

**Peninsula Corridor Joint Powers Board (JPB) Summary  
Meeting of October 3, 2024**

**Closed Sessions:** Conference with Real Property Negotiator (Gov. Code § 54956.8) for the following properties: Property: 375 Beale Street, San Francisco, CA; 166 N. Rollins Road, Millbrae, CA; 153 Townsend Street, San Francisco, CA; 305 Main Street, Redwood City, CA; Existing Litigation (§ 54956.9(d)(1)) [Peninsula Corridor Joint Powers Board vs. Mungia Castillo, Santa Clara County Superior Court, Case No. 24CH012890]; Anticipated Litigation (§ 54956.9(d)(4)) [Initiation of Litigation, Number of Potential Cases: 1]; and Public Employee Performance Evaluation (Gov. Code § 54957(b)(1)) Title: General Counsel - There were no reportable actions.

**Report of the Executive Director** - Michelle Bouchard, Executive Director, provided a report which included the following:

- Traction power working as designed with no significant issues. Vandalism during first week of launch led to significant delays
- Electrification Weekend Launch Party
- Rail Safety Month additional public service announcements, educational campaigns, and blitz with transit police
- Train horn noises on some equipment were discovered louder than legal limits and being corrected

**PCEP (Peninsula Corridor Electrification Project) Monthly Progress Report** – Pranaya Shrestha, CalMod Chief Officer, and Casey Fromson, Chief of Staff, provided the presentation that included the following information:

- Focusing on project close out including financial closure and punch list close out
- Fifteen train sets in service and next train set for delivery end of November

**JPB Board of Directors Received and Approved the Following Items:**

- Meeting Minutes of September 5, 2024
- Approval of the 2025 JPB Caltrain Board Meeting Calendar
- Accept Statement of Revenues and Expenses for the Period Ended August 31, 2024
- Approve Amendment 2 to Contract with Bell Burnett & Associates to Provide Additional Scope and Capacity for Financial Strategy Planning Consulting Services\*
- Amend and Increase the Fiscal Year 2025 Caltrain Capital Budget by \$13,921,399 from \$132,702,653 to \$146,624,052
- Award of Contracts for On-Call General Commercial Real Estate Brokerage Services\*
- Authorize an Amendment to the Contract with moovel North America, LLC for the Caltrain Mobile Ticketing Solution to Extend the Term by One Year and Increase the Contract Capacity by \$574,245 to \$2,255,851\*

### **State and Federal Legislative Update**

Casey Fromson, Chief of Staff, Devon Ryan, Government Affairs Officer, and Jason Baker, Director of Government and Community Affairs, provided the presentation, which included the following:

- Current deficit of \$77 million per year
- Major issues impacting deficit include fare revenue decreased from \$103M in 2019 to \$43M in 2023; discontinued member agency contributions to Caltrain; and increased energy costs
- MTC Regional Measure Executive Committee plan to approve framework for transportation measure on October 21
- Current scenarios to fund transit agencies overview addressing Caltrain funding and the farebox shortfall; funding mechanism via sales tax, parcel tax, or payroll tax; and the Caltrain deficit coverage based on the two scenarios
- Scenario One Revised involves four counties of Alameda, Contra Costa, San Francisco, and San Mateo, with opt-ins for five counties, using a sales tax with Caltrain allocation, and expected Santa Clara County contribution
- New hybrid Scenario Two involves nine counties for \$1.5 billion using sales tax and payroll tax with Caltrain allocation \$72 million in years 1-8 and \$52 million in years 9-15
- Caltrain only measure discussion of sales tax, parcel tax, mixture of taxes, or sales tax and county member contributions in the three counties would need authorization legislation for any mechanism

The Board Members had a robust discussion, and staff provided further clarification in response to the following Board comments and questions regarding the following:

- Timeline for measure development and agency and counties support
- Consolidation could be in a separate legislation

### **Consideration of Cooperative Agreement with Diridon Partner Agencies to Establish Interim Project Organization Structure\* \*\***

Marian Lee, Diridon Project Director, provided the presentation, which included the following:

- Two design alternatives were developed and will come to the Board at a later date
- Environmental Review to begin Summer 2025
- Caltrain owns the Diridon Station and there are five agency partners: Caltrain, City of San Jose, Santa Clara Valley Transportation Authority (VTA), Metropolitan Transportation Commission (MTC), California High Speed Rail Authority (CHSRA)
- Agreement covers pre-environmental and environmental phases of the project and is interim in nature to be replaced by a long-term governance
- Challenges for multiagency team until long-term governance organization is established includes turning the mega regional transit project from feasibility to delivery

- Suggested integrated project team comprised of partner agencies for the Diridon Project Steering Committee, Executive Working Group, Director Working Group, and Technical Working Group

The Board Members had a robust discussion, and staff provided further clarification in response to the following Board comments and questions regarding the following:

- Chair Davis shared memo to propose designating Caltrain as the lead agency; add dispute resolution; grant steering committee authority over project matters including hiring project manager who will report to Caltrain
- Structure of Steering Committee and accountability and project prioritization for the partner agencies

### **Update Regarding Implementation of JPB Governance MOU**

James Harrison, General Counsel, provided the presentation, which included the following:

- Memorandum of Understanding (MOU) Completed Items including MTC payment of \$19,600,000; County and City of San Francisco payment of \$6,080,000; and Santa Clara County Valley Transit Authority payment of \$9,120,000 to SamTrans
- On-Going items include:
  - Three of five MOU positions hired and two in the process of recruitment expected to be filled by end of the year
  - SamTrans transfer of Tenancy-In-Common (TIC) interest application filed and expect transfer to be complete by end of year
  - Shared Services Agreement negotiation and execution expected by end of year
  - CalPERS application and contract eligibility determination expected by end of November and if successful, expected contract by end of 2025
  - Real Property Ownership Agreement (RPOA) and Joints Power Agreement (JPA) Negotiations continue to resolve inconsistencies and clarify ambiguities

The Board Members had a robust discussion, and staff provided further clarification in response to the following Board comments and questions regarding the following:

- Current Active and Retired Rail Employee benefits continue as SamTrans employees while CalPERS contract is in progress until approved by the Board
- Previous MOU governance agency discussion and role of the various agencies

### **Monthly Reports were provided on the following items:**

- Report of the Citizens Advisory Committee – Brian Shaw, Chair, reported the following:
  - Update fare promotion suggested revising 3-day pass to allow usage within 7-day period
  - Asset protection and vandalism
  - APC (automatic passenger counter) clarification and data analysis
  - Safety improvements, crowd control, train delivery, and train inspection upon delivery

- Report of the Chair – Chair Davis reported December being her last JPB Board meeting due to her term expiring.
- Appointment of Nominating Committee for 2025 Officers will be discussed with Executive Director and General Counsel
- Report of the Local Policy Maker Group (LPMG) – Chair Burt had nothing to report as meeting was cancelled.
- Report of the Transbay Joint Powers Authority (TJPA) - Chair Gee reported extended lease amendments, procurement packages, October meeting cancelled for lack of items, and TJPA will produce monthly reports in January for packets.