



Tri-Valley ▲ San Joaquin Valley
REGIONAL RAIL AUTHORITY

Board of Directors

Meeting Packet

June 14, 2023 at 2 p.m.



Tri-Valley San Joaquin Valley
REGIONAL RAIL AUTHORITY

AGENDA FOR REGULAR BOARD MEETING
Wednesday, June 14, 2023 at 2:00 p.m.

Dublin Senior Center
7600 Amador Valley Blvd
Dublin, California 94568

TELECONFERENCE LOCATIONS

1755 Harvest Landing Lane
Tracy, CA 95376

City of Lathrop
390 Towne Centre Drive
Lathrop, CA 95330

3740 Newton Way
Pleasanton, CA 94588

MEETING PROCEDURE

This Board of Directors meeting will be conducted in person.

Public comments will be accepted via email and in-person. Emailed public comments will be accepted until 5:00 p.m. on the day before the meeting at comments@valleylinkrail.com. Please include "Public Comment – June 14, 2023" and the agenda item to which your comment applies in the subject line. In the body of the email please include your name. A list of the public comments submitted by the deadline will be read during public comment and copies of correspondence will be posted on the Authority's website along with other meeting material.

In-person public comment speakers must submit a "Speaker/Comment Card" to the secretary prior to the Public Comment portion of the agenda. No speaker cards will be accepted after the close of Public Comment.

Public comments will be subject to the regular two-minute time restriction.

There will be zero tolerance for any person addressing the Board making profane, offensive, and disruptive remarks, or engaging in loud, boisterous, or other disorderly conduct, that disrupts the orderly conduct of the public meeting.

Upon request, the Tri-Valley-San Joaquin Valley Regional Rail Authority will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. A speech-to-text option (live transcription) is now available on all Zoom meetings. Live transcription currently only supports English, and the accuracy of the feature depends on many variables, such as but not limited to background noise, volume and clarity of the speaker's voice, lexicons and dialects. Requests for any other reasonable accommodation should be submitted in writing, and must include your name, mailing address, phone number and brief description of the requested materials and the preferred alternative format or auxiliary aid or service at least 2 working days before the meeting. Requests should be sent to: comments@valleylinkrail.com.

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Listen and view meeting online:

- From a PC, Mac, iPad, iPhone or Android device click the link below:
<https://zoom.us/j/93548110883>
Password: **ValleyLink**

No option to make Public Comment on by video conference.

- Livestream online at: [Valley Link Rail YouTube Channel](#)

No option to make Public Comment on YouTube live stream.

Listen via telephone to the meeting:

- For audio access to the meeting by telephone, use the dial-in information below:
Dial: 1 (669) 900-6833
Webinar ID: 935-4811-0883
Password: **898381**

No option to make Public Comment on telephone access.

Written comments:

- Send public comments prior to the meeting by email, to comments@valleylinkrail.com

If you are submitting public comment via email, please do so by 5:00 p.m. the day before the meeting to comments@valleylinkrail.com.

Please include "Public Comment – June 14, 2023" and the agenda item to which your comment applies in the subject line. In the body of the email please include your full name. A list of the public comments submitted will be read during public comment and letters will be posted on the Authority's website along with other meeting material.

In-Person Comments:

Speakers must submit a "Speaker/Comment Card" to the secretary prior to the Public Comment portion of the agenda. No speaker cards will be accepted after the close of Public Comment. Speakers are limited to up to 2 minutes at the discretion of the board chair.

TRI-VALLEY – SAN JOAQUIN VALLEY REGIONAL RAIL AUTHORITY

AGENDA FOR REGULAR BOARD MEETING

Wednesday, June 14, 2023 at 2:00 p.m.

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1. Call to Order and Pledge of Allegiance
 - a. Oath of Office
2. Roll Call of Members and Confirmation of Quorum
3. Public Comments:

Members of the public may address the Board on any issues not listed on the agenda that are within the purview of the Authority. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Time limits on public comments may be established by the Chair.
4. Consent Agenda – **ACTION**

Recommend approval of all items on Consent Agenda as follows:

 - a. Minutes of April 12, 2023 Board of Directors Meeting
 - b. Fiscal Year 2024 Budget
 - c. Authorize signature endorsement on behalf of the agency with Bank of the West
5. Approve Resolution R09-2023 to authorize the Executive Director/CEO to negotiate and enter into a contract with Gray-Bowen-Scott for Program Management Support Services – **ACTION**
6. Approve amendment to Bylaws re Accountability Procedures – **ACTION**
7. Approve Resolution R10-2023 Adopting a Code of Conduct – **ACTION**
8. State Legislative Update – **INFORMATION**
9. State Funding Update – **INFORMATION**
10. Federal Transit Administration Update – **INFORMATION**
11. Executive Director’s Report – **INFORMATION**
12. Directors’ Discussion – Comments, Questions and Agenda Requests
13. Upcoming Meeting Details: The next regular meeting is scheduled for August 9, 2023.
14. Adjourn

AGENDA

ITEM 4 A



Tri-Valley San Joaquin Valley Regional Rail Authority
Minutes of Board meeting on April 12, 2023

1. **Call to Order and Pledge of Allegiance**

The meeting of the board of directors was called to order by Chair Melissa Hernandez at 2:13 p.m., who led the Pledge of Allegiance.

2. **Roll Call of Members**

Members Present in person at 333 Civic Center Plaza, Tracy

Chair Melissa Hernandez, City of Dublin
Vice Chair Dan Wright, City of Stockton
Director Bernice King Tingle, Mountain House
Director John Marchand, City of Livermore
Director Jose Nuño, City of Manteca
Director Leo Zuber (Ripon), ACE

Members Present remotely at 1209 L Street, Sacramento

Director Paul Akinjo, City of Lathrop (*joined during item #5*)
Director Mateo Bedolla, City of Tracy

Members Present remotely at 4501 Pleasanton Drive, Pleasanton

Director David Haubert, Alameda County
Director Karen Stepper, Town of Danville

Members Absent

Director Valerie Arkin, Pleasanton
Director David Hudson, San Ramon
Director Brittini Kiick (Livermore), LAVTA
Director Robert Rickman, San Joaquin County

3. **Public Comments**

There was no public comment.

4. **Consent Calendar – ACTION**

Motion to approve all items on Consent Calendar as follows:

- a. Minutes of February 8, 2023 Board of Directors Meeting
- b. Treasurer's Reports for January and February 2023
- c. Draft Fiscal Year 2024 Budget
- d. Meetings of the Board of Directors

Motion: Marchand/Haubert

Aye: Bedolla, Haubert, Hernandez, King-Tingle, Marchand, Nuño, Stepper, Wright, Zuber

Nay: None

Abstain: None

Absent: Akinjo, Arkin, Hudson