



December 19, 2018

Mr. Joe Hedges
Chief Operating Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

RE: Approval of the Project Management and Funding Agreement for the Peninsula Corridor
Electrification Project

Dear Chief Operating Officer Hedges:

This letter is to notify the California High-Speed Rail Authority (Authority) of the Department of Finance's final approval of the Project Management Funding Agreement (PMFA) submitted pursuant to Chapter 152, Statutes of 2012, for the Peninsula Corridor Electrification Project (PCEP).

On December 5, 2018, Finance conditionally approved the PMFA based upon full performance by the Peninsula Corridor Joint Powers Board (Caltrain) of the commitments it made in the Agreement between the Authority and Caltrain dated November 30, 2018, (Agreement) with respect to ensuring the sufficiency of the PCEP electrification infrastructure for high speed rail operations purposes. Finance is in receipt of an Authority letter dated December 16, 2018, notifying Finance that Caltrain has fulfilled its obligations to the Authority under the Agreement. Accordingly, Finance's condition has been met and, therefore, Finance fully approves the Authority's entry into the PMFA.

For any further questions, please contact me at (916) 324-0043.

Sincerely,

Karen Finn
Program Budget Manager

cc: Mr. Brian Annis, Secretary, California State Transportation Agency

icc: CAP-OFFICE, FINN, MONROE, MARTIN, MUNOZ, MACEDO

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Approval.doc

December 5, 2018

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EDMUND G. BROWN JR.
GOVERNOR



By E-mail (HartnettJ@samtrans.com)

Mr. Jim Hartnett
General Manager and CEO
2121 South El Camino Real Suite 300
San Mateo CA 94403

Re: Caltrain

Dear Mr. Hartnett:

Enclosed please find the fully executed Project Management and Funding Agreement ("PMFA"). I also enclose the Department of Finance ("DOF") approval to sign the PMFA as required by SB 1029. Please note that the DOF approval is conditional upon Peninsula Corridor Joint Powers Board ("PCJPB") meeting its commitments in the Agreement between California High Speed Rail Authority ("CHSRA") and PCJPB. dated November 30, 2018 (the "Agreement").

Please notify me as soon as you have met the conditions in the Agreement by (1) rejecting the DVRs for the static and auto return feeder wires and (2) directing the contractor, BBI, to install the ACSR "Eagle" conductor as the parallel ATF and ACSR "Penguin" as the static wire by providing a copy of the written rejection and direction to BBI.

Upon receipt of the foregoing notice and receipt of copies of the rejection and direction to BBI, I will notify DOF that satisfaction of this condition is met so that the DOF's condition of approval can be removed.

Sincerely,



Joe Hedges
Chief Operating Officer



December 5, 2018

Mr. Joe Hedges
Chief Operating Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

RE: Conditional Approval of the Project Management and Funding Agreement for the Peninsula Corridor Electrification Project

Dear Chief Operating Officer Hedges,

This letter is to notify the California High-Speed Rail Authority (Authority) of conditional Department of Finance approval of the Project Management Funding Agreement (PMFA) submitted pursuant to Chapter 152, Statutes of 2012, for the Peninsula Corridor Electrification Project (PCEP).

Chapter 152 appropriated \$1.1 billion in Proposition 1A funding for the construction of locally-sponsored "bookend" projects that will eventually be part of California's High-Speed Passenger Rail system. Of this amount, \$600 million was designated for the PCEP. The Authority has reached an agreement to provide the \$600 million to fund a portion of the PCEP, which will be matched with \$1.4 billion from other local, state, and federal funding sources.

Chapter 152 made distribution of the bookend funds to local project sponsors contingent upon Finance approval of a PMFA between the local project sponsor and the Authority. The Authority submitted the PMFA on December 4, 2018. Finance hereby provides conditional approval of the PMFA. Finance's approval of the PMFA is conditioned upon full performance by the Peninsula Corridor Joint Powers Board (also known as "Caltrain") of the commitments it made in that certain Agreement between the Authority and Caltrain dated November 30th, 2018 (the "Agreement") with respect to ensuring the sufficiency of the PCEP electrification infrastructure for high speed rail operations purposes, all as set forth in the Agreement. Finance will acknowledge satisfaction of this condition upon receipt of written notice from the Authority that Caltrain has fulfilled its commitments under the Agreement to the Authority's satisfaction. Please note that until and unless Finance provides its written acknowledgment as to the satisfaction the foregoing condition, the Authority will not be authorized to provide Proposition 1A funds to reimburse Caltrain for eligible costs under the PMFA.

For any further questions, please contact me at (916) 324-0043.

Sincerely,

Karen Finn
Program Budget Manager

. cc: Mr. Brian Annis, Secretary, California State Transportation Agency

STANDARD AGREEMENT

STD. 213 (NEW 06/03)

AGREEMENT NUMBER HSR 18 - 40
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below

STATE AGENCY'S NAME	California High-Speed Rail Authority
CONTRACTOR'S NAME	Peninsula Corridor Joint Powers Board (Caltrain)
2. The term of this Agreement is: December 5, 2018 through termination per Exhibit D Section 5.1
3. The maximum amount of this Agreement is: \$ 600,000,000.00
Six Hundred Million Dollars and zero cents
4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement:

Exhibit A – Scope of Work	16 Pages
Exhibit B – Funds, Budget Detail and Payment Provisions	3 Pages
Exhibit C – General Terms and Conditions	4 Pages
Exhibit D – Special Terms and Conditions	6 Pages
Attachment 1 – Scope of Work	5 Pages
Attachment 2 – Project Schedule	3 Pages
Attachment 3 – Easement Interest	9 Pages
Attachment 4 – Cost Plan	2 Pages
Attachment 4.5 – Minimum Contingency Drawdown Curve	1 Page
Attachment 5 – Funding Sources List	1 Page
Attachment 6 – Billing Rates	6 Pages
Attachment 7 – Invoice Requirements	1 Page
Attachment 8 – Approved Contractor List	2 Pages
Attachment 9 – Outstanding Project Permits	1 Page

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
 These documents can be viewed at <http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

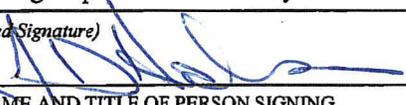
CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)		
Peninsula Corridor Joint Powers Board		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
	12/05/18	
PRINTED NAME AND TITLE OF PERSON SIGNING		
Jim Hartnett, Chief Executive Officer		
ADDRESS		
1250 San Carlos Avenue, PO Box 3006, San Carlos, CA 94070		
STATE OF CALIFORNIA		
AGENCY NAME		
California High-Speed Rail Authority		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
	9/5 Dec 2018	
PRINTED NAME AND TITLE OF PERSON SIGNING		
Joe Hedges, Chief Operating Officer		
ADDRESS		
770 L Street, Suite 620 MS1, Sacramento, CA 95814		
		<input type="checkbox"/> Exempt per:

EXHIBIT A: SCOPE OF WORK

1 BACKGROUND

- 1.1 The California High-Speed Rail Authority (“CHSRA”) is responsible for the planning, design, construction and operation of a high-speed rail system that will connect most of populated California. Between San Francisco and San Jose, the CHSRA’s trains will share the rails in the corridor (“Peninsula Rail Corridor” or “Corridor”) that is currently used primarily by commuter rail service operated by the Peninsula Corridor Joint Powers Board (“PCJPB”). For purposes of this PMFA, the terms “Peninsula Rail Corridor” and “Corridor” generally include all the property located between San Francisco at PCJPB Milepost 0.00 (formerly MP 0.147 under the 1991 Trackage Rights Agreement between PCJPB and Southern Pacific Railroad (predecessor to current owner Union Pacific Railroad) (“1991 TRA”)) and Lick at PCJPB Milepost 50.94 (present UPRR Milepost 51.64, which formerly was Milepost 51.4 under the 1991 TRA). The Corridor includes all the property located between PCJPB Mileposts 0.00 and 50.94 on which PCJPB operates or will operate, including but not limited to rails, platforms, access areas, station areas and parking, maintenance facilities and storage facilities. PCJPB owns in fee (“PCJPB Fee-Owned Area”, described with more particularity in Exhibit B to Attachment 3) nearly all the Corridor, and has other lesser rights (e.g., contract or easement) to the portions of the Corridor it does not own in fee, such as parking and station buildings at some stations; further, there are future stations in San Francisco at 4th and Townsend and Transbay not within the PCJPB Fee-Owned Area. PCJPB member agency San Mateo County Transit District (“SamTrans”) is a co-owner of the PCJPB Fee-Owned Area in San Mateo County and has a security interest in the PCJPB Fee-Owned Area in Santa Clara County and San Francisco County.
- 1.2 This Project Management and Funding Agreement (“PMFA” or “Agreement”) is entered into as of this 5th day of December 2018 (“Effective Date”) by and between the CHSRA, an agency of the State of California (“State”), and the PCJPB, a joint exercise of powers agency organized under Chapter 5 of Division 7 of Title 1 of the California Government Code responsible for operating commuter rail passenger service between the cities of San Francisco and Gilroy. The CHSRA and PCJPB are collectively referred to herein as the “Parties” and individually as a “Party.”
- 1.3 Shared usage of the Corridor by the CHSRA and PCJPB (and by existing freight and other tenants) is known as the “Blended System.” The Corridor is not currently electrified; current PCJPB trains are diesel.
- 1.4 The total cost for Corridor electrification and associated Electrical Multiple Unit (“EMU”) rolling stock acquisition (collectively, “Peninsula Corridor Electrification Project” or “PCEP”, as further described in 3.1 of this Exhibit A, below) is \$1.98 billion.

- 1.5 PCEP is a project of independent utility that PCJPB has been seeking to implement for nearly twenty-five years. At the same time, PCEP implementation is a foundational element of Blended System operations in the Corridor and therefore a necessary element for CHSRA to operate in the Corridor. Implementation of the PCEP will create a corridor that is suitable and ready for operation of PCJPB trains and CHSRA trains sharing the Corridor, and will create capacity in the form of additional train slots in the Corridor that will be used by CHSRA for its intercity passenger rail service. The full, exact parameters of shared Blended System operations are being evaluated by the Parties, in consultation with other stakeholders (“Blended System Planning Process”).
- 1.6 In 2016, various public agencies involved in funding and/or implementation of PCEP, including PCJPB and CHSRA, developed a written Funding Partners Oversight Protocol for Caltrain’s CALMOD Program, which included instituting a Configuration Management Board and which PCJPB affirmed and committed to its implementation at a public meeting on January 5, 2017.
- 1.7 PCJPB executed a design-build contract for the electrification final design and construction with Balfour Beatty, Inc., effective August 15, 2016 (“Electrification Design-Build Contract”) and electrification of the Corridor is underway. The CHSRA has agreed to fund up to \$713 million of the total cost on a reimbursable basis, as set forth more specifically in that Agreement Regarding Funding Commitments Towards Peninsula Corridor Electrification Project between the CHSRA and PCJPB dated August 9, 2016 (“Funding Commitment Agreement”) and the associated Seven-Party Supplement to 2012 Memorandum of Understanding Financial Commitments to Address Funding Gap for the Peninsula Corridor Electrification Project (“MOU Supplement”); both of these agreements list the non-CHSRA funding partners and their respective funding contribution amounts.
- 1.8 On August 15, 2016, PCJPB entered into a contract with Stadler USA, Inc. (“Stadler”) for construction and delivery of EMU rolling stock (“EMU Contract”).
- 1.9 On November 18, 2016, PCJPB and CHSRA entered into an agreement (“Implementing Agreement”) to reimburse PCJPB up to \$113M of costs incurred for certain aspects of the Corridor electrification. This Implementing Agreement provides more detail regarding CHSRA’s funding commitments made in the 2012 Nine-Party MOU and MOU Supplement (collectively, the “MOUs”), and also provides a partial framework for this PMFA.
- 1.10 On May 22, 2017, the Federal Transit Administration (“FTA”) and PCJPB executed a Full Funding Grant Agreement (“FFGA”) to provide \$647 million to partially fund PCEP. On June 1, 2017, PCJPB issued a notice to proceed to Stadler. On June 19, 2017, PCJPB issued a full notice to proceed to Balfour Beatty, Inc., authorizing performance of the entire scope of work under the Electrification Design-Build Contract.
- 1.11 Effective June 1, 2017, PCJPB, CHSRA and the City of San Mateo entered into an agreement regarding the construction of a grade separation project generally located at 25th Avenue in San Mateo, California, that will benefit PCEP.

2 OVERALL PURPOSE

- 2.1 The purpose of this PMFA is to provide the mechanism for CHSRA to provide up to a maximum of \$600 million (the “Funds”) to PCJPB to be used to reimburse the PCJPB for

CHSRA's designated contribution (as set forth in the MOUs) of the project costs for the PCEP. The Funds, when combined with PCJPB's other secured sources of funding, including the \$113 million in funds CHSRA has provided pursuant to the Funding Commitment Agreement and the Implementing Agreement, are anticipated to be sufficient to fund in full the completion of the PCEP in a manner that will be compatible (as described in Article I.A of the Funding Commitment Agreement) with future CHSRA operations in the Corridor at a later date. To accomplish this overall purpose, this PMFA also provides CHSRA with certain approval, oversight and/or audit rights to ensure, among other things, that (a) the PCEP system and improvements are appropriately designed and constructed in a manner meeting the purposes outlined above, (b) PCJPB is efficiently managing implementation of PCEP and the post-completion operation and maintenance of the PCEP system and infrastructure, and (c) PCJPB does not take actions related to PCEP or the Corridor that PCJPB knows or reasonably should know at the time of the action would effectively preclude or make materially more complicated or expensive CHSRA future use of the Corridor for Blended System operations. This PMFA also details certain other agreements between the Parties. This PMFA provides more detail about the rights and obligations of the Parties than is contained in the MOUs and Funding Commitment Agreement, but is not intended to alter the intent of those documents.

3 PROJECT DESCRIPTION

- 3.1 Description of PCEP; Scope of Work. The Funds will be used to reimburse PCJPB for a portion of the costs of PCEP, as a share of the total costs as set forth in the MOU Supplement. PCEP is described in the Scope of Work attached hereto as Attachment 1 (the "Scope of Work") and includes both (1) the design, construction, and installation of electrification systems for the existing Corridor along with associated other projects and (2) the acquisition of EMU rail vehicles ("EMU Vehicles") that will operate on the new electrified systems in the Peninsula Rail Corridor. The Scope of Work includes a detailed description of the PCEP. The Funds can only be used towards the non-EMU-Vehicles portion of the Scope of Work; CHSRA will consider moneys, other than the Funds, spent by PCJPB on PCEP as match to the Proposition 1A portion (\$600 million) of the Funds if allowable under California Streets and Highways Code Section 2704.04 *et seq.* PCJPB is obligated to complete the entire Scope of Work, regardless of its total actual cost, provided CHSRA contributes the Funds as required by this PMFA and the \$113 million in funds committed pursuant to the Implementing Agreement. In the event overall PCEP costs exceed \$1.98 billion or if FTA Core Capacity Funds are ultimately provided at less than \$647 million, PCJPB and CHSRA, in conjunction with all parties to the 2012 Nine-Party MOU, will discuss how to secure additional funding beyond what is presently identified and/or discuss PCEP scope adjustments to match funding availability.
- 3.2 Project Schedule. PCJPB shall be responsible for complete performance of the PCEP as described in the Scope of Work, all in accordance with the terms of this PMFA, the requirements of SB 1029, Item 2665-104-6043, and all applicable statutes and regulations, and in accordance with the schedule agreed to by PCJPB and CHSRA, which is attached hereto as Attachment 2 (the "Project Schedule"). The Project Schedule may only be modified with the written concurrence of both Parties, which shall not be unreasonably withheld or conditioned (see section 4.2.1 of this Exhibit A), and such modified version of the Project Schedule may be substituted for the version previously attached hereto without need for a formal amendment to this PMFA. The Project Schedule shall be the schedule being used for PCEP with the other PCEP funding partners, including FTA.

- 3.3 PCEP as PCJPB's Sole Responsibility. PCJPB acknowledges and agrees that, unless otherwise agreed at a future date by written amendment to this PMFA, it is solely responsible for control and management of the PCEP and all associated costs and its subsequent operation, repair, and maintenance for the benefit of the public.
- 3.4 Completion and Closeout; Cost Savings. Upon PCEP completion, PCJPB will certify to the CHSRA, in writing, that the standards and requirements set forth in the Electrification Design-Build Contract and in the EMU Contract have been achieved and the entire scope of work in Attachment 1 (with any changes approved through the process described in Section 8.1.2) has been delivered. Additionally, PCJPB shall fully utilize PCEP warranties provided pursuant to such contracts to ensure PCEP elements continue to meet contract standards and requirements throughout the warranty term. Upon PCEP completion, if total costs are less than \$1.98 billion, refunds or credits to CHSRA shall be handled consistent with Article I.F of the Funding Commitment Agreement; the Parties acknowledge that grantor conditions placed on the \$20 million in TIRCP funding (see Funding Sources List), which funding was secured after the date of the Funding Commitment Agreement, may require adjustment to implementation of the refund/credit provision in Article I.F of the Funding Commitment Agreement.
- 3.5 Compatibility. It is the shared goal of the Parties to enable PCEP to be constructed in a manner that obviates the necessity for CHSRA to have to make material changes to the PCEP infrastructure to allow CHSRA's operations in the Blended System. In the event CHSRA requests incorporation of modifications of the PCEP to enable CHSRA's operation of the Blended System, PCJPB will exercise best efforts to implement such modifications subject to (1) confirmation of any required environmental clearance for such modifications and (2) CHSRA assumption of responsibility for all associated incremental costs of said modifications (except as may otherwise be provided in Section 6.1.1), including PCEP schedule delay impacts, as described in Articles I.A.(2) and (3) of the Funding Commitment Agreement.

