel – Anticipated Litigation (Government Code § 54956.9(d)(4))[Initiation of Litigation, Number of Potential Cases: 1]:**

   The Board recessed to closed session at 9:07 am.

   Director Cohen arrived at 9:13 am.
   Director Abe-Koga arrived at 9:14 am.

The Board reconvened to regular session at 9:46 am.

7. General Counsel Report – Report Out from Above Closed Session (Verbal)
James Harrison, Legal Counsel, reported that there were no reportable actions.

8. Report of the Executive Director
Michelle Bouchard, Executive Director, provided the presentation that included the following:

- Human trafficking training and preparedness; regional security coordination and public safety measures
- Ridership growth and strong post-COVID recovery trends
- Special events service expansion; Fédération Internationale de Football Association (FIFA) World Cup operations planning; special event funding and security cost support
- Clipper system stabilization and fare inspection device issues
- Guadalupe River Bridge Project construction progress
- Federal and state funding risk from California Air Resources Board (CARB) cap-and-trade changes impacting transit funding

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

- Large-event service planning and demand surge management
- Shared services coordination and decision-making clarity
- Ridership recovery near 75 percent of pre-COVID and farebox improvement
- Cap-and-invest policy impacts on transit funding; legislative advocacy and potential policy remedies

Public Comment
Jeff Carter commented on ridership levels and fare pricing.

Aleta Dupree, Team Folds, commented on ridership levels, ticket options, and Caltrain merchandise.

Adina Levin, Seamless Bay Area, commented on ridership levels, special event trains, Clipper 2.0, and staffing.

Roland commented on ridership levels, Clipper, automatic passenger counters, and Guadalupe Bridge construction lane closures.

Doug DeLong commented on Clipper and Cubic.

9. **Consent Calendar**
   9.a. **Approval of Meeting Minutes for May 7, 2026**
   9.b. **Award a Contract to Universal Protection Service, LP, dba Allied Universal Security Services, for Security Guard Services for a Total Not-To-Exceed Amount of $7.4 Million for a Five-Year Term* –** *Approved by Resolution No. 2026-22*
   9.c. **Authorize Execution of Contracts and Amendments for Information Technology Hardware, Software, Licenses, Maintenance Services and Professional Services, and Technology-Related Products and Services, Through Piggyback Contracts and Cooperative Purchasing Programs up to an Aggregate Not-to-Exceed Limit of $3 Million for Fiscal Year 2027* –** *Approved by Resolution No. 2026-23*
   9.d. **Authorize the Executive Director to Execute the Master Agreement with California Department of Transportation (Caltrans) for the Transit and Intercity Rail Capital Program (TIRCP) –** *Approved by Resolution No. 2026-24*
   9.e. **Authorize the Executive Director to Execute the First Amendment to the Memorandum of Understanding (MOU) with the City of Menlo Park for Activities Undertaken in Support of the Middle Avenue Undercrossing Project –** *Approved by Resolution No. 2026-25*

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

10. **Adopt Fiscal Year 2027 Proposed Operating Budget -** *Approved by Resolution No. 2026-26*
   Oscar Quintanilla Lopez, Director, Budgets and Financial Analysis, provided the presentation that included the following:
   - Fiscal Year 2027 (FY27) operating budget of $269 million with $47.6 million deficit and reliance on state loan financing
   - Ridership recovery and strong service demand supporting continued operations
   - $800,000 cost reduction through delayed hiring and ongoing cost controls
   - Budget transmission to member agencies and Metropolitan Transportation Commission (MTC) and authorization to pursue grants

   Staff provided further clarification in response to the Board comments and questions, which included the following:
   - Reduced fuel cost exposure of $1.6 million due to electrification and hedging; conservative budgeting amid inflation and economic uncertainty
   - Conservative sales tax revenue assumptions under regional uncertainty and state bridge loan adequacy concerns with funding/legal risk scenarios
   - Capacity constraints with ridership approaching peak-period limits and potential service expansion consideration

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

<u>Public Comment</u>
Jeff Carter commented on regional public transit and sales tax funding.

Aleta Dupree, Team Folds, commented on funding from sales tax and fuel hedging.

Roland commented on connecting public transit with private sector and trackage rights.