- 3.6 Approval of Electrification Elements Not Included in Electrification Design-Build Contract. The Parties acknowledge that certain infrastructure elements that are part of the Scope of Work in Attachment 1 and are necessary for PCJPB to operate electrified service in the Corridor, and which elements will also form a basis for the Blended System, are not included within the scope of the EMU Contract or Electrification Design-Build Contract (“Future Necessary Electrification Elements”) although are included in the Cost Plan (defined at section 8.1.1); these elements consist of the following: (a) Tunnel Modification to provide sufficient vertical clearance for safe rail operations through the tunnels in San Francisco, (b) Centralized Equipment Maintenance and Facilities Improvement Project to provide maintenance and inspection functionality for new EMU’s and (c) any other material technical element contained in the Scope of Work in Attachment 1 but not within the EMU Contract or Electrification Design-Build Contract. PCJPB may not award a contract for final design or construction of Future Necessary Electrification Elements without first obtaining CHSRA’s written approval of the design and specifications, which approval will not be unreasonably withheld, conditioned or delayed provided that the design does not prejudice or impair CHSRA’s rights and ability to operate in the Corridor consistent with the standards set forth in Section 6 of this Agreement and that the cost of the Future Necessary Electrification Elements contract(s) are consistent with the Cost Plan. After CHSRA has approved the design, PCJPB may not modify the design and specifications in any material way without first obtaining written approval from the CHSRA unless the change order or design variance is approved by the Configuration Management Board.

4 PROJECT MANAGEMENT

4.1 Project Management and Oversight Costs; PCJPB Certification Obligations; Change Orders

- 4.1.1 Project Management and Oversight Costs. Project management and oversight costs that PCJPB and its contractors expend to deliver the Scope of Work under this Agreement shall be reasonable and consistent with industry practice for similar projects.
- 4.1.2 Compliance with technical specifications and design change orders. Corridor electrification construction and EMU Vehicles manufacture must be designed and built in material conformance with the preliminary design and specifications upon which the respective contracts were awarded plus any change orders issued subsequent to such awards but prior to execution of this Agreement. PCJPB hereby certifies to the CHSRA that all deliverables set forth in the contracts for Corridor electrification and EMU Vehicles completed to date, such as in-progress design plan sets (“In-Progress Designs”) and final design and engineering plans (“Final Plans”), are consistent with the design and performance standards upon which the PCEP respective contracts were awarded plus pre-Agreement change orders as relates to compatibility with future joint use of the Blended System by PCJPB and CHSRA, and for all future In-Progress Designs and Final Plans, PCJPB will certify to CHSRA in writing as to the same prior to commencement of work reliant on such plans. Purchase of materials to support construction must conform to criteria and standards upon which the PCEP contracts were awarded plus pre-Agreement change orders, unless otherwise authorized in writing by CHSRA. In the event a change order or design variance is necessary, PCJPB may not approve any such change order to or design variance under either the

Electrification Design-Build Contract or the EMU Contract that modify the design or specifications of the electrification project in any material way without first obtaining written approval from the CHSRA, unless the change order or design variance is approved by the Configuration Management Board. CHSRA shall review the requested design variance or change order, and communicate to PCJPB its written approval or disapproval, including reasons for such approval or disapproval, within five (5) working days after receiving the request from PCJPB. Review by CHSRA of any plans or approval of any design variance carries no express or implied warranties of any kind and shall not relieve PCJPB of its obligation to enforce contractor compliance with the Electrification Design-Build Contract or the EMU Contract, to maintain the Corridor and to operate its service safely.

4.1.3 Change orders that increase cost. See Section 8.1.2 of this Exhibit A.

4.2 Funding Shortfalls, Cost Overruns, and Delays.

4.2.1 In the event that PCJPB learns (or CHSRA reasonably believes and so informs PCJPB in writing), at any time prior to or during the performance of the PCEP work, that either (1) PCEP is unlikely to timely receive any funds shown in the Funding Sources List (Attachment 5) anticipated to be received by PCJPB for purposes of completing the PCEP, (2) the costs of completing the PCEP likely will exceed the budget (as shown in Attachment 4, the Cost Plan) for completion of the PCEP for any reason, including but not limited to delays in Project Schedule, remaining contingency including in-process contingency use falls below the minimum contingency drawdown curve contained in Attachment 4.5, or other reasonably-expected cost items likely will result in the budget in Attachment 4, the Cost Plan, being exceeded (3) PCJPB likely will not be able to complete the PCEP within the time established in the Project Schedule and such delay might delay commencement of CHSRA operations in the Corridor, or (4) the PCEP will not be completed in material conformance with the plans and specifications that CHSRA has approved pursuant to this PMFA, PCJPB will (i) notify and explain to CHSRA and all signatories to the Funding Partners Oversight Protocol as promptly as practicable of the nature and projected extent of the funding shortfall, cost overrun, or delay, or specification noncompliance; (ii) in the event of a potential funding shortfall or cost overrun or contingency deficit, within a reasonable period of time of notifying CHSRA per (i) above, identify and quantify realistic potential cost savings measures and/or the source of additional funds that can be available to PCJPB to complete the PCEP that PCJPB proposes to institute to bring the costs of the PCEP into balance with the available funds, (iii) in the event of a delay in completion of the PCEP that might delay commencement of CHSRA operations in the Corridor, identify measures that PCJPB proposes to implement to mitigate or eliminate such delays and (iv) in the event of material noncompliance with CHSRA-approved specifications, identify measures that PCJPB proposes to correct such material noncompliance. The proposed cost savings, additional funding sources, delay mitigation measures and/or material noncompliance mitigation measures identified by PCJPB pursuant to clauses (ii) to (iv) of the preceding sentence, as applicable, are collectively referred to herein as the “Remediation Plan.”

- 4.2.2 CHSRA shall promptly review the Remediation Plan and may reject the Plan if it (A) would require CHSRA or the State of California to provide additional money to PCJPB for PCEP, in such event, the Parties understand that, among other things, CHSRA will need to obtain consent from California Department of Finance, (B) in CHSRA's reasonable discretion is not reasonably likely to result in PCJPB being capable of completing the PCEP with the funds actually available or to be available in material conformance with the CHSRA-approved project design or (C) in CHSRA's reasonable discretion is not reasonably likely to result in PCJPB being capable of completing the PCEP per the Project Schedule and such failure likely will delay CHSRA's ability to operate service in the Corridor. If CHSRA rejects the Remediation Plan, CHSRA shall explain in writing to PCJPB and to the signatories of the Funding Partners Oversight Protocol the reasons for such rejection.
- 4.2.3 If CHSRA approves the Remediation Plan, PCJPB shall proceed diligently to carry out and complete the Remediation Plan and shall report to CHSRA monthly on the status of achieving the intended cost savings, obtaining the additional funds, and/or implementing the mitigation measures contemplated by the Remediation Plan; at any point, CHSRA may authorize in writing that monthly reporting may cease and be folded into the quarterly reporting required elsewhere in this PMFA. If CHSRA determines at any time after approving a Remediation Plan or Revised Remediation Plan that PCJPB is not reasonably likely to successfully implement the Plan, CHSRA may notify PCJPB of such determination in writing. In response, PCJPB shall modify the Remediation Plan or Revised Remediation Plan for CHSRA review and approval, which approval will not be unreasonably withheld, conditioned or delayed.

4.3 Quarterly Reviews.

- 4.3.1 CHSRA and PCJPB will conduct, on a quarterly basis, reviews of all aspects of the progress of the PCEP (which reviews may be conducted on-site, at CHSRA's election). Such reviews shall satisfy the requirements of SB 1029 (2012) Provision 8 of Item 2665-104-6043, and at least one week prior to each scheduled review, PCJPB in writing will provide CHSRA with at least the following information:
- Whether the PCEP is proceeding and is anticipated to continue to proceed on schedule and within budget;
 - Any requested or requested and approved changes to the Scope of Work, the Final Plans, the Project Schedule, the Cost Plan, or the Funding Sources List since the last quarterly review;
 - Major design and construction accomplishments during the quarter;
 - Any actual or anticipated problems that could lead to delays in schedule, increased costs, funding shortfalls, or other difficulties, including, without limitation, a report on any legal challenges to the PCEP or this PMFA;
 - The status of the budget for the PCEP per Exhibit A, Section 8.1.4; and

- Updated status of contingency use and availability as compared to the most recent official version of the Contingency Drawdown Curve shown in Attachment 4.5; and
- Copies of the updated change order log and contract awards; and
- The status of critical elements of the PCEP.

The PCJPB shall present the above information in a format agreed to by the Parties within 2 months after execution of this Agreement; the Parties shall utilize the CHSRA Legislative Update August 2016 as a starting point for their format discussions. The Legislative Update is available at the following link: <http://cahsrprg.com/files/PRG-report-2016-08.pdf>

The quarterly reviews will also include consideration of whether reported implementation activities are in compliance with this PMFA and all applicable laws, regulations, and administrative requirements as well as any additional information reasonably requested by CHSRA.

5 **PCJPB PROJECT OWNERSHIP, MAINTENANCE AND USE OBLIGATIONS AND RESTRICTIONS**

- 5.1 Project Ownership. Unless otherwise expressly agreed by the Parties in writing or as set forth in this PMFA, and subject to the terms and conditions of this PMFA, PCJPB shall be the sole owner of all improvements and property included in the PCEP that are constructed, installed, or acquired by PCJPB using any of the Funds.
- 5.2 Documents and Data. PCJPB will provide copies of, and access and rights of use to the CHSRA to, all reports, documents, plans, specifications, electronic documents and estimates produced in whole or in part with funding provided under this Agreement or funding used as matching funds or produced pursuant to the Electrification Design-Build Contract (“Produced Plans”). Furthermore, in the event PCJPB is unable for any reason to enter into the construction phase of the Electrification Design-Build Contract or, following commencement of construction is unable to cause full completion of the scope of work of the Electrification Design-Build Contract, ownership of Produced Plans will vest jointly in the CHSRA and PCJPB.
- 5.3 Obligation Not to Preclude Future CHSRA Usage.
 - 5.3.1 PCJPB agrees that it shall not take action, whether with respect to PCJPB’s design and construction of the PCEP, operation of the Peninsula Rail Corridor, real property ownership or control in the Peninsula Rail Corridor, or otherwise, that PCJPB knows or reasonably should have known at the time of the action would effectively preclude or make materially more complicated or expensive CHSRA’s future operation in the Peninsula Rail Corridor consistent with Proposition 1A and per Exhibit A, Section 6.
 - 5.3.2 PCJPB represents to CHSRA that the Cost Plan includes costs for EMU Vehicles that will have two doors each, at different heights to ensure maximum flexibility and interoperability as to shared passenger platform heights in the Blended System with CHSRA’s anticipated passenger rail vehicle door heights, it being

understood that actual platform configurations designed to meet the operational needs of each party and associated cost responsibility will be addressed in conjunction with the Blended System planning process contemplated by the Funding Commitment Agreement.

- 5.3.3 It is of paramount importance and fundamental consideration for this Agreement that operating rights be conveyed or made available so as to enable future CHSRA blended system operations in the Corridor.

PCJPB agrees to support and will attempt to facilitate (without incurring any obligation to spend material additional moneys that are not reimbursed by CHSRA) efforts by CHSRA to obtain rights, additional to those granted by this PMFA, within or adjacent to the Corridor from third parties, including freight railroads, as may be required or appropriate to enable or support CHSRA's potential future operations within the Corridor as described in Section 6, below. In addition and in no way limiting the preceding portion of this Section 5.3.3, PCJPB shall use best efforts to obtain all passenger operating rights in the Corridor currently held by Union Pacific Railroad ("UPRR") between San Francisco (PCJPB MP 0.00) and Santa Clara/CP Coast (PCJPB MP 43.93, which formerly was MP 44.0 under the 1991 TRA), subject to Surface Transportation Board ("STB") approval (which PCJPB shall use best efforts to obtain), if necessary, of the transfer of such rights to PCJPB from UPRR; PCJPB then immediately shall convey such rights previously held by UPRR to CHSRA at no cost to CHSRA, sufficient to allow CHSRA to operate service consistent with this PMFA and the Easement Interest referenced in Section 5.5.1. PCJPB will cooperate and support CHSRA's efforts to obtain STB approval, if necessary, for the transfer of such rights from PCJPB to CHSRA.

In pursuit of that objective, PCJPB has reached agreement with UPRR providing for the transfer of UPRR's passenger operating rights between San Francisco and Santa Clara subject to and upon implementation of a transaction whereby a short line freight operator is engaged to replace UPRR common carrier operations in that portion of the Corridor. UPRR, in turn, has initiated a competitive procurement process for the selection of a short line freight operator by UPRR to be followed by review and concurrence by PCJPB and approval by the STB. PCJPB shall use best efforts to complete this process and associated transaction.

In addition, if CHSRA so desires, PCJPB hereby commits to jointly working with CHSRA, including meeting at least monthly and making personnel and legal resources available at no cost to CHSRA for PCJPB's personnel and legal resources and no cost to PCJPB for CHSRA's personnel and legal resources, for CHSRA to acquire directly the operating rights for passenger service currently held by UPRR in the southernmost portion of the Corridor between Santa Clara and San Jose.

The Parties acknowledge that PCJPB has separate and independent exclusive commuter passenger operating rights on the Corridor such that no additional transfer of rights from UPRR is necessary for PCJPB, or another operator operating pursuant to PCJPB's permission to use those commuter passenger operating rights, to operate commuter service on the Corridor.

In the interim and in addition to the rights granted in this PMFA, PCJPB hereby agrees as between San Jose and San Francisco to operate or allow the operation of on its behalf, as commuter rail express trains, the CHSRA-owned trains occupying the train slots provided for in Section 6.1.1 of this PMFA to the stations set forth in Section 6.1.2 of this PMFA, in accordance with the following principles:

- 5.3.3.1 CHSRA may operate, engage a third party to operate, or engage PCJPB to operate, the CHSRA-owned trains, as part of and folded into PCJPB's commuter service;
- 5.3.3.2 The Parties will agree on a schedule for such operations and any changes to such schedules will be based on agreement of the Parties;
- 5.3.3.3 The trains will be listed on both PCJPB and CHSRA schedules as PCJPB commuter service.
- 5.3.3.4 PCJPB passengers traveling between San Francisco and San Jose (and/or the intermediate stations in Section 6.1.2 of this PMFA) will have access to such CHSRA-owned trains upon payment of fares and using fare media that are comparable to fares PCJPB charges for other express commuter trains on the corridor and that are to be agreed upon by CHSRA and PCJPB;
- 5.3.3.5 CHSRA passengers continuing to or originating from points south of San Jose will not be required to purchase an additional and separate commuter train ticket. Such passengers will be required, for the commuter portion of the journey, to pay an associated fare based on fares PCJPB charges for other express commuter trains on the Corridor, but CHSRA and PCJPB will work cooperatively to implement a ticketing system that allows such CHSRA passengers to purchase only one ticket that covers the entire journey of such passengers.
- 5.3.3.6 As to the operation of CHSRA-owned trains in the Corridor, Sections 6.1.3 and 6.1.4 of this PMFA will apply to infrastructure and maintenance costs, and station maintenance costs, respectively. As to other costs (e.g., personnel and administrative costs for PCJPB employees or contractors operating the CHSRA-owned trains), the operation of CHSRA-owned trains in the Corridor whether by CHSRA, a third party or PCJPB, will neither require an operating subsidy by or generate an operating profit to PCJPB (i.e., will result in no net additional cost or net additional revenue to PCJPB, such that it will be cost-neutral to PCJPB).

The Parties recognize that implementing the above agreement and principles regarding commuter express service will require further detail to be discussed between the Parties. Accordingly, no later than two years prior to the anticipated needed (as determined by CHSRA) commencement of operation of the commuter express trains, the Parties will have such discussions and memorialize the outcomes in one or more operating memoranda, to be signed by the Parties. Topics to cover will include (a) whether CHSRA or a third party will operate the service or whether PCJPB will operate the service, (b) mechanisms, methods and calculations to accomplish item 5.3.3.6 above, (c) operating requirements, (d)

insurance and allocation of liability and (e) such other terms and conditions as are industry standard in agreements in similar situations involving operators and government providers of commuter rail services.

5.4 Maintenance and Usage Requirements and Limitations.

- 5.4.1 Unless otherwise agreed by the Parties in writing, PCJPB is required to continue the operation and maintenance of the physical aspects of the PCEP dedicated to the public transportation purposes for which the PCEP was initially approved.
- 5.4.2 Facilities constructed or reconstructed in connection with the PCEP, and property and equipment (including EMU Vehicles) purchased in connection with the PCEP, shall remain permanently dedicated to the public transit use (whether publicly or privately operated) in the same proportion and scope and to the same extent as mandated in this PMFA and in any related requirements established pursuant to the governing bond documents, if applicable. Property and equipment (including EMU Vehicles) acquired as part of the PCEP shall be dedicated to that public transit use for their full economic life cycle, which, for the purposes of this PMFA, will be determined in accordance with standard national transit practices and applicable rules and guidelines, including any extensions of that life cycle achievable by reconstruction, rehabilitation or enhancements.
- 5.4.3 PCJPB shall maintain the facilities, equipment and EMU Vehicles constructed, reconstructed or acquired in connection with the PCEP in a safe and good working condition and state of repair and in compliance with all applicable laws, using such care as a reasonably prudent owner and operator of such facilities and vehicles would use. PCJPB shall also maintain the Corridor, ensuring that such corridor is free of debris or refuse and that all improvements in such corridor remain safe and in good working condition and state of repair and in compliance with all applicable laws, using such care as a reasonably prudent owner and operator of such facilities and improvements would use.

5.5 CHSRA Rights to the Peninsula Rail Corridor.

- 5.5.1 PCJPB agrees that it shall convey to CHSRA, to the fullest extent of its legal right to do so and at no cost to CHSRA, a permanent and irrevocable non-exclusive possessory property interest in the PCJPB Fee-Owned Area of the Corridor to (a) enable future operation of CHSRA Blended System service in the Corridor after completion of the PCEP and consistent with CHSRA service commencement timing plans in the Corridor set forth in CHSRA's then-latest Business Plan; and (b) ensure CHSRA has the ability to construct additional improvements in the Corridor as might be reasonably necessary to reasonably enable CHSRA operations in the Corridor as described in Section 6, below. The property interest to be conveyed will be in the exact form (except non-substantial formatting changes for execution and recordation) of the Passenger Rail Service Easement attached hereto as Attachment 3 ("Easement Interest") (to the extent required, PCJPB will fully support, including in writing and through legal filings (including joint filings) as necessary, any regulatory or Surface Transportation Board ("STB") approvals required for transfer and/or usability of such Easement Interest) and will be conveyed (via PCJPB execution of the Easement Interest and transmittal to CHSRA) immediately following allocation by CHSRA and receipt

by PCJPB of any portion of the Funds; the Parties acknowledge that the effectiveness of the conveyance will be delayed until any required STB approvals are obtained. PCJPB represents that the legal descriptions attached as or referenced in Exhibit 2 to Attachment 3, which PCJPB provided, are complete and accurate descriptions of the PCJPB Fee-Owned Area.

- 5.5.1.1 The Parties acknowledge that the extent of the PCJPB Fee-Owned Area at and in the area of the Millbrae station used by PCJPB and the Bay Area Rapid Transit District (“BART”) will be modified – with some land being added to and some land being deleted from the PCJPB Fee-Owned Area – pursuant to the terms of that certain Use, Operating and Maintenance Agreement for the Millbrae station and BART/JPB/SAMTRANS Facilities Related to the BART SFO Extension Project dated February 18, 2005, and as described in Recital E and Section 2.4 of that agreement. As stated in that Recital E, such land deletion and addition will be consummated by a Real Property Transfer Agreement, which is yet to be completed as of the Effective Date of this PMFA. The Parties agree to modify Exhibit 2 to Attachment 3, and re-record the Easement Interest if its recordation precedes completion of the Real Property Transfer Agreement referenced above, upon completion of the Real Property Transfer Agreement as necessary to (a) add to the area burdened by the Easement Interest the land that PCJPB receives from BART and (b) delete from the area burdened by the Easement Interest the land that PCJPB conveys to BART.
 - 5.5.1.2 That the Easement Interest will be recorded initially only on the PCJPB Fee-Owned Area is not a limitation on the rights obtained by CHSRA through this PMFA. Following execution of this PMFA, and carrying through the Blended System Planning Process and negotiation of the Shared Use Agreement referenced in the Easement Interest, the Parties shall work cooperatively to develop approaches to ensure CHSRA obtains, at PCJPB cost if there is any cost, and records real property rights (preferred), or contract rights (secondary), to operate in and on areas of the Corridor outside of the PCJPB Fee-Owned Area. At a minimum, PCJPB shall in whole or in part transfer, convey or otherwise assign or allow, at no cost to CHSRA, the sharing with CHSRA of any rights PCJPB currently has in such areas as necessary to match or approximate the rights granted to CHSRA in the Easement Interest.
 - 5.5.1.3 The Parties acknowledge that pursuant to Property Acquisition Law, the Easement Interest may need to convey the property rights described in this Section 5.5 to the California Public Works Board (PWB), or their designee, for subsequent conveyance to CHSRA.
- 5.5.2 The Parties anticipate that, at a future date as may be mutually agreed between the Parties, the Easement Interest may need to be amended and restated to reflect the implementation of the Blended System on the Corridor, including but not limited to as the vehicle to implement the intent of Section 5.5.1.1 of this PMFA.

6 STANDARDS/CONDITIONS GOVERNING SHARED USE OF THE CORRIDOR

- 6.1 Unless otherwise agreed to by the Parties in writing as an amendment to this Agreement, PCJPB and CHSRA agree to the following regarding the Corridor:
- 6.1.1 The Parties agree that, upon completion of PCEP, the Future Necessary Electrification Elements, and the Positive Train Control system that PCJPB currently is installing, a minimum of eight (8) electric train slots per hour per direction will be created. CHSRA will be guaranteed two train slots per hour per direction created upon completion of the above. CHSRA may occupy two additional train slots per hour per direction (for a total of four train slots) created upon completion of the above, with the understanding that through the Blended System Planning Process the Parties jointly will determine whether additional capital investments in the Corridor other than investments in the electrification infrastructure and/or alternative or modified operating patterns involving both Parties' operating plans in the Corridor will be necessary to support creation of those next two additional train slots with the further understanding that the PCEP electrification infrastructure will be designed and constructed in a manner sufficient to support operation of four CHSRA 410-meter Velaro "E", or equivalent, trains per hour in each direction.
 - 6.1.2 CHSRA will have reasonable shared access to the following stations for passengers and passenger-related facilities: 4th& King, 4th and Townsend, Millbrae, Transbay and Diridon, unless the Parties mutually agree otherwise through the Blended System Planning Process. The precise layouts and configurations for such shared access that can accommodate the respective operations of each Party will be addressed in future agreement(s) between the Parties. Facilities and infrastructure to be shared at the above-listed stations shall include but not be limited to parking, driveways, walkways, pathways, concourses, buildings, station buildings and platforms.
 - 6.1.3 Upon commencement of CHSRA operations in the Corridor, CHSRA will pay PCJPB a share of infrastructure maintenance and power costs based on relative burden placed on the infrastructure or some similar basis. The precise formula for determining such cost sharing, including potential use of neutral third-party experts to conduct an analysis, will be addressed in a future agreement between the Parties.
 - 6.1.4 Upon commencement of CHSRA operations in the Corridor, CHSRA will pay PCJPB a share of station maintenance costs based on relative burden placed on the infrastructure or some similar basis. The precise formula for determining such cost sharing, including potential use of neutral third-party experts to conduct an analysis, will be addressed in future agreement(s) between the Parties.
 - 6.1.5 To meet CHSRA's starting service date, as set forth in its latest Business Plan, PCJPB will allow construction of reasonable improvements CHSRA needs to accomplish operations per Exhibit A, Sections 6.1.1 and 6.1.2 and to meet the requirements set forth in Proposition 1A. PCJPB will allow the same level of construction-period disruption to its service as it allow(ed) for Corridor electrification.

7 FUTURE COOPERATION

- 7.1 PCJPB is currently working with PG&E to interconnect PCJPB's PCEP electrification system with PG&E's electrical infrastructure. Upon reaching agreement with PG&E regarding the infrastructure necessary for the interconnection, the Parties anticipate that PCJPB and PG&E will initiate discussions regarding allocation of the costs associated with the interconnection infrastructure (*i.e.* discussions to determine the share of costs to be borne by PCJPB, PG&E and/or other non-CHSRA parties). PCJPB agrees to inform and involve CHSRA during these cost allocation discussions and negotiations because of their potential impact on CHSRA.
- 7.2 The Parties recognize and acknowledge that, beyond the rights and privileges this PMFA already grants to CHSRA, there will be a continuing need over time to negotiate additional agreements that will address, among other things, detailed issues pertinent to future shared use (including dispatching and scheduling) and maintenance of the Corridor by PCJPB and CHSRA. To the extent not addressed by this PMFA, such negotiations shall follow the process described in Article IV of the Funding Commitment Agreement.
- 7.3 To the extent competitive bidding rules applicable to CHSRA allow, CHSRA will offer to PCJPB the ability to contract with CHSRA to perform for compensation any CHSRA-needed improvements in the Corridor prior to offering such work to other potential contractors.

8 FUNDING

8.1 Project Costs; Sources of Funds.

- 8.1.1 The total estimated project costs of the PCEP are \$1.98 billion, and Attachment 4 attached hereto (the "Cost Plan") sets forth the anticipated budget by component of project costs, including the fiscal years in which such costs are anticipated to be incurred.
- 8.1.2 Unless approved by the Configuration Management Board ("CMB") or deemed by the CMB to not require its approval (for example, change orders under a certain threshold set by the CMB), the PCJPB shall not without the prior written approval of CHSRA execute or approve any contract, scope increase, change order or any other cost increase with respect to the PCEP that would individually increase either the Corridor electrification or EMU Vehicle cost (as set forth in Attachment 4) by more than \$1,000,000. PCJPB shall refrain from segmenting contracts, scope increases, change orders and cost increases into smaller components to avoid exceeding the \$1,000,000 threshold.

- 8.1.2.1 Prior to agreeing to a dispute settlement with any PCEP contractor, PCJPB will confer with CHSRA if the settlement would cause known and in-process contingency drawdown to fall below the expected threshold in the Contingency Drawdown Curve set forth in Attachment 4.5. When PCJPB confers with CHSRA regarding the proposed settlement, PCJPB will present an outline of a Remediation Plan for addressing the contingency deficit.
- 8.1.3 The Funding Sources List sets forth the sources of all amounts, including the Funds, anticipated to be used to fund the PCEP in full, including the fiscal years in which such amounts by source are anticipated to be received. CHSRA is obligated to provide the amounts of the Funds in the fiscal year schedule set forth in the Funding Sources List (as it may be modified from time to time per the following Section 8.1.4), provided, however, that such CHSRA obligation (a) does not commence until PCJPB obtains approval from SamTrans to grant and record the Easement Interest and (b) is limited by the extent to which PCJPB and the other funding partners listed in the Funding Sources List have timely performed their respective obligations under the applicable agreements and MOUs, including but not limited to, the obligation of those funding partners, other than CSHRA, to provide funds in accordance with the dates and amounts set forth in the Funding Sources List. The Parties acknowledge that SB 1029 may need to be amended to allow CHSRA contributions (\$600 million) per the Funding Sources List schedule attached hereto, because the SB 1029 appropriation expires in 2018; the Parties agree to modify the Funding Sources List schedule if such SB 1029 amendment does not occur.
- 8.1.4 The Cost Plan and the Funding Sources List may only be materially modified with the written concurrence of both Parties and only if consistent with the MOU Supplement and Funding Commitment Agreement, and such modified version of the Cost Plan and the Funding Sources List may be substituted for the versions thereof previously attached hereto without need for a formal amendment to this PMFA; provided, however, that any modification to the Cost Plan and Funding Sources List that increases CSHRA's level of funding or accelerates performance of its financial obligations shall require a formal amendment that is approved by the California Department of Finance. PCJPB shall provide CHSRA with written updates on the status of the Cost Plan and the Funding Sources List during each quarterly meeting described in Section 4.3 of Exhibit A; such updates shall include a detailed summary of then-to-date total billing for PCEP costs to each of the funding partners listed in the Funding Sources List, so that CHSRA will be able to determine what costs (type and amount) have been billed to each funding entity.
- 8.2 Matching Funds.
- 8.2.1 PCJPB shall provide matching funds, to be spent on the items in Attachment 1 Scope of Work, in an amount not less than the total amount reimbursed by CHSRA for the PCEP under this PMFA.

8.2.2 Except where specifically provided to the contrary in this PMFA or as authorized and reimbursed through the Funding Commitment Agreement and Implementing Agreement, reimbursement of and credits for local matching funds will be made or allowed only for work performed after the Effective Date hereof and before August 1, 2022, or such later date as the Parties may agree to via amendment to this Agreement as a result of PCEP schedule modifications contemplated by Section 3.2 hereof provided that CHSRA first obtains the consent of the California Department of Finance (the “Funding Termination Date”).

8.3 Funding Contingency Clause

8.3.1 After execution of this PMFA, if Congress or the State Legislature does not appropriate sufficient funds to the CHSRA, or actions or inactions of other government agencies or market forces prevent appropriated funds from becoming available, or a court of law prevents CHSRA use of appropriated funds, thereby preventing the CHSRA’s ability to satisfy its funding obligations contained in this PMFA, the CHSRA shall have the option to either: 1) cancel this PMFA with no further liability occurring to the CHSRA; or 2) amend this PMFA and reduce the scope of work to reflect any reduction in funds.

9 **PROJECT REPRESENTATIVES**

9.1 All inquiries during the term of this Agreement will be directed to the project representatives (“Contract Managers”) identified below:

CHSRA	PCJPB
Contract Manager: Bruce Armistead	Contract Manager: April Chan
Address: 770 L Street, Suite 620 MS 1 Sacramento, CA 95814	Address: 1250 San Carlos Avenue PO Box 3006 San Carlos, CA 94070
Phone: 916) 330-5663	Phone: 650-508-6228
Email: bruce.armistead@hsr.ca.gov	Email: chana@samtrans.com

9.2 The Contract Managers may be changed without amendment (as specified in Exhibit D, Section 1).

EXHIBIT B: FUNDS, BUDGET DETAIL AND PAYMENT PROVISIONS

1 INVOICING AND PAYMENT

- 1.1 For services satisfactorily rendered in accordance with the terms of this Agreement, and upon receipt and approval of the invoices by the CHSRA Contract Manager, the CHSRA agrees to reimburse the PCJPB for actual hours worked by PCJPB staff (which consist of public employees of PCJPB member agencies) on an actual cost basis according to the billing rates set forth in Attachment 6 (and in accordance with PCJPB's policies and procedures) and for other allowable costs as set forth in this Exhibit B or Attachment 7 hereto. The hourly rates (by position) for PCJPB staff set forth in Attachment 6 are rate caps, or the maximum allowed to be billed for work completed by PCJPB staff over the duration of this Agreement. Notwithstanding the foregoing, in the event new rates are (1) implemented and approved by the PCJPB, (2) implemented pursuant to the San Mateo County Transit District Personnel Policies and Procedures Manual, Chapter 3, Section 25 – Position Change or (3) implemented pursuant to the San Mateo County Transit District Personnel Policies and Procedures Manual, Chapter 3, Section 13 – Acting, Additional Duties, and Lead Pay, the new rates will apply, without amendment, for work performed by PCJPB staff after the PCJPB's submittal of the new rates (with reasoning for implementation) to the CHSRA's Contract Manager. The PCJPB may also modify, without amendment, the PCJPB staff authorized to perform work under this Agreement. In the event the PCJPB desires to add an authorized staff member, the PCJPB must provide written notice to the CHSRA's Contract Manager before such staff member may perform work under this Agreement. PCJPB hereby confirms that the positions listed in Attachment 6 include only those positions PCJPB reasonably expects to be necessary to deliver the Scope of Work, Attachment 1.
- 1.2 No payments will be made by CHSRA in advance of the applicable service being rendered or the applicable cost being incurred by PCJPB. In addition, CHSRA shall not be required to reimburse more project costs cumulatively, per quarter of any fiscal year, than the sums identified and included in the Cost Plan for such time period; this is to ensure that CHSRA can manage its funds availability for its own projects and for PCEP in a controlled and predictable manner. However, accelerated reimbursement of PCEP costs in excess of the amounts indicated in the Cost Plan for a particular time period may be allowed in the sole discretion of CHSRA if amounts are available to CHSRA for such purpose.
- 1.3 PCJPB shall provide one paper original and two copies of the invoice for payment. Invoices shall be submitted no more than monthly in arrears and no later than 30 calendar days after completion of each billing period or upon completion of a task to:

Financial Office
California High-Speed Rail Authority
770 L Street, Suite 620 MS3
Sacramento, CA 95814

accountspayable@hsr.ca.gov

(1 original and 2 copies)

- 1.4 The PCJPB shall also submit (electronically) one additional copy of the invoice and supporting documentation to the CHSRA's Contract Manager or designee at the address identified in Exhibit A.
- 1.5 With the exception of pending claims and potential claims that can be filed within applicable legal time limits or other extenuating circumstances, the Funding Termination Date is the last date for PCJPB to incur valid PCEP costs or credits for reimbursement by CHSRA. Subject to the foregoing, PCJPB has 180 days after the Funding Termination Date to make already-incurred final allowable payments to PCEP contractors or vendors and submit the final invoice to CHSRA for reimbursement of allowable PCEP costs before the remaining CHSRA funds may no longer be used to pay for PCEP costs. PCJPB expressly waives any right to allowable reimbursements from CHSRA pursuant to this PMFA for costs incurred after the Funding Termination Date and for costs invoiced to CHSRA for payment after the 180th day following the Funding Termination Date.

2 INVOICE FORMAT

- 2.1 The CHSRA will accept computer generated or electronically transmitted invoices. The date of "invoice receipt" shall be the date the CHSRA receives the paper copy at the address listed in Section 1.3 of this Exhibit.
- 2.2 An invoice shall include all aspects and information as set forth in Attachment 7.
- 2.3 The PCJPB acknowledges that the CHSRA may add reasonable information or documentation requirements to the invoice list requirements of Attachment 7 to meet CHSRA needs, if required by the State Controller's Office or if required for the CHSRA to meet any reporting requirements. The PCJPB, upon receipt of written communication requiring additional documentation or information, shall promptly provide such requested documentation and/or information.
- 2.4 The PCJPB shall retain back-up documentation for audit purposes available to the CHSRA upon request. The PCJPB shall include appropriate provisions in each of its subcontracts to secure adequate backup documentation to verify all PCJPB's contractor services and expenses invoiced for payment under this Agreement.

3 TRAVEL AND PER DIEM RATES

- 3.1 The PCJPB shall only be reimbursed for travel by its staff to and from PCJPB offices to the PCEP construction sites (no other travel is authorized) as necessary to carry out the scope of work under this Agreement. Such travel for PCJPB staff will be reimbursed using the same rates provided to non-represented state employees. The PCJPB must pay for any travel expense in excess of these rates. The PCJPB may obtain current rates at the following website: <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>.
- 3.2 PCJPB contractor travel is not eligible for reimbursement under this Agreement.
- 3.3 The PCJPB must retain documentation of travel expense in its financial records. The documentation must be listed by trip and include dates and times for departure and return. Travel receipts shall be submitted with invoices requesting reimbursement from the CHSRA.

4 COST PRINCIPLES

- 4.1 The PCJPB agrees to comply with procedures in accordance with OMB Circular A-87, as amended, Cost Principles for State, Local, and Indian Tribal Governments.
- 4.2 The PCJPB agrees to comply with Title 49 Code of Federal Regulations, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, and with any requirements stemming from the Funds received by PCJPB under this PMFA or other funds received or used by PCJPB in connection with the PCEP.
- 4.3 Any costs for which payment has been made to the PCJPB that are determined by subsequent audit to be unallowable under OMB Circular A-87, as amended, 49 C.F.R. Part 18, or other applicable statute, rule, requirement or regulation are subject to repayment by the PCJPB to the CHSRA.
- 4.4 Any subagreement in excess of \$25,000 entered into as a result of this Agreement, shall contain all the provisions of Exhibit B, Section 4.

5 EXCISE TAX

- 5.1 The State of California is exempt from federal excise taxes, and no payment will be made for any federal excise taxes levied on PCJPB. CHSRA will only pay for any state or local sales or use taxes on the services rendered to CHSRA pursuant to this PMFA.

6 PROMPT PAYMENT ACT

- 6.1 CHSRA will endeavor to make payment in the time frames set forth in Government Code Chapter section 927, *et seq.*

7 INVOICE DISPUTES

- 7.1 Payments shall be made to the PCJPB for undisputed invoices. An undisputed invoice is an invoice submitted by the PCJPB for services rendered and for which additional evidence is not required to determine its validity. The invoice will be disputed if the invoice is inaccurate, or if it does not comply with the terms of the Agreement. If the invoice is disputed, the PCJPB will be notified via a Dispute Notification Form, or with other written notification within 15 working days of receipt of the invoice; the PCJPB will be paid the undisputed portion of the invoice. In the event the project representatives are unable to resolve the issue(s) leading to the disputed invoice, the Parties shall follow the dispute resolution procedure set forth in Exhibit D, Section 4.

EXHIBIT C: GENERAL TERMS AND CONDITIONS

1 APPROVAL

- 1.1 This PMFA shall be of no force and effect until signed by both Parties and approved by the California Department of Finance and any other required state department or agency, if required.

2 AMENDMENT

- 2.1 No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the Parties and approved as required, including but not limited to, approval by the California Department of Finance. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the Parties.

3 ASSIGNMENT

- 3.1 This Agreement is not assignable by the PCJPB, either in whole or in part, without the written consent of the State in the form of a formal written amendment.

4 AUDIT

- 4.1 PCJPB agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. PCJPB agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. PCJPB agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, PCJPB agrees to include a similar right of the State to audit records and interview staff in any contract or subcontract related to performance of this Agreement. (Gov. Code §8546.7).

5 INDEMNIFICATION

- 5.1 PCJPB agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by PCJPB in the performance of this Agreement.

6 DISPUTES

- 6.1 PCJPB shall continue with the responsibilities under this Agreement during any dispute.

7 INDEPENDENT CONTRACTOR

- 7.1 PCJPB, and the agents and employees of PCJPB, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

8 NON-DISCRIMINATION CLAUSE

- 8.1 During the performance of this Agreement, PCJPB and its contractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. PCJPB and contractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. PCJPB and contractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. PCJPB and its contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- 8.2 PCJPB shall include the nondiscrimination and compliance provisions of this clause in all contracts to perform work under the Agreement.

9 CERTIFICATION CLAUSES

- 9.1 DRUG-FREE WORKPLACE REQUIREMENTS: PCJPB will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
- 9.1.1 Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - 9.1.2 Establish a Drug-Free Awareness Program to inform employees about:
 - 9.1.2.1 The dangers of drug abuse in the workplace;
 - 9.1.2.2 the person's or organization's policy of maintaining a drug-free workplace;
 - 9.1.2.3 any available counseling, rehabilitation and employee assistance programs; and,
 - 9.1.2.4 penalties that may be imposed upon employees for drug abuse violations.
 - 9.1.3 Every employee who performs work under this Agreement will:

9.1.3.1 receive a copy of the company's drug-free workplace policy statement;
and,

9.1.3.2 agree to abide by the terms of the company's statement as a condition of
employment on the Agreement.

9.1.4 Failure to comply with these requirements may result in suspension of payments
under the Agreement or termination of the Agreement or both and PCJPB may be
ineligible for award of any future State agreements if the CHSRA determines that
any of the following has occurred: the PCJPB has made false certification, or
violated the certification by failing to carry out the requirements as noted above.
(Gov. Code §8350 et seq.)

9.2 DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January
1, 2007, the PCJPB certifies that PCJPB is in compliance with Public Contract Code section
10295.3.

9.3 AMERICANS WITH DISABILITIES ACT: PCJPB assures the State that it complies with
the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the
basis of disability, as well as all applicable regulations and guidelines issued pursuant to the
ADA. (42 U.S.C. 12101 et seq.)

9.4 AIR OR WATER POLLUTION VIOLATION: PCJPB shall not be: (1) in violation of any
order or resolution not subject to review promulgated by the State Air Resources Board or
an air pollution control district; (2) subject to cease and desist order not subject to review
issued pursuant to Section 13301 of the Water Code for violation of waste discharge
requirements or discharge prohibitions; or (3) finally determined to be in violation of
provisions of federal law relating to air or water pollution.

10 TIMELINESS

10.1 Time is of the essence in this Agreement.

11 COMPENSATION

11.1 The consideration to be paid PCJPB, as provided herein, shall be in compensation for all of
PCJPB's expenses incurred in the performance hereof, including (if authorized) travel, per
diem, and taxes, unless otherwise expressly so provided.

12 GOVERNING LAW

12.1 This Agreement is governed by and shall be interpreted in accordance with the laws of the
State of California.

13 CHILD SUPPORT COMPLIANCE ACT

13.1 For any agreement in excess of \$100,000, PCJPB acknowledges in accordance with Public
Contract Code 7110, that:

- 13.1.1 The PCJPB recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- 13.1.2 The PCJPB, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

14 UNENFORCEABLE PROVISION

- 14.1 In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the Parties agree to work cooperatively to amend this Agreement to restore the original full intent and rights and obligations of the Parties contained in this Agreement, if reasonably feasible. If not reasonably feasible, either Party may terminate this Agreement.

EXHIBIT D: SPECIAL TERMS AND CONDITIONS

1 CONTRACT MANAGEMENT

- 1.1 The PCJPB's Contract Manager is responsible for the day-to-day project status, decisions and communications with the CHSRA's Contract Manager.
- 1.2 Either Party may change its Contract Manager at any time by giving written notice to the other Party.

2 CONTRACTS

- 2.1 Nothing contained in this Agreement or otherwise, shall create any contractual relation between the CHSRA and any PCJPB contractors, and no contract shall relieve the PCJPB of its responsibilities and obligations under this Agreement. The PCJPB agrees to be as fully responsible to the CHSRA for the acts and omissions of its contractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of its contractors and of persons either directly or indirectly employed by the PCJPB. The PCJPB's obligation to pay its contractors is an independent obligation from the CHSRA's obligation to make payment to the PCJPB. As a result, the CHSRA shall have no obligation to pay or enforce the payment of any moneys to any PCJPB contractor or subcontractor.

3 CONFLICT OF INTEREST

- 3.1 Both Parties acknowledge their shared interest in avoiding organizational conflicts of interest in the performance of work funded under this Agreement.
- 3.2 The PCJPB's contractors and their employees will comply with the PCJPB's Organizational Conflict of Interest Policy.
- 3.3 By inclusion of the authorized contractors listed in the Approved Contractor List attached hereto as Attachment 8, both Parties agree that no significant conflict exists that would preclude the listed firms from performing work under this Agreement.
- 3.4 If the PCJPB seeks to add any contractors or subcontractors to this Agreement, the CHSRA retains authority to analyze whether such additions would present an organizational conflict of interest under the CHSRA's Organizational Conflict of Interest Policy and, if so, either to decline to add such contractors or subcontractors, or to require mitigation of identified conflicts before the conflicted entity is assigned any work under this Agreement.

4 SETTLEMENT OF DISPUTES

- 4.1 The Parties will follow the dispute resolution procedure set forth in Section IV of the Funding Commitment Agreement.

5 TERMINATION

- 5.1 This Agreement can be terminated at any time by mutual agreement of the parties.

6 NON-WAIVER

6.1 No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. No remedy available in this Agreement is intended to be exclusive of or a prerequisite to any other remedy, and every remedy shall be cumulative and shall be in addition to every other remedy provided therein or available at law or in equity. The failure of the CHSRA to enforce any provision of this Agreement or require performance by the PCJPB of any provision shall in no way be construed to be a waiver of those provisions, affect the validity of this Agreement in whole or in part, or the right of the CHSRA to subsequently enforce any such provision.

7 CAPTIONS

7.1 The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference and do not define, limit, or extend the scope or intent of the clauses.

8 INDEMNIFICATION

8.1 In addition to the Indemnification provision in Exhibit C, the following indemnification provision shall also apply to this Agreement: The CHSRA agrees to indemnify, defend and save harmless the PCJPB, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement stemming from any tortious acts of the CHSRA in the performance of this Agreement.

9 PREVAILING WAGES

9.1 PCJPB shall comply with all Labor Code requirements applicable to the Scope of Work set forth in Attachment 1 of this Agreement or any additional requirements stemming from the funding provided under this Agreement. PCJPB shall include the provisions of this clause in all contracts to perform work under the Agreement.

10 LICENSES AND PERMITS

10.1 The PCJPB shall ensure that all contractors hired to complete the Scope of Work under Attachment 1 of this Agreement possess all required licenses and permits.

11 INSURANCE

11.1 Without limiting the PCJPB's indemnification of the CHSRA, PCJPB agrees to require any and all PCJPB contractors to list the CHSRA as an additional insured on all insurance required under each contract between the PCJPB and its PCJPB contractor(s). The PCJPB shall provide certificates of insurance to the CHSRA as evidence of the insurance coverage required herein. The PCJPB shall ensure that it provides current certifications of insurance to the CHSRA at all times during the term of this Agreement.

12 PROJECT PERMITS AND APPROVALS

12.1 PCJPB represents that as of the date of this PMFA, except as listed on Attachment 9 hereto, to the best of its knowledge PCJPB has obtained all public and private approvals, permits, entitlements and rights (including property and operating rights) needed or reasonably necessary to acquire all equipment and materials identified in the Scope of Work, to construct the PCEP infrastructure and to operate the PCEP electrification system once completed, all as contemplated in this PMFA (collectively, "Project Permits"). PCJPB will keep all Project Permits in full force and effect throughout the term of this PMFA and available for CHSRA review at any time upon reasonable advance notice. PCJPB will secure and pay for all approvals and permits of any kind required from any government entity necessary to construct the PCEP infrastructure and eventually operate in the post-PCEP Corridor.

13 NONDISCRIMINATION COMPLIANCE

13.1 During the performance of this Agreement, the PCJPB and the PCJPB Contractors shall not deny the Agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, PCJPB identity, gender expression, age, sexual orientation, or military and veteran status. The PCJPB shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

13.2 The PCJPB shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900, *et seq.*) the regulations promulgated thereunder (Cal. Code Regs., Tit. 2, section 11000, *et seq.*), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code sections 11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article.

13.3 The PCJPB shall permit access by representatives of the Department of Fair Employment and Housing and the CHSRA upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, other sources of information and its facilities as said Department or CHSRA shall require to ascertain compliance with this clause.

13.4 The PCJPB and the PCJPB Contractors shall give written notice of their obligations under this Section 13 to labor organizations with which they have a collective bargaining or other agreement.

13.5 The PCJPB shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

14 ACCESS TO SITES AND RECORDS

14.1 The CHSRA staff or its representatives shall have reasonable access to all sites (including, but not limited to, construction sites) and records related to this Agreement.

15 SIGNATORIES

- 15.1 Each Party warrants and affirms that the individual signing this Agreement on behalf of the respective Party has the authority to bind such Party to the terms and conditions herein.

16 COUNTERPARTS

- 16.1 This PMFA may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of copies of this PMFA and of signature pages by electronic mail in “portable document format” (“.pdf”) form shall constitute effective execution and delivery of this PMFA as to the Parties and may be used in lieu of the original PMFA for all purposes.

17 BOND PROVISIONS

- 17.1 Management Contracts. If PCJPB enters into a management contract with a private party for operation of rail or other transportation services in connection with the PCEP or that otherwise will involve use of the PCEP, PCJPB will obtain prior approval from Bond Counsel acceptable to CHSRA and the California State Treasurer that the terms of such management contract meet the requirements of Internal Revenue Service Revenue Procedure 2017-13 (as supplemented or amended) or any successor thereto (dealing generally with guidelines for when management contracts may be deemed not to create a “private use” of bond-financed property) or are otherwise acceptable. PCJPB must also be prepared to certify, upon request of CHSRA or the California State Treasurer, that the revenues that PCJPB (or its manager) receives directly from the operation of transportation services in connection with the PCEP (but not including any subsidy of the transportation operation from taxes or other outside fund sources) are, for any fiscal year, less than the ordinary and necessary expenses directly attributable to the operation and maintenance of the transportation system (excluding any overhead or administrative costs of PCJPB).

17.2 Non-Governmentally Used Property

- 17.2.1 Except as provided in this Section 17, CHSRA and PCJPB agree that any costs of the PCEP acquired or constructed by PCJPB allocable to portions of the PCEP that are subject to any property interests held by a non-governmental person(s) in connection with business activities, such as easements, leases, or fee interests, not generally enjoyed by the public (hereinafter referred to as “Non-Governmentally Used Property,” or “NUP”) shall require the prior approval of CHSRA and the California State Treasurer, if applicable. It is anticipated that approval will be granted if, taking into account the existing and expected uses of the proceeds of the bonds, CHSRA and the California State Treasurer determine that the continued tax-exempt status of the State of California bonds will not be adversely affected and that the use of the property is consistent with the PCEP and its described purpose. If PCJPB receives any revenues or profits from any NUP activities allowed pursuant to this (whether approved upon execution of this PMFA or hereafter approved by CHSRA), PCJPB agrees that such revenues or profits shall be used exclusively for the public transportation services for which the PCEP was initially approved, either for capital improvements or operating costs. If PCJPB does not so dedicate those revenues or profits, a proportionate share shall (unless disapproved by the California State Treasurer) be paid to CHSRA equivalent to the ratio of CHSRA’s percentage of funding for the PCEP.

- 17.2.2 NUP will include, but is not limited to, property that is sold (including sales of air and subsurface rights), and property subject to easements, leases, or similar rights. A rail right of way will not be treated as NUP solely as a result of a freight use easement retained by the seller of the right of way to PCJPB, provided that the sale agreement appropriately excludes the freight use easement from the property or rights being acquired.
- 17.2.3 For purposes of this Section 17, NUP does not include “incidental uses” of the PCEP, such as vending machines, pay telephones, small kiosks, and similar uses provided that (i) such uses are not related to any other use of the facility by the same persons or entities, and (ii) all such “incidental uses” do not comprise, in the aggregate, more than 2.5% of the costs or space of the PCEP.