11. **Adopt Framework for Caltrain's "No External Funding" Scenario -** *Approved by Resolution No. 2026-27*
Melissa Jones, Deputy Director, Caltrain Policy Development, provided the presentation that included the following:
- Structural operating deficit and long-term funding gap
- Post-COVID ridership and fare revenue decline and reduced farebox recovery
- Inflation and electrification driven cost increased with high fixed cost structure
- Reliance on expiring one time state and federal funding sources
- Two path framework external funding or significant service reductions for no funding scenario
- FY28 planning timeline and potential service cut implementation summer 2027
- Community engagement and regional coordination on funding and service impacts

Staff provided further clarification in response to the Board comments and questions, which included the following:
- Regional Plan B coordination with transit and last-mile providers
- External funding risk, delay scenarios, and funding gap exposure
- Potential severe service reductions, with full shutdown noted as a possible but unlikely extreme scenario due to high fixed costs
- Corridor ownership, infrastructure maintenance, and operator impacts
- State funding strategy, bridge loan reliance, and legislative advocacy challenges
- Highway 101 congestion and regional economic impacts
- Conservative revenue assumptions and interim budget gap planning

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

Public Comment
Jeff Carter commented on no funding scenarios.

Adina Levin, Seamless Bay Area, commented on no funding scenarios and public communications.

Aleta Dupree, Team Folds, commented on no funding scenarios and potential delay in funding disbursementif facing legal challenges.

Roland commented on cap-and-trade appropriations, State bridge loan repayment.

Don Cecil, San Mateo County Economic Development Association, commented on public transit funding and no funding scenarios.

12. **Adopt Senate Bill 63 Phase 1 Financial Efficiency Review Early Action Strategies -** *Approved by Resolution No. 2026-28*
    Mr. Quintanilla Lopez and Jason Baker, Director of Government and Communication Affairs, provided the presentation that included the following:
    - $76 million in cost savings since 2020 through service adjustments, workforce controls, and operational efficiencies
    - Cost savings helped offset inflationary pressures while supporting electrification delivery
    - Revenue enhancement opportunities; operation and management contract and operational efficiency improvements under review
    - Energy storage feasibility study to reduce traction power costs
    - Expansion of GoPass and Clipper BayPass programs to support ridership and revenue
    - Phase 2 independent efficiency review required as condition for future funding and implementation planning

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

    Public Comment
    Jeff Carter commented on farebox recovery, efficiency review, and spoke in support of the item.

    Aleta Dupree, Team Folds, commented on farebox recovery, regenerative braking, and energy storage.

    Roland commented on bike locker fee, regenerative braking, and energy storage.

Adrian Brandt commented on efficiency review, fare enforcement and citations, and parking revenue.

13. **Adopt the Corridor Crossing Strategy -** *Approved by Resolution No. 2026-29*

Casey Fromson, Chief of Staff, provided the presentation that included the following:

- Baseline and targeted crossing safety improvements across the corridor
- Closures and long-term grade separation projects prioritization
- Flexible sequence list with annual updates and project prioritization
- Multi-agency funding coordination and evolving project delivery roles

Staff provided further clarification in response to the following Board comments and questions regarding corridor strategy, grade separations, at-grade safety improvements, emerging technologies, and implementation approach.

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

Public Comment
Roland commented on right-of-way maintenance and operations.

Adina Levin, Seamless Bay Area, commented on crossing projects cost effectiveness.

Adrian Brandt commented on grade separation categorization, delineator posts, and camera enforcement.

Doug DeLong commented on safety improvements.

Director Walton left the meeting at 11:33 am.

14. **Receive State and Federal Legislative Update**

Devon Ryan, Government Affairs Officer, provided the presentation that included the following:

- Mixed federal reauthorization outlook with stable but below-inflation formula funding and competitive capital grants
- Continued uncertainty in Capital Investment Grants (CIG) funding and rail safety-related federal provisions
- Potential restructuring of state tiered transit funding programs; uncertainty in Low Carbon Transit Operations Program (LCTOP) and Transit and Intercity Rail Capital Program (TIRCP) allocations

Public Comment
Roland commented on funding.

Adina Levin, Seamless Bay Area, commented on CARB vote and funding public transit.

15. Reports

15.a. Report of the Chair - Chair Medina reported on attendance at the Burlingame Broadway project funding event and advisory committee naming alignment across agencies.

15.b. Report of the Citizens Advisory Committee – Available online.

15.c. Report of the Local Policy Maker Group (LPMG) - Chair Burt had nothing to report and stated there is no meeting in June.

15.d. Report of the Transbay Joint Powers Authority (TJPA) - Chair Gee reported regional support for a $710 million TIRCP application and uncertainty due to potential funding availability.

Public Comment
Adina Levin, Seamless Bay Area, commented on public comment time period.

16. Correspondence – Available online.

17. Board Member Requests – There were none.

18. Date / Time / Location of Next Regular Meeting: Thursday, August 6, 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.

19. Adjournment – The meeting adjourned at 11:50 am.