17.3 Allocation and Uses of State of California Bond Proceeds.

- 17.3.1 State of California bond proceeds transferred pursuant to this PMFA will be used by PCJPB to pay costs of acquiring and constructing the PCEP. Absent written approval by CHSRA, the Department of Finance and the State Treasurer, PCJPB will not use State of California bond proceeds derived from the sale of tax-exempt bonds to repay any tax-exempt-based debt (e.g., used as interim financing for the PCEP). Without relieving PCJPB of its obligation to comply with all terms of this PMFA (including but not limited to Exhibit D, Section 17), it is understood and agreed that PCJPB may use State of California bond proceeds derived from the sale of taxable bonds as may be issued from time to time to repay any debt (e.g., used as interim financing for the PCEP); upon request by PCJPB, CHSRA will inform PCJPB of whether a payment(s) under this PMFA from CHSRA to PCJPB was derived from taxable or tax-exempt bonds. Bond proceeds will be used to reimburse PCJPB for a portion of the costs of the PCEP initially paid by PCJPB, but no bond proceeds will be used to reimburse any costs paid by PCJPB more than 18 months prior to such reimbursement.
- 17.3.2 NUP shall, for accounting and bookkeeping purposes, first be allocated to funding sources other than the bond funds. For purposes of making such allocations, the costs attributable to NUP involving a sale, easement, lease or similar arrangement shall be determined on the basis of a fair allocation of value, which may include determinations based upon square meters/feet of the area encumbered by the NUP lease or easement relative to the total area acquired or constructed if all such area is of approximately equal value.
- 17.3.3 Notwithstanding the foregoing, PCJPB may be authorized to receive an allocation of State of California bond proceeds for costs of NUP if PCJPB submits a certified bond certification questionnaire to CHSRA and both CHSRA and the State Treasurer approve the NUP to be financed with bond proceeds.
- 17.3.4 PCJPB shall not loan any portion of bond proceeds funding the PCEP to any other person or entity (whether for-profit, non-profit or governmental). For this purpose, a “loan” includes any arrangement that is the economic equivalent of a loan, regardless of how it is named.

- 17.3.5 To the extent any State of California bond proceeds are used to fund right of way acquisition for the PCEP, including temporary construction easements and excess property, PCJPB will not sell such property without approval of CHSRA and the State Treasurer. If approved, proceeds from the sale of such bond-funded property may be required to be returned or credited to CHSRA on a pro-rata basis.
- 17.4 Nothing in this Section 17 shall be interpreted to limit or prevent CHSRA from providing service in the Corridor via a commercial, for-profit operator, consistent with the rights, agreements and understandings between the Parties set forth elsewhere in this PMFA.

ATTACHMENT 1 – SCOPE OF WORK

Caltrain Modernization Program Peninsula Corridor Electrification Project (PCEP) San Carlos, CA

Project Description

Narrative Description

The Peninsula Corridor Electrification Project (Project) will electrify and upgrade 51 miles of the Caltrain mainline commuter rail corridor from San Francisco to the Tamien Station in San Jose, California. The Project will also replace approximately 75 percent of the current Caltrain diesel-haul rolling stock with Electric Multiple Unit (EMU) trains. The project includes the installation of 138 single-track miles of overhead contact system (OCS) for the distribution of electrical power to the new electric rolling stock. The OCS would be powered from a 25 kiloVolt (kV), 60 Hertz (Hz), single-phase, alternating current (AC) traction power system consisting of two traction power substations (TPSS), one switching station and seven paralleling stations. The rolling stock component includes the design and procurement of high-performance EMUs. The term "EMU" refers to the ability to couple multiple units into a train and have them controlled from a cab at each end of the train-consist. A fleet of 96 EMUs will be procured.

Project Description by Standard Cost Category (SCC)

The following provides a description of the Project by Standard Cost Category (SCC). These SCCs are the basis for the Baseline Cost Estimate and Baseline Schedule contained in Attachments 3 and 4, respectively.

SCC Code 10 – Guideway and Track Elements

This SCC includes guideway and track element upgrades in the following applicable subcategories:

10.02 - Guideway: At-grade semi-exclusive (allows cross-traffic): Modification to lower the track may be required at some locations to accommodate the new Overhead Catenary System. Final Design will determine the extent, if any, of track modifications.

10.07 - Guideway: Underground Tunnel: The existing 4 tunnel sections are to be modified to provide clearance for the new catenary system to accommodate the dynamic envelope of the new EMU's

SCC Code 30 – Support Facilities: Yards, Shops, Administration Building

This SCC includes the following modifications to an existing Maintenance Facility:

30.03 - Heavy Maintenance Facility: The existing Central Equipment Maintenance and Operations Facility is to be modified with the installation of new elevated platforms required for maintenance of the new EMU's.

30.05 - Yard and Yard Track: Improvements to accommodate test conditions and safety for the test track.

SCC Code 40 – Sitework and Special Conditions

This SCC includes all necessary site work and special work associated with utilities, hazardous materials, environmental mitigations, landscaping, street modifications, at-grade parking facilities (three stations), and temporary facilities for the construction of the Project.

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40.01 - Demolition, Clearing, Earthwork: Sitework at two Traction Power Substations (TPS), one Switching Station (SWS) and seven Paralleling Stations (PS) including light clearing & grubbing; excavation & backfill; grading; chain-link fence; aggregate base; minor landscaping & retaining wall at four of the PSs.

40.02 - Site Utilities, Utility Relocation: 115 kV utility connections from Pacific Gas and Electric (PG&E) at TPS-1 and TPS-2 are required. Private utility relocations along the right-of-way (ROW) are also required.

40.03 - Hazardous Material, Contaminated Soil Removal/Mitigation, Ground Water Treatments: Disposal of hazardous materials encountered in the course of construction along the ROW.

40.04 - Environmental Mitigation, e.g. Wetlands, Historic/Archeologic, Parks: Tree trimming and tree removal is required along the ROW to accommodate required clearances for overhead catenary and feeder wire. Wetlands are to be protected, as are endangered species of frogs and snakes. A replacement program is in place for trees removed to accommodate installation of the OCS and establish an electrical safety zone.

40.05 - Site Structures including Retaining Walls, Sound walls: Retaining walls are required at TPS sites.

40.06 - Pedestrian / bike access and accommodation, landscaping: Landscaping is required at TPS, SWS and PS locations.

40.07 - Automobile, Bus and Van Accessways Including Roads and Parking Lots: New access roads and driveways are required at TPS sites.

40.08 - Temporary Facilities and other indirect costs during construction: Costs for contractors' mobilization, project management, insurance/bonding, mobilization, track safety, and incentives are collected in this line item.

SCC Code 50 -- Systems

This SCC includes the purchase, installation, and construction of all train control, traction power supply and distribution, and communications equipment or facilities.

50.01 - Train Control and Signals

This subcategory includes the following:

- Fifty-one route-miles of the signal system are to be modified to be compatible with the electric traction power system
- Replacement of interlocking cable plants
- Installation of new signal cabinets and/or signal huts.

50.02 - Traffic Signals and Crossing Protection: This category includes 42 grade crossings designed to be compatible with the electric traction power system and the new EMUs, as well as designed to maintain compatibility with existing freight/diesel operated trains.

50.03 - Traction Power Supply: Substations

This subcategory includes the following:

- 25kV Single Phase AC Auto-Transformer Configuration
- Two Substations with interconnection to PG&E 115kV Supply
 - Located in South San Francisco (TPS-1)
 - Located in San Jose (TPS-2)

- Seven Paralleling Stations (PS-1 thru PS-7)
- One Switching Station
- Supervisory Control and Data Acquisition (SCADA) Master Power Control Equipment.

50.04 - Traction Power Distribution: Catenary and Third Rail

This subcategory includes the following:

- 138 miles of electrification over the 51 mile corridor
- 3,200 catenary poles (cantilever, portals and headspans)
- 4-wire system (messenger, contact, feeder & static)
- 30 to 40 ft high poles with 200' spacing
- Cantilever assemblies for two track territory
- Headspan and portal structures for 3+ track territory and yards
- Grounding and bonding of new system, existing station facilities, fencing
- Overhead bridge barriers.

50.05 - Communications

This subcategory includes the following:

- Network node splice cases, distribution panels and associated modifications to the communications infrastructure backbone system
- Interconnection to the existing fiber optic cable system
- Installation of underground duct banks between new substations and wayside control houses to the existing fiber optic cable (FOC) splice points.

50.07 - Central Control: This category includes the Master Power Control Center in the Operational Control Center (OCC) and the Backup Operational Control Center (BOCC).

SCC Code 60 – Right-of-Way, Land, Existing Improvements

This SCC includes the acquisition of right-of-way, including relocations, as well as permanent and temporary easements required for construction of the Project.

60.01 - Purchase or Lease of Real Estate: The project includes several types of right-of-way items, including acquisitions and permanent easements for TPS sites, one PS site, OCS poles, and electrical safety zones, as follows:

- TPS-1: A connection through City of South San Francisco dedicated public right of way from Pacific Gas & Electric (PG&E) Substation to PCEP TPS#1.
- TPS-2: ROW acquisition from private land owner. Connection from Pacific Gas & Electric (PG&E) Substation to TPS#2.
- OCS Poles: ROW acquisition for OCS pole installation outside the existing ROW.
- Electrical Safety Zones (ESZ) – Electrical safety easements from private landowners and public agencies to allow vegetation safety maintenance and to maintain minimum clearances from buildings to the OCS.

60.02 - Relocation of Existing Households and Businesses: Relocation of one commercial business will result from the purchase of TPS-2.

SCC Code 70 – Vehicles

This SCC provides for procurement of 96 commuter rail vehicles needed for the Project.

70.03 - Commuter Rail

This subcategory includes the following:

- Ninety-six (96) bi-level, Electric Multiple Units (EMUs) cars

- Two electric locomotives
- Communications Based Overlay Signal System/Positive Train Control (CBOSS/PTC) Equipped
- Spare Parts, Special Tools, Test Equipment
- Compliant with FTA Buy America requirements
- Vehicles conform to FRA alternative Tier 1 compliance
- JPB/Caltrain CalMod Staff
 - Program Management Directors
 - Planning/Outreach/Real Estate Support
 - JPB Engineering and Construction
 - JPB Functional Support
 - Operations, Legal
 - Other Direct Costs (ODCs)
- Program Management Service Consultants
- Owner's Representative, Vehicle Procurement Consultants,

70.06 - Non-revenue vehicles: Specialized track mounted equipment vehicles to maintain the overhead catenary system.

70.07 - Spare Parts: Spare parts for vehicles.

SCC Code 80 – Professional Services

This SCC includes all the costs of engineering, project management, construction administration and management, permits and fees, legal fees, training, start-up, testing, and other direct costs.

80.02 - Engineering

Preliminary design and final engineering for electrification, tunnel notching, Caltrain's Centralized Equipment Maintenance & Operations Facility (CEMOF) improvements by both JPB's design consultants and the Electrification contractor's design team.

80.03 - Project Management for Design and Construction

Electrification Professional Services

- JPB/Caltrain CalMod Staff
 - Program Management Directors
 - Planning/Outreach/Real Estate Support
 - JPB Engineering and Construction
 - JPB Functional Support
 - Operations, Legal
 - Other Direct Costs (ODCs)
- Program Management Service Consultants
- Owner's Representative, Electrification Consultants
- Owner's Representative Environmental Impact Report

80.04 - Construction Administration & Management

Electrification Professional Services

- JPB/Caltrain CalMod Staff
 - Program Management Directors
 - Planning/Outreach
 - JPB Engineering and Construction
 - JPB Functional Support
- Owner's Representative, Electrification CM Consultants.

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80.05 – Professional Liability and other Non-Construction Insurance: This category provides for Railroad Protective Liability Insurance.

80.06 – Legal; Permits; Review Fees by other agencies, cities, etc.: This category includes the cost of legal and negotiation services for the project; the cost of applicable permits; and required reviews by government agencies.

80.07 – Surveys, Testing, Investigation, Inspection: This category includes the cost of survey and geological investigation and testing.

80.08 – Start up: This category includes the agency staff and professional service consultants providing support to begin revenue operations.

SCC 90 – Unallocated Contingency

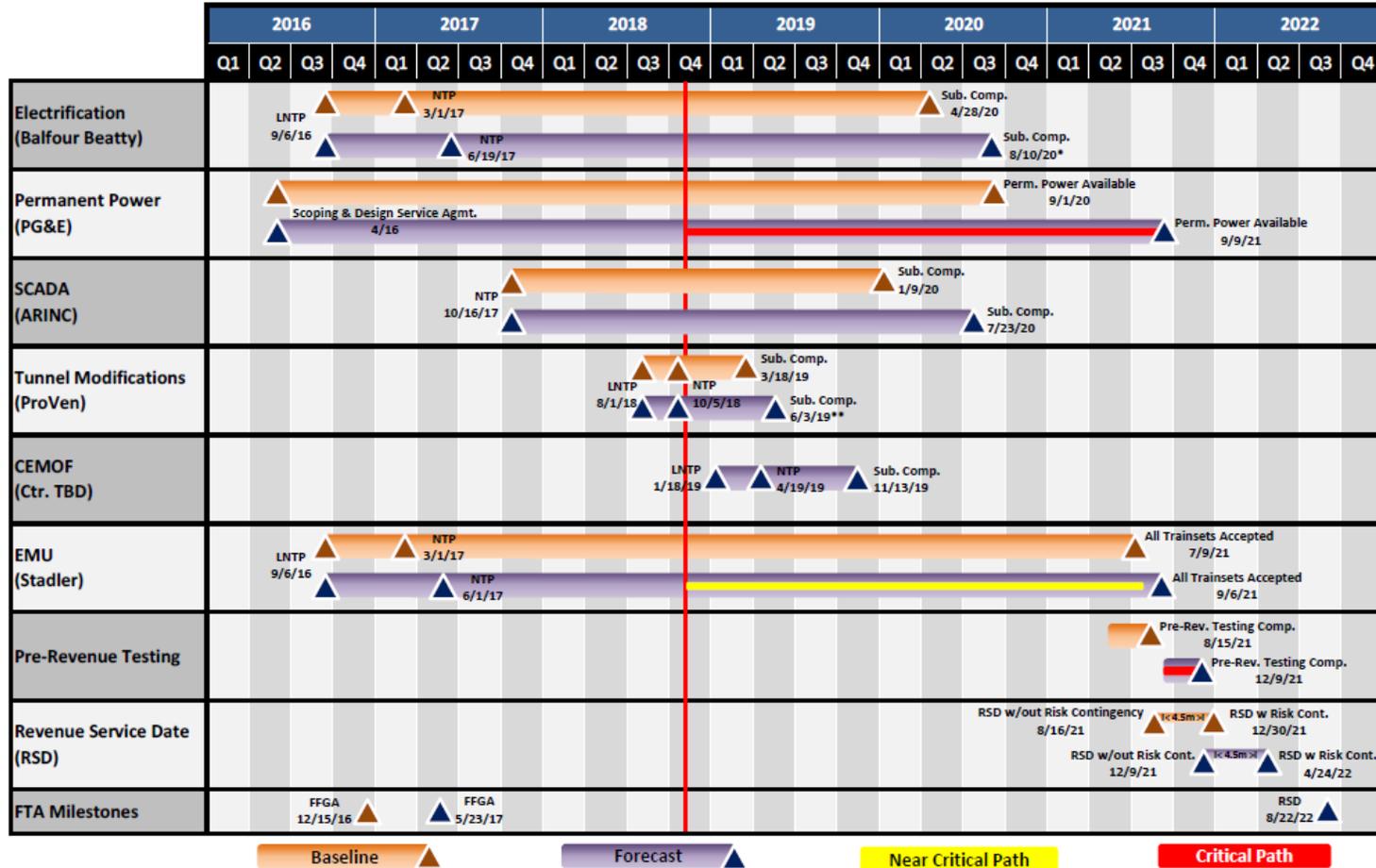
This SCC includes unallocated contingency and project reserves for the Project. It provides for unknown additional costs and uncertainty due to risk factors such as third party approvals, market fluctuation, differing site conditions, change orders, and contract modifications.

SCC Code 100 - Finance Charges

This category includes finance charges expected to be paid prior to either completion of the Project or the receipt of all the Section 5309 Core Capacity funding, whichever occurs later in time.

ATTACHMENT 2 – PROJECT SCHEDULE

Master Program Schedule
 Baseline (Apr. 2016) vs. Forecast



*BBII is currently reporting an overall delay to substantial completion. This delay is being evaluated by BBII and JPB and a recovery plan will be developed to mitigate lost time.
 **Pending November 2018 Board authority to award OCS option work to ProVen as part of the Tunnel Modification work, the contract will be extended by several additional weekend shutdowns.

December 3, 2018

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL
TO:**

CALIFORNIA HIGH-SPEED RAIL
AUTHORITY
ATTN: JAMES ANDREW
770 L Street, Suite 620, MS 1
Sacramento, CA 95814

(Space Above for Recorder's Use Only)

PASSENGER RAIL SERVICE EASEMENT

THIS PASSENGER RAIL SERVICE EASEMENT (“PRS Easement” or “Agreement”) is entered into as of this ___ day of _____, 2018, (“Effective Date”) by and between **CALIFORNIA HIGH-SPEED RAIL AUTHORITY** (“CHSRA” or “Grantee”) and **PENINSULA CORRIDOR JOINT POWERS BOARD** (“PCJPB” or “Grantor”). CHSRA and PCJPB are referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, PCJPB currently owns the underlying real estate and operates passenger commuter rail service over an approximately 50.94-mile rail line in a corridor (the “Corridor”) between San Francisco, CA at PCJPB Milepost 0.00 (formerly Milepost 0.147 under the 1991 Trackage Rights Agreement between PCJPB and Southern Pacific Railroad (predecessor to current owner Union Pacific Railroad (“UPRR”) (“1991 TRA”)) and Lick, CA at PCJPB Milepost 50.94 (present UPRR Milepost 51.64, which formerly was Milepost 51.4 under the 1991 TRA). The beginning and end points of the Corridor are set forth in the attached track chart and is designated as Exhibit A. The Corridor includes all the property located between San Francisco (PCJPB Milepost 0.00) and Lick, CA (PCJPB Milepost 50.94) on which PCJPB operates or will operate, including but not limited to rails, platforms, access areas, station areas and parking, maintenance facilities and storage facilities. PCJPB owns in fee (“PCJPB Fee-Owned Area”) nearly all the Corridor, and has other lesser rights (e.g., contract or easement) to the portions of the Corridor it does not own in fee, such as parking and station buildings at some stations. The PCJPB Fee-Owned Area is described with particularity in the legal descriptions contained in Exhibit B; and

WHEREAS, the San Mateo County Transit District (“SamTrans”) is co-owner of the portion of the PCJPB Fee-Owned Area within the boundaries of San Mateo County and has a security

interest in the portion of the PCJPB Fee-Owned Area within the boundaries of San Francisco and Santa Clara Counties; and

WHEREAS, the CHSRA is responsible for the planning, design, construction and operation of a high-speed rail system that will connect most of populated California, including the cities of San Francisco and San Jose; and

WHEREAS, on the ___ day of ___ 2018 , the Parties entered into a Project Management and Funding Agreement (“PMFA”) that, among other things, provided for the transfer of a permanent and irrevocable possessory property interest in the PCJPB Fee-Owned Area from PCJPB to CHSRA to enable the Parties’ to share use of the Corridor;

NOW THEREFORE, for and in consideration of the mutual covenants provided for in the PMFA, the receipt and sufficiency for which is acknowledged, Grantor and Grantee hereby agree as follows:

1. Grant of Passenger Rail Service Easement

1.1 Grantor hereby grants, conveys and declares, for the benefit of Grantee, a non-exclusive easement over the PCJPB Fee-Owned Area of the Corridor, as necessary for Grantee to provide passenger rail service over the Peninsula Rail Corridor, including but not limited to (i) use of and access to and over all existing and future tracks (excluding Main Track 1, which is one of the tracks that is located between CP Coast in Santa Clara, CA and CP Lick, in San Jose, CA, and is owned by Union Pacific Railroad) on the Corridor and land that is currently or in the future dedicated to rail transportation purposes, as well as parking, driveways, walkways, pathways, concourses, buildings, station buildings and platforms located at or appurtenant to stations at San Francisco (4th & King), Millbrae and San Jose (Diridon) (the “Stations”) recognizing that some portions of those stations (i.e., station and parking areas at Millbrae, platforms and tracks and station building and land at 4th & King, and portions of the main tracks in the Corridor) are not located within the PCJPB Fee-Owned Area; (ii) ingress and egress for Grantee and its passengers, employees, agents, and contractors, as necessary for all purposes related to the use, operation, maintenance, inspection or alteration of Grantee’s passenger rail service; and (iii) the ability to construct additional improvements in the PCJPB Fee-Owned Area as might be reasonably necessary to enable Grantee’s operations in the Corridor at service levels consistent with Section 6 of the PMFA. The easement shall be governed by this Agreement, the PMFA (and all agreements referenced therein to which the Parties are a party), and the Shared Use Agreement described in Section 3.1.

1.2 The foregoing grant is subject to the prior and continuing right of Grantor, and its successors and approved assigns, to use the Corridor to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, roadways, signal,

communication, fiber optics, or other wirelines, pipelines and other facilities upon, along or across any or all parts of its property, all or any of which may be freely done at any time or times by Grantor without liability to the Grantee or to any other party for compensation or damages, except as may be provided in this PRS Easement, the PMFA or the Shared Use Agreement described in Section 3.1. The foregoing grant is also subject to all outstanding existing superior non-railroad rights (including those in favor of other existing easement holders, licensees and lessees of the Grantor's property, and others), and the right of Grantor to renew the same and to grant new rights, unless such renewal or grant would conflict with Grantee's rights contained in this PRS Easement, the PMFA or the Shared Use Agreement.

2. Maintenance and Modifications of the Corridor

2.1 The foregoing conveyance is subject to the respective rights and obligations of the Parties relating to the maintenance of and any construction, modifications, or changes to the Corridor governed by the PMFA or any other applicable agreements between the Parties.

3. Shared Use Agreement

3.1 Before Grantee initiates operations pursuant to its PRS Easement, Grantor and Grantee will enter into a Shared Use Agreement consistent with the PMFA and this PRS Easement but providing the specific terms and conditions of Grantee's operations over the Corridor, which, when completed, such Shared Use Agreement will be submitted to the Surface Transportation Board for approval, if necessary.

4. Successors And Assigns

4.1 This PRS Easement shall be binding upon and inure to the benefit of and be enforceable by the successors (including successors in title) of the Parties hereto. This PRS Easement rights granted herein also shall benefit the agents, employees, contractors, subcontractors, designees, licensees, and invitees of Grantee.

4.2 Neither Party may assign this PRS Easement, or any of its rights, interests or obligations hereunder, including by operation of law, without the prior consent in writing of the other Party (except as provided in the Parties' PMFA Agreement and this PRS Easement), which consent may not be unreasonably withheld.

4.3 In the event of a governmental restructuring of CHSRA that results in the transfer of substantially all of the assets or business of CHSRA to, or the merger or consolidation of CHSRA into, a governmental entity controlled by the State of California, CHSRA may, without the prior consent of PCJPB, assign this PRS Easement to such entity.

- 4.4 In the event of a governmental restructuring of PCJPB that results in the transfer of substantially all of the assets or business of PCJPB to, or the merger or consolidation of PCJPB into, a governmental entity, PCJPB may, without the prior consent of CHSRA, assign this PRS Easement to such entity.

5. Limitations On Use

- 5.1 Nothing in this PRS Easement, including but not limited to section 4.2, limits CHSRA from (or requires CHSRA to obtain PCJPB permission to) contracting in whole or in part with other rail providers or commercial operators to provide passenger rail service in the Corridor or Stations reliant on the rights CHSRA obtains through the PMFA, this PRS Easement and the Shared Use Agreement. Any such contracting shall be subject to overall train slot allocations between the Parties as provided for in PMFA Exhibit A, Section 6.1.1 and any future agreements (including but not necessarily limited to the Shared Use Agreement) to be reached by the Parties through the Blended System Planning Process, which process will also address allocation of train slots beyond the ten (10) slots addressed in PMFA Exhibit A, Section 6.1.1.
- 5.2 Grantor may grant trackage rights for the purpose of conducting common carrier freight operations to one or more freight railroads over a portion of the Corridor, except, to the extent permitted by law, as may be limited by this PRS Easement, the PMFA or any future Shared Use Agreement.
- 5.3 The rights granted herein are subject to the prior and continuing right of any freight operator, and its successors and approved assigns, to use the Corridor to fulfill its freight common carrier obligations, except upon Grantee initiating operations pursuant to this PRS Easement, Grantor shall not allow freight usage of the Corridor outside of the hours of 11 p.m. and 5 a.m. to impede or interfere with any of the four (4) slots assigned to CHSRA in section 6.1.1 of the PMFA except in an emergency situation or as required pursuant to any order of the Surface Transportation Board.
- 5.4 Unless otherwise consented to by Grantee or otherwise ordered by the Surface Transportation Board or a court of law with jurisdiction over the matter, upon the Effective Date of this PRS Easement, Grantor shall not allow any other party to use the Corridor for rail passenger service without obtaining prior written consent from CHSRA, which consent shall not be unreasonably withheld or conditioned in light of Grantee's rights obtained in the PMFA, this PRS Easement and Shared Use Agreement; Grantor's allowance of such other rail passenger service shall be subject to overall train slot allocations between the Parties as provided for in PMFA Exhibit A, Section 6.1.1 and any future agreements (including but not necessarily limited to the Shared Use Agreement) to be reached by the Parties through the Blended System Planning Process, which process will address allocation of train slots beyond the ten (10) slots addressed in PMFA Exhibit A, Section 6.1.1.

5.5 Notwithstanding the foregoing Section 5.4, nothing in this PRS Easement shall in any way limit the operations conducted by or on behalf of, or the rights to conduct such operations of, the Capitol Corridor Joint Powers Authority and the Altamont Commuter Express Joint Powers Authority to operate, under the terms of current agreements between PCJPB and those two Authorities or under the terms of agreements between those two Authorities and Union Pacific Railroad, passenger rail service between CP Coast in Santa Clara and San Jose Diridon Station, provided however that Grantor may not increase service levels or frequency of those two Authorities above those levels in effect on the Effective Date if such increase would impede or interfere with any of the four (4) slots assigned to CHSRA in section 6.1.1 of the PMFA without obtaining Grantee's written permission.

6. Property Taxes

6.1 Grantee shall bear any applicable state or federal taxes or possessory interest taxes which are due and payable with respect to its use of the Corridor and shall pay any such taxes prior to delinquency and shall protect, defend, indemnify, and hold Grantor, its successors and permitted assigns, harmless from and against any and all liability, loss, constructive damage or expense (including, without limitation, reasonable attorney's fees) that Grantor, its successors and permitted assigns, may sustain or incur on account of any such taxes. Grantor shall be responsible for any state or federal taxes that are otherwise due and payable with regard to the Corridor (other than for Grantee's use as described above) and shall pay any such taxes prior to delinquency and shall protect, defend, indemnify, and hold Grantee, its successors and permitted assigns, harmless from and against any and all liability, loss, constructive damage or expense (including, without limitation, reasonable attorney's fees) that Grantee, its successors and permitted assigns, may sustain or incur on account of any such taxes.

7. SamTrans Consent

7.1 By executing this PRS Easement below, SamTrans hereby consents to the granting to CHSRA of the rights granted by this PRS Easement in the PCJPB Fee-Owned Area, and further hereby agrees that, in the event SamTrans forecloses on its security interest in the San Francisco County and Santa Clara County portions of the PCJPB Fee-Owned Area, this PRS Easement shall survive such foreclosure and remain binding upon the PCJPB Fee-Owned Area.

8. Miscellaneous

- 8.1 California Law. This PRS Easement shall be construed in accordance with, and governed by the laws of the State of California without regard to the principles of conflicts of laws.
- 8.2 Severability. In the event that any term or provision of this PRS Easement shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, such provision shall be severed from this PRS Easement and the Parties shall seek to revise this PRS Easement to restore the intent of the severed provision consistent with applicable law.
- 8.3 Counterparts; Facsimile Signatures. This PRS Easement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Facsimile, scanned and electronic signatures shall be treated as originals.
- 8.4 Amendments. This PRS Easement may not be amended, modified, supplemented, changed or terminated unless made in writing, signed by the Parties and approved as required.
- 8.5 Costs and Preparation and Recordation. Each Party shall bear its own legal expenses in the review and approval of this PRS Easement (including any modifications thereof or other documents required to be prepared in connection herewith). Grantor shall pay all transfer or recording taxes or charges, if any, payable at the time of recordation of this PRS Easement (and any other instruments required to be recorded, now or in the future) with respect hereto.
- 8.6 Authority. Grantor represents and warrants that it has the right, power, and authority to execute and deliver this PRS Easement, and this PRS Easement has been duly authorized, executed and delivered by it and is a valid and binding obligation of it enforceable against it in accordance with the terms hereof.
- 8.7 Non Waiver. Waiver of any provision of this PRS Easement, in whole or in part, in any one instance shall not constitute a waiver of any other provision in the same instance, nor any waiver of the same provision in another instance, but each provision shall continue in full force and effect with respect to any other then existing or subsequent breach. The failure of any Party to enforce any provision herein contained shall in no event be a waiver of the right to do so thereafter nor of the right to enforce any other provision.
- 8.8 Defined Terms. Capitalized terms not otherwise defined in this PRS Easement shall have the meaning ascribed to them in the PMFA.
- 8.9 PCJPB Representations. PCJPB hereby represents and warrants that, other than SamTrans, no other person or entity holds an interest in the PCJPB Fee-Owned Area

that presently or if perfected in the future could materially undermine or interfere with CHSRA's exercise of the rights this PRS Easement grants to CHSRA.

IN WITNESS WHEREOF each of Grantor and Grantee have caused this Easement Deed to be made as of the date first written above.

GRANTOR:

PENINSULA CORRIDOR JOINT POWERS BOARD
a Joint Exercise of Powers Agency

By: _____

Its: _____

Date: _____

GRANTEE:

STATE OF CALIFORNIA,
acting by and through the State Public Works Board on behalf of
the California High-Speed Rail Authority

By: _____

Its: _____

Date: _____

WITH CONSENT OF:

SAN MATEO COUNTY TRANSIT DISTRICT
a _____

By: _____

Its: _____

Date: _____

EXHIBIT B TO EASEMENT INTEREST

LEGAL DESCRIPTIONS FOR THE PCJPB FEE-OWNED AREA

The full legal descriptions (which are hundreds of pages long) for this Exhibit B are in the possession of counsel for both Parties, and are fully incorporated herein by the references below. The abbreviated references below to the full legal descriptions are used for purposes of shortening the length of the PMFA to which this Exhibit B is attached. The Parties will attach the full legal descriptions prior to recordation of the Easement Interest.

The PCJPB Fee-Owned Area consists of the following:

1. Parcels conveyed to PCJPB in the 1991 purchase of the railroad right of way from Southern Pacific Transportation Company which are identified as fee simple and fee simple conditional interests and described in the following title insurance policies issued by Fidelity National Title Insurance Company, with effective dates of December 27, 1991:
 - a. Title Policy 139-76890 (File No. 990006-A) for the parcels in San Francisco and Santa Clara Counties, specifically:
 - San Francisco: Fee simple as to Tracts 7 and 13; Parcel 1 of Tract 14; Tracts 15 through 43 inclusive; Tracts 46 through 55 inclusive; Tracts 57, 58, 59, 62, 63, 64, 71, 74 and 76
 - Santa Clara: (i) Fee simple as to: Parcel 2 of Tract 77; Tract 78; Tracts 81 through 86 inclusive; Tracts 88 through 94 inclusive; Tracts 96 and 97; Tracts 100 through 109 inclusive; Tracts 111 through 118 inclusive; Tracts 120, 121, 122, 123, 125, 126, 127, 128; Parcel 1 of Tract 129; Tracts 130 through 139 inclusive; Tracts 141, 142, 143, 145; Tracts 148 through 154 inclusive; Tracts 156 through 168 inclusive; Tracts 170 through 181 inclusive; Tracts 187 through 191 inclusive; Tracts 193, 194; Tracts 196 through 209 inclusive; Tracts 211 through 368 inclusive. (ii) Fee simple conditional as to: Parcel 1 of Tract 77; Tracts 95, 98, 99, 110; Parcel 2 of Tract 129; Tracts 133, 140, 144, 155.
 - b. Title Policy 139-31320 (File No. 990006-B) for the parcels in San Mateo County, specifically: Fee simple as to: Tracts 02, 03, 04; Parcel I (aka "Parcel One") of Tract 05; Tracts 06 through 11 inclusive; Parcel I (aka "Parcel One") of Tract 12; Tracts 13 through 31 inclusive; Tract 33; Parcel I (aka "Parcel One") of Tract 35; Tracts 36, 37, 38, 39, 40; Tracts 43 through 51 inclusive; Parcel One of Tract 52; Tracts 53 through 70 inclusive; Tract 72; Tracts 74 through 101 inclusive; Tracts 104, 105; Tracts 107 through 117 inclusive; Tracts 119 through 145 inclusive; Tracts 147 through 168 inclusive; Tracts 174, 175.
2. Parcels 13 and 14 in the Quitclaim Deed from the State of California to the Peninsula Corridor Joint Powers Board, recorded as document #13708643 in the Official Records of Santa Clara County on May 16, 1997. By way of reference only, these Parcels 13 and 14 contain the San Jose Diridon station and associated parking areas that PCJPB owns in fee.
3. The property conveyed in the Grant Deed from Union Pacific Railroad Company to Peninsula Corridor Joint Powers Board, recorded as document #1425010 in the Official Records of Santa Clara County on October 17, 2000; such property is described in Exhibit A to that Deed and consists of Parcels One through Six, inclusive. By way of reference only, the property described in this Deed is the location of the PCJPB maintenance facility known as "CEMOF".

ATTACHMENT 4 – COST PLAN

Monthly Progress Report: October 2018

Table 8-1 Electrification Budget & Expenditure Status

Description of Work	Budget (A)	Current Budget (B) ¹	Cost This Month (C) ²	Cost To Date (D) ³	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
ELECTRIFICATION						
Electrification ⁽⁴⁾	\$696,610,558	\$711,994,352	\$9,455,971	\$260,769,075	\$451,225,277	\$711,994,352
SCADA	\$0	\$3,446,917	\$38,566	\$1,934,371	\$1,512,546	\$3,446,917
Tunnel Modifications	\$11,029,649	\$25,815,935	\$4,223,303	\$7,127,996	\$18,687,939	\$25,815,935
Real Estate	\$28,503,369	\$28,503,369	\$763,937	\$16,078,755	\$12,424,614	\$28,503,369
Private Utilities	\$63,515,298	\$94,051,380	\$807,290	\$28,764,827	\$65,286,553	\$94,051,380
Management Oversight ⁽⁵⁾	\$141,506,257	\$140,287,524	\$1,855,747	\$97,244,607	\$43,042,916	\$140,287,524
Executive Management	\$7,452,866	\$6,214,226	\$149,681	\$5,439,480	\$774,746	\$6,214,226
Planning	\$7,281,997	\$7,281,997	\$94,603	\$5,453,699	\$1,828,298	\$7,281,997
Community Relations	\$2,789,663	\$2,789,663	\$19,258	\$1,305,430	\$1,484,233	\$2,789,663
Safety & Security	\$2,421,783	\$2,421,783	\$71,382	\$1,744,046	\$677,736	\$2,421,783
Project Management Services	\$19,807,994	\$19,807,994	\$90,229	\$10,071,200	\$9,736,794	\$19,807,994
Engineering & Construction	\$11,805,793	\$11,805,793	\$232,092	\$5,260,231	\$6,545,562	\$11,805,793
Electrification Eng & Mgmt	\$50,461,707	\$50,461,707	\$901,180	\$31,271,211	\$19,190,496	\$50,461,707
IT Support	\$312,080	\$331,987	\$9,276	\$363,133	(\$31,146)	\$331,987
Operations Support	\$1,445,867	\$1,445,867	\$44,871	\$981,725	\$464,142	\$1,445,867
General Support	\$4,166,577	\$4,166,577	\$104,404	\$3,466,538	\$700,039	\$4,166,577
Budget / Grants / Finance	\$1,229,345	\$1,229,345	\$43,128	\$997,501	\$231,843	\$1,229,345
Legal	\$2,445,646	\$2,445,646	\$32,105	\$3,158,122	(\$712,476)	\$2,445,646
Other Direct Costs	\$5,177,060	\$5,177,060	\$63,540	\$3,024,413	\$2,152,647	\$5,177,060
Prior Costs 2002 - 2013	\$24,707,878	\$24,707,878	\$0	\$24,707,878	\$0	\$24,707,878
TASI Support	\$55,275,084	\$55,275,084	\$841,698	\$15,053,979	\$40,221,104	\$55,275,084
Insurance	\$3,500,000	\$4,305,769	\$0	\$3,430,769	\$875,000	\$4,305,769
Environmental Mitigations	\$15,798,320	\$14,972,644	\$0	\$712,000	\$14,260,644	\$14,972,644
Required Projects	\$17,337,378	\$15,252,378	\$40,939	\$664,020	\$14,588,358	\$15,252,378
Maintenance Training	\$1,021,808	\$1,021,808	\$0	\$0	\$1,021,808	\$1,021,808
Finance Charges	\$5,056,838	\$5,056,838	\$104,974	\$2,703,545	\$2,353,293	\$5,056,838
Contingency	\$276,970,649	\$216,141,210	\$0	\$0	\$167,775,217	\$167,775,217
Forecasted Costs and Changes	\$0	\$0	\$0	\$0	\$48,365,993	\$48,365,993
ELECTRIFICATION SUBTOTAL	\$1,316,125,208	\$1,316,125,208	\$18,132,424	\$434,483,945	\$881,641,263	\$1,316,125,208

Notes regarding tables above:

1. "Current Budget" includes executed change orders and awarded contracts.
2. Column C "Cost This Month" represents the cost of work performed this month.
3. Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
4. Cost To Date for "Electrification" includes 5% for Contractor's retention until authorization of retention release.
5. The agency labor is actual through September 2018 and accrued for October 2018.

Monthly Progress Report: October 2018

Table 8-2 EMU Budget & Expenditure Status

Description of Work	Budget (A)	Current Budget (B) ¹	Cost This Month (C) ²	Cost To Date (D) ³	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
EMU	\$550,899,459	\$550,792,469	\$4,753,440	\$97,153,105	\$453,639,364	\$550,792,469
CEMOF Modifications	\$1,344,000	\$1,344,000	\$0	\$0	\$1,344,000	\$1,344,000
Management Oversight ⁽⁴⁾	\$64,139,103	\$63,379,937	\$575,104	\$31,301,461	\$32,078,476	\$63,379,937
Executive Management	\$5,022,302	\$4,263,136	\$64,690	\$3,425,225	\$837,911	\$4,263,136
Community Relations	\$1,685,614	\$1,685,614	\$11,803	\$476,560	\$1,209,055	\$1,685,614
Safety & Security	\$556,067	\$556,067	\$8,343	\$381,126	\$174,942	\$556,067
Project Mgmt Services	\$13,275,280	\$13,275,280	\$55,301	\$6,615,960	\$6,659,321	\$13,275,280
Eng & Construction	\$89,113	\$89,113	\$0	\$23,817	\$65,296	\$89,113
EMU Eng & Mgmt	\$32,082,556	\$32,082,556	\$289,170	\$14,620,210	\$17,462,346	\$32,082,556
IT Support	\$1,027,272	\$1,027,272	\$5,685	\$442,907	\$584,365	\$1,027,272
Operations Support	\$1,878,589	\$1,878,589	\$0	\$277,200	\$1,601,388	\$1,878,589
General Support	\$2,599,547	\$2,599,547	\$47,721	\$1,516,585	\$1,082,962	\$2,599,547
Budget / Grants / Finance	\$712,123	\$712,123	\$25,804	\$579,076	\$133,047	\$712,123
Legal	\$1,207,500	\$1,207,500	\$25,944	\$1,100,312	\$107,188	\$1,207,500
Other Direct Costs	\$4,003,139	\$4,003,139	\$40,643	\$1,842,484	\$2,160,655	\$4,003,139
TASI Support	\$2,740,000	\$2,740,000	\$0	\$0	\$2,740,000	\$2,740,000
Required Projects	\$4,500,000	\$4,500,000	\$0	\$270,000	\$4,230,000	\$4,500,000
Finance Charges	\$1,941,800	\$1,941,800	\$64,339	\$1,657,011	\$284,789	\$1,941,800
Contingency	\$38,562,962	\$39,429,118	\$0	\$0	\$38,493,118	\$38,493,118
Forecasted Costs and Changes	\$0	\$0	\$0	\$0	\$936,000	\$936,000
EMU SUBTOTAL	\$664,127,325	\$664,127,325	\$5,392,883	\$130,381,578	\$533,745,747	\$664,127,325

Notes regarding tables above:

- ¹ "Current Budget" includes executed change orders and awarded contracts.
- ² Column C "Cost This Month" represents the cost of work performed this month.
- ³ Column D "Cost To Date" includes actuals (amount paid) and accruals (amount of work performed) to date.
- ⁴ The agency labor is actual through September 2018 and accrued for October 2018.

Table 8-3 PCEP Budget & Expenditure Status

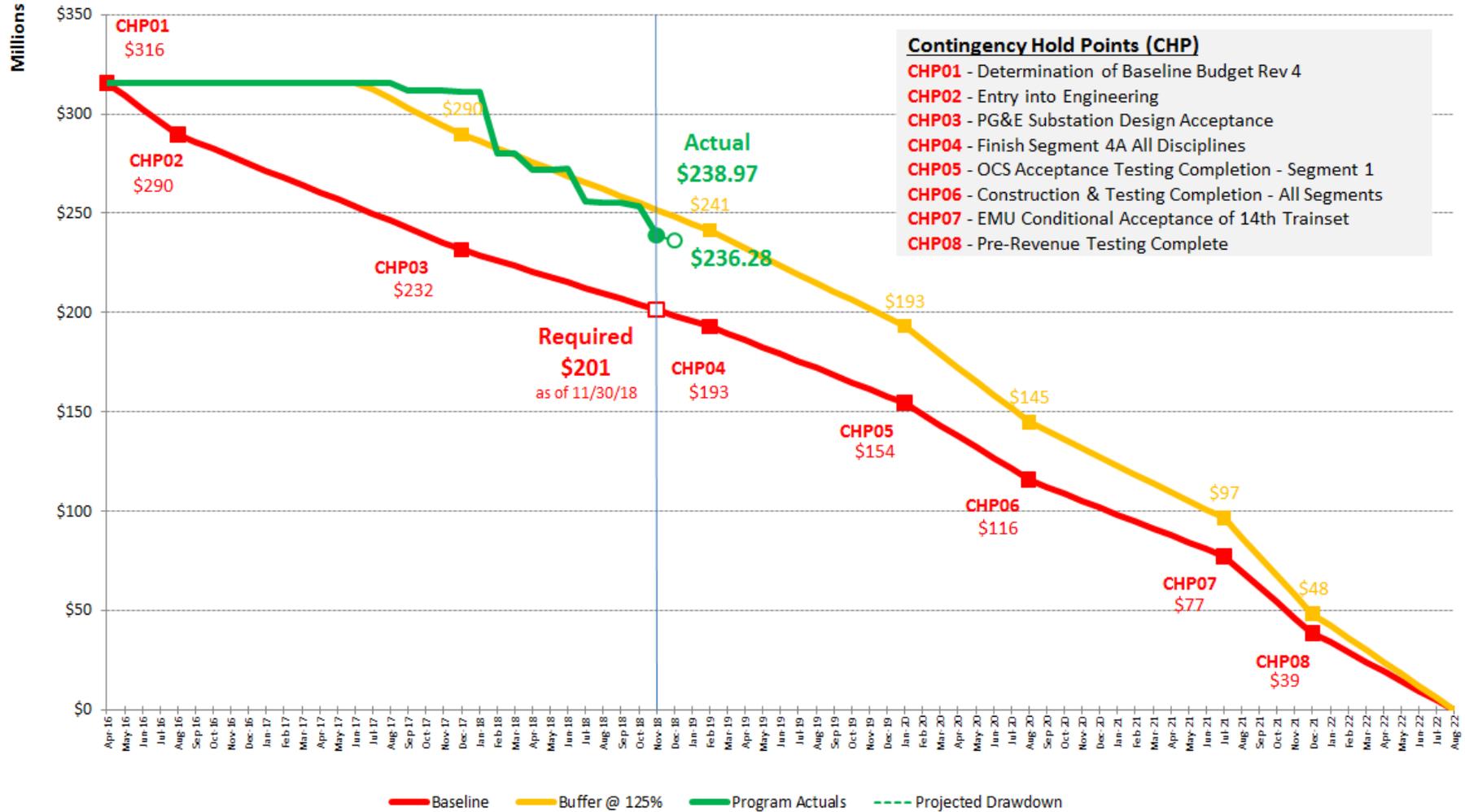
Description of Work	Budget (A)	Current Budget (B) ¹	Cost This Month (C) ²	Cost To Date (D) ³	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
Electrification Subtotal	\$1,316,125,208	\$1,316,125,208	\$18,132,424	\$434,483,945	\$881,641,263	\$1,316,125,208
EMU Subtotal	\$664,127,325	\$664,127,325	\$5,392,883	\$130,381,578	\$533,745,747	\$664,127,325
PCEP TOTAL	\$1,980,252,533	\$1,980,252,533	\$23,525,307	\$564,865,523	\$1,415,387,010	\$1,980,252,533

Notes regarding tables above:

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

ATTACHMENT 4.5 – MINIMUM CONTINGENCY DRAWDOWN CURVE

Data as of November 2018



ATTACHMENT 5 – FUNDING SOURCES LIST

PCEP | Annual Cash Flow (Based on Cash Needs in millions) 11/01/18

	Funding Plan	FY2018 and Prior	FY2019	FY2020	FY2021	FY2022	Total
ELECTRIFICATION							
1	Cost	370.913	290.641	298.381	160.184	196.006	1,316.125
2	FTA	15.677					15.677
3	FTA Core Capacity	160.402	75.465	50.000	50.000	90.445	426.312
4	Prop 1A		149.264	238.992	106.184	105.560	600.000
5	Prop 1B PTMISEA	8.000					8.000
6	HSR/State Non 1A funding	80.544	32.456				113.000
7	Carl Moyer	3.000	9.000	4.000	4.000		20.000
8	JPB Prior Local Funds	9.019					9.019
9	JPB Members (9-Party MOU):						
10	San Mateo	26.920	2.500				29.420
11	San Francisco	21.891	14.000	5.389			41.280
12	Santa Clara	26.252	7.956				34.208
13	Bridge Tolls	19.209					19.209
14	Funds Total	370.913	290.641	298.381	160.184	196.006	1,316.125
EMU							
15	Cost	118.527	97.854	111.148	252.013	84.586	664.128
16	FTA 5307	31.569	42.206	44.758	152.639		271.172
17	SMCTA	30.846	12.982				43.828
18	FTA Core Capacity		0.864	50.037	86.014	83.774	220.689
19	JPB Members (9-Party MOU):						
20	San Mateo	6.017	5.826				11.843
21	San Francisco	0.360					0.360
22	Santa Clara	6.066	0.979				7.045
23	JPB Members (7-Party MOU):						
24	Caltrain (LCTOP)	2.940	1.800	1.800	1.660	0.800	9.000
25	San Mateo	5.518	3.900	4.726	5.850	0.006	20.000
26	San Francisco	3.900	11.000	5.100			20.000
27	Santa Clara	5.517	3.900	4.727	5.850	0.006	20.000
28	TIRCP	5.603	14.397				20.000
29	Bridge Tolls	20.191					20.191
30	Funds Total	118.527	97.854	111.148	252.013	84.586	664.128
31	PCEP Total	489.440	388.495	409.529	412.197	280.592	1,980.253

ATTACHMENT 6 – BILLING RATES

Table of Position Classifications (Ord. 101 effective 03/04/2018)

Exhibit "B"

Job Title	Authorized Positions	FTE Offloads (a)	Pay Grade	Salary Range	
Accessibility Coordinator	1		15	66,432	101,441
Accessibility Specialist	1		13	54,279	89,167
Accountant II	17	5	16	73,494	110,241
Accountant III	6	3	18	89,949	134,924
Accounting Specialist	2		12	49,063	82,707
ADA Coordinator	1		16	73,494	110,241
Administrative Analyst II	1	1	16	73,494	110,241
Administrative Analyst III	1	1	18	89,949	134,924
Assistant District Secretary	2	2	15	66,432	101,441
Assistant Manager, Bus Maintenance	2		18	89,949	134,924
Assistant Manager, Bus Transportation	2		18	89,949	134,924
Assistant Manager, Employee Relations	1		18	89,949	134,924
Assistant Manager, Social Media	1	1	17	81,306	121,960
Assistant Manager, Transit Operations Training	1		18	89,949	134,924
Assistant Project Manager	1	1	17	81,306	121,960
Budget Analyst	6	3	18	89,949	134,924
Business Systems Analyst II	1		16	73,494	110,241
Business Systems Analyst III	2	1	19	99,511	149,267
CAD Technician	1	1	14	60,049	93,495
Capital Program Specialist	1	1	14	60,049	93,495
Chief Communications Officer	1		25	182,439	273,655
Chief Financial Officer	1		25	182,439	273,655
Chief Officer, Planning, Grants, and Transportation Authority	1	1	25	182,439	273,655
Chief Operating Officer, Bus	1		25	182,439	273,655
Chief Operating Officer, Rail	1	1	25	182,439	273,655
Claims Analyst	1	1	15	66,432	101,441
Contract Administrator	3	3	18	89,949	134,924
Cost Engineer	1	1	18	89,949	134,924
Customer Relations Specialist	2		12	49,063	82,707
Data Specialist	7	2	12	49,063	82,707
Database Administrator	2		18	89,949	134,924
DBE Administrator	1	1	18	89,949	134,924
Deputy Director, Facilities	1		21	121,792	182,688
Deputy Director, Intelligent Transportation Systems (ITS)	1		21	121,792	182,688
Deputy Director, Maintenance	1		21	121,792	182,688
Deputy Director, Quality Assurance & Standards	1	1	21	121,792	182,688
Deputy Director, Rail Vehicle Maintenance	1	1	21	121,792	182,688
Deputy Director, Railroad Infrastructure Maintenance	1	1	21	121,792	182,688
Deputy Director, Railroad Systems Engineering*	1	1	21	121,792	182,688
Deputy Director, Safety and Security	1	1	21	121,792	182,688
Deputy General Manager/CEO	1	1	26	201,830	302,745
Designer	1		15	66,432	101,441
Digital Marketing Administrator	1		18	89,949	134,924
Director, Accounting	1		22	134,739	202,108
Director, Budgets and Financial Analysis	1		22	134,739	202,108
Director, Bus Transportation	1		22	134,739	202,108
Director, Caltrain Planning	1	1	22	134,739	202,108
Director, Capital Program Delivery	1	1	22	134,739	202,108
Director, Contracts and Procurement	1		22	134,739	202,108

Table of Position Classifications (Ord. 101 effective 03/04/2018)

Exhibit "B"

Job Title	Authorized Positions	FTE Offloads (a)	Pay Grade	Salary Range	
Director, Engineering and Maintenance*	1	1	23	149,062	223,592
Director, Government and Community Affairs	1	1	22	134,739	202,108
Director, Human Resources	1		23	149,062	223,592
Director, Information Technology and Telecommunications	1		23	149,062	223,592
Director, Marketing and Communications	1	1	22	134,739	202,108
Director, Planning	1		22	134,739	202,108
Director, Rail Contracts and Budget	1	1	22	134,739	202,108
Director, Rail Operations*	1	1	23	149,062	223,592
Director, Real Estate and Development	1	1	22	134,739	202,108
Director, Safety and Security	1	1	23	149,062	223,592
Director, Transportation Authority Program	1	1	22	134,739	202,108
Director, Treasury	1		22	134,739	202,108
Distribution Clerk	2	1	11	44,349	70,690
Distribution Coordinator	1		13	54,279	89,167
Engineer II	5	4	18	89,949	134,924
Engineer III	6	6	19	99,511	149,267
Executive Assistant II	4	2	14	60,049	93,495
Executive Assistant III	1		15	66,432	101,441
Executive Officer, District Secretary, Executive Administration	1		21	121,792	182,688
Facilities Technician	5		12	49,063	82,707
Financial Analyst III	2		18	89,949	134,924
Government and Community Relations Coordinator	3	2	17	81,306	121,960
Grants Analyst	1	1	18	89,949	134,924
Grants and Real Estate Analyst	1	1	15	66,432	101,441
Human Resources Analyst	4		15	66,432	101,441
Human Resources Assistant	1		11	44,349	70,690
Human Resources Specialist	5		12	49,063	82,707
Information Technology Analyst II	2		16	73,494	110,241
Information Technology Analyst III	2		17	81,306	121,960
Intelligent Transportation Systems (ITS) Administrator	1		17	81,306	121,960
Intelligent Transportation Systems (ITS) Analyst	1		17	81,306	121,960
Intelligent Transportation Systems (ITS) Senior Technician	1		16	73,494	110,241
Internal Communications Specialist	1		14	60,049	93,495
Inventory Specialist	1		14	60,049	93,495
IT Computer Support Representative	3		12	49,063	82,707
Labor Compliance Administrator	1	1	18	89,949	134,924
Maintenance Contract Administrator	2		18	89,949	134,924
Maintenance Instructor	2		16	73,494	110,241
Manager, Accessible Transit Services	1		19	99,511	149,267
Manager, Budgets	3	2	20	110,089	165,134
Manager, Bus Contracts	1		19	99,511	149,267
Manager, Bus Maintenance	2		19	99,511	149,267
Manager, Bus Transportation	2		19	99,511	149,267
Manager, Caltrain Planning	1	1	20	110,089	165,134
Manager, Capital Projects and Environmental Planning	1	1	20	110,089	165,134
Manager, Civil Rights Programs	1	1	19	99,511	149,267
Manager, Communications	1	1	19	99,511	149,267
Manager, Configuration Management	1	1	20	110,089	165,134
Manager, Construction Services	1	1	21	121,792	182,688

Table of Position Classifications (Ord. 101 effective 03/04/2018)

Exhibit "B"

Job Title	Authorized Positions	FTE Offloads (a)	Pay Grade	Salary Range	
Manager, Customer Service	1		19	99,511	149,267
Manager, Employee Relations	1		21	121,792	182,688
Manager, Employee Services	1		20	110,089	165,134
Manager, Engineering	2	2	21	121,792	182,688
Manager, Engineering, Traction Power/OCS	1	1	20	110,089	165,134
Manager, Facilities Maintenance	1		19	99,511	149,267
Manager, Fare Revenue	1		19	99,511	149,267
Manager, Financial Planning and Analysis	1		20	110,089	165,134
Manager, Financial Reporting and General Ledger	1		21	121,792	182,688
Manager, Grants and Capital Accounting	1	1	20	110,089	165,134
Manager, Grants and Fund Programming	1	1	20	110,089	165,134
Manager, Information Technology and Telecommunications	2		20	110,089	165,134
Manager, Maintenance of Way	1	1	20	110,089	165,134
Manager, Market Research and Development	1	1	20	110,089	165,134
Manager, Marketing and Creative Services	1	1	20	110,089	165,134
Manager, Materials and Inventory Control	1		19	99,511	149,267
Manager, Organizational Development and Talent Management	1		21	121,792	182,688
Manager, Operations Planning, Bus	1		20	110,089	165,134
Manager, Operations Planning, Rail	1	1	20	110,089	165,134
Manager, Payroll	1		21	121,792	182,688
Manager, Procurement	1	1	20	110,089	165,134
Manager, Project Controls	1	1	20	110,089	165,134
Manager, Rail Compliance	1	1	20	110,089	165,134
Manager, Rail Contracts and Budget	1	1	20	110,089	165,134
Manager, Rail Operations	1	1	19	99,511	149,267
Manager, Rail Transportation Communications	1	1	20	110,089	165,134
Manager, Rail Vehicle Maintenance	1	1	19	99,511	149,267
Manager, Real Estate and Development	1	1	20	110,089	165,134
Manager, Right of Way (ROW)	1	1	19	99,511	149,267
Manager, Safety and Security	1	1	19	99,511	149,267
Manager, Standards and Procedures	1	1	20	110,089	165,134
Manager, Stations and Access	1	1	19	99,511	149,267
Manager, TA Fund Programming and Monitoring	1	1	20	110,089	165,134
Manager, Technology Research and Development	1	1	20	110,089	165,134
Manager, Transit Operations Training	1		19	99,511	149,267
Manager, Treasury Accounting	1		19	99,511	149,267
Market Research and Development Analyst	1		16	73,494	110,241
Marketing Development Assistant	1	1	11	44,349	70,690
Marketing Development Specialist	3	2	14	60,049	93,495
Marketing Outreach Coordinator	1		16	73,494	110,241
Mobility Project Coordinator** (part-time)	1		17	81,306	121,960
Network Administrator	2		18	89,949	134,924
Network Administrator, Rail	1	1	18	89,949	134,924
Network Specialist	1		14	60,049	93,495
Office Assistant(full-time/part-time**)	7	3	11	44,349	70,690
Operations Contract Analyst	4	2	16	73,494	110,241
Payroll Specialist	1		13	54,279	89,167
Planning Administrator	6	5	19	99,511	149,267

Table of Position Classifications (Ord. 101 effective 03/04/2018)

Exhibit "B"

Job Title	Authorized Positions	FTE Offloads (a)	Pay Grade	Salary Range	
Planning Analyst II	2		16	73,494	110,241
Planning Analyst III	6	3	17	81,306	121,960
Procurement Coordinator	10	10	17	81,306	121,960
Procurement Specialist	2	1	14	60,049	93,495
Project Manager*	3	3	19	99,511	149,267
Public Affairs Specialist	3		14	60,049	93,495
Rail Safety Coordinator	2	2	18	89,949	134,924
RAMS Engineer*	1	1	20	110,089	165,134
Real Estate Administrator	1	1	19	99,511	149,267
Real Estate Specialist	1	1	14	60,049	93,495
Records Assistant	1	1	11	44,349	70,690
Safety and Security Specialist	1		12	49,063	82,707
Safety Coordinator	1		16	73,494	110,241
Scheduling Analyst II	3		16	73,494	110,241
Scheduling Analyst III	1		17	81,306	121,960
Scheduling Specialist	1		11	44,349	70,690
Senior Policy Advisor	1	1	20	110,089	165,134
Senior Procurement Administrator	5	4	19	99,511	149,267
Senior Project Manager	3	2	20	110,089	165,134
Social Media Specialist	1	1	14	60,049	93,495
Supervisor, Customer Service	1		15	66,432	101,441
Supervisor, Facilities Maintenance	1		16	73,494	110,241
Supervisor, Payroll	1		18	89,949	134,924
Supervisor, Staffing Services	1		18	89,949	134,924
Systems and Security Analyst	1		19	99,511	149,267
Systems Software Analyst	2		19	99,511	149,267
Telecommunications Specialist	1		17	81,306	121,960
Title VI Administrator	1	1	18	89,949	134,924
Warranty Analyst	1		14	60,049	93,495
Web Developer	1	1	15	66,432	101,441

Table of Position Classifications (Ord. 101 effective 03/04/2018)

Exhibit "C"

Job Title	Authorized Positions	FTE(a) Offloads	Class	Salary Range	
<u>Caltrain Modernization Program</u>					
Chief Officer, Caltrain Modernization Program	1	1	25	182,437	273,655
Deputy Chief Officer, CalMod Program Delivery	1	1	24	164,907	247,361
Deputy Director, Program Management and Environmental Compliance	1	1	21	121,792	182,688
Construction Liaison Manager	1	1	17	81,306	121,960
Deputy Director, Project Delivery	1	1	21	121,792	182,688
Director, Project Delivery*	1	1	22	134,739	202,108
Executive Assistant	1	1	12	49,063	82,707
Budget Analyst	1	1	18	89,949	134,924

Table of Position Classifications (Ord. 101 effective 03/04/2018) **Exhibit "D"**

Job Title	Authorized Positions	FTE(a) Offloads	Class	Salary Range
Represented				
Bus Contracts Inspector	3	1	IBT2	c
Bus Operator (full-time/part-time)(b)	308		ATU1	c
Bus Operator Trainee	as needed		ATU1	\$20.00 hour
Bus Transportation Supervisor	14		IBT1	c
Customer Service Representative 2	2	2	ATU2	c
Customer Service Representative 1 (extra-help)	8		ATU2	c
Customer Service Representative 1 (full-time)	10		ATU2	c
Customer Service Representative 1 (part-time)	4		ATU2	c
Dispatcher	4		IBT1	c
Maintenance Supervisor	8	1	IBT4	c
Mechanic "A"	30	1	ATU1	c
Mechanic "B"	23	5	ATU1	c
Mechanic "C"	11	1	ATU1	c
Radio Controller	3		IBT1	c
Receptionist	1		ATU2	c
Storeskeeper	7		ATU1	c
Transit Instructor	3		IBT3	c
Utility Maintenance Supervisor	2		IBT4	c
Utility Worker	29		ATU1	c

Table of Position Classifications (Ord. 101 effective 03/04/2018) **Exhibit "E"**

Job Title	Authorized Positions	FTE(a) Offloads	Class	Salary Range
General Manager/CEO	1		GM/CEO	281,051

* All Salaries are subject to a multiplier of 5.18 pursuant to the following fringe and indirect cost calculations. The multiplier can change on an annual basis without Agreement amendment upon PCJPB written notice to the CHSRA Contract Manager with new supporting calculations.

	JPB Capital	JPB AIA-Operating
Direct wages	\$1.00	\$1.00
Apply fringe rate	\$0.63	\$0.63
Total direct cost base	\$1.63	\$1.63
Apply AIA rate to total direct cost	\$0.14	\$1.40
Apply Overhead Rate to total direct	\$3.41	\$ -
Total direct and indirect cost	\$5.18	\$3.03
"Burden" Rate	\$5.18	\$3.03

Fringe Rate:

Regular - Union	n/a	n/a
Overtime - Union	n/a	n/a
Regular - Non Union	63.41%	63.41%
Overtime - Non Union	7.65%	7.65%

Total Indirect Cost Rate:

Agency Indirect Administration (AIA) Rate	5.28%	85.57%
Overhead Rate	208.71%	
Total Indirect Cost Rate	217.29%	

CALTRAIN ICAP RATES FY2016

	CALTRAIN CAP DIR	CALTRAIN CAP ADM
Labor Costs	2,538,777	
Total Capital Administrative Costs		5,857,133
Total AIA (allocated by MAXcars)		1,060,012
Carry Forward		(1,400,531)
Grand Total		5,516,614
Divided by Capital Direct Total Labor Costs		2,538,777
ICAP Rate		217.29%

ATTACHMENT 7 - INVOICE REQUIREMENTS

Invoice Cover Sheet containing the following:

- Agreement number
- Date invoice prepared
- Billing and service period
- Cumulative billed amount
- Current service billing period costs
- Signature of a PCJPB official
- Signature block for Authority Contract Manager
- Signature block for Authority Financial Officer

Narrative:

- Narrative setting forth general description of charges contained in the invoice

Invoice Sheet containing the first layer of expense information from PCJPB staff as follows, as applicable:

- PCJPB staff member name, position, labor rate (as approved in Attachment 6) and number of hours worked
- Task(s) accomplished and associated task detail
- Total PCJPB staff charges (labor and other direct costs (ODCs)) for the current invoice and cumulative to date
 - ODCs must be reasonable and necessary to complete the Scope of Work (Attachment 1)
- Backup documents for ODCs submitted for reimbursement
 - Any invoice that requests reimbursement for travel shall include receipts and travel itinerary, including departure and return times

Invoice Sheet containing the second layer of expense information as follows:

- Contractor invoices
 - Detail associated with each task completed
 - Total budget, expenditure for the current invoice and cumulative to date
 - Prime expenditure for the current invoice and cumulative to date
 - Subcontractor expenditure for the current invoice and cumulative to date, if available
 - PCM sign off page for the invoice (Design-Builder only)
 - Subcontractors' information:
 - List of all subcontractors in alphabetical order
 - Small Business Subcontractors designation (SB, Micro, DBE and DVBE) and utilization percentage

As an attachment to the invoice, PCJPB shall also provide documentation of matching funds that fully match the invoice amount and copies of all PCEP-related invoices submitted to other Funding Partners during the billing period.

The following certification shall be included on each invoice and signed by an authorized official of the PCJPB:

"I certify that this invoice is correct and proper for payment, and reimbursement for these costs has not and will not be received from any other sources including but not limited to a Government Entity contract, subcontract or other procurement method."

ATTACHMENT 8- APPROVED CONTRACTOR LIST

Design-Build Agreement

- Balfour Beatty
- PGH Wong Engineering
- STV Inc.
- Modern Railway Systems
- Albion Environmental, Inc.
- Alstom Signaling Operations, LLC (AKA GE Trans)
- AMC Consulting Engineers
- Atkins North America
- Barbary Coast Consulting
- California Environmental Services
- Drill Tech
- Dudek
- Fs3Hodges
- Herzog
- Katz & Associates
- Lee L. Davis & Associates
- Parikh Consultants
- Petra Resource Management
- Quality Engineering
- Rail Services Corp.
- Terra Verde Environmental
- Transit Safety & Security Solutions

Other Agreements

- AGC DATA CABLING
- ARES PROJECT MANAGEMENT LLC
- ARINC
- Associated Right of Way Services
- AT&T
- B & G TRANSPORTATION GROUP, LLC
- B & H PHOTO & ELECTRONICS CORP
- BALFOUR BEATTY RAIL SERVICES, INC.
- BENDER ROSETHAL, INC.
- BURNS, MICHAEL
- CARAHSOFT TECHNOLOGY CORP
- CDM SMITH, INC.
- CDW GOVERNMENT, INC.
- COMCAST
- COMPUCOM SYSTEMS, INC.
- DCONSULT, LLC.
- DELL MARKETING L.P.
- FEHR & PEERS
- GANNETT FLEMING TRANSIT & RAIL SYSTEMS
- HDR
- HEALTH EDUCATION SERVICES
- HENRY SPOTO, JR.
- HNTB

- ICF JONES & STOKES, INC.
- INTEGRATED COPY SOLUTIONS, INC.
- JACOBS ENGINEERING GROUP INC.
- J Kaeuper & Associates
- LTK CONSULTING SERVICES, INC.
- MODIS
- NANCY WHELAN CONSULTING, LLC.
- NWC PARTNERS, INC.
- OFFICEMAX
- Pacific Gas & Electric
- ProVen Management Inc.
- PUBLIC FINANCIAL MANAGEMENT, INC.
- RAIL SURVEYORS AND ENGINEERS, INC.
- READY REFRESH
- SHAMROCK MOVING & STORAGE, INC.
- SKBGS I, L.L.C. (aka NC 2121 SEC VENTURES LLC)
- Signet Testing Labs Inc.
- STADLER US INC
- TRANSITAMERICA SERVICES, INC.
- U.S. BANK
- URS CORPORATION (aka AECOM)
- Wells Fargo Insurance
- WSP
- ZGlobal

City Agreements

- San Francisco (County and City)
- Brisbane
- South San Francisco
- San Bruno
- Millbrae
- Burlingame
- San Mateo City
- Belmont
- San Carlos
- Redwood City
- Atherton
- Menlo Park
- San Mateo County
- Palo Alto
- Mountain View
- Sunnyvale
- Santa Clara City
- San Jose
- Santa Clara County

ATTACHMENT 9 - OUTSTANDING PROJECT PERMITS

As of November 16, 2017, PCJPB represents that the outstanding project permits are the jurisdictional permits for project construction outside of the PCJPB right of way. Jurisdictional permits are not required within the PCJPB right of way.

These permits include:

- Tree Pruning or Removal Permits. These permits are required for tree pruning or removal of protected trees outside of JPB right of way. Protected trees are defined by the local jurisdiction.
- Encroachment Permits. These permits are required for the installation of project infrastructure or work within the city/county right of way. Examples include the installation of OCS poles within city/county right of way, the installation of overbridge protection barriers on city/county owned overhead bridges and temporary lane closures at the at-grade crossings for installation of the overhead wires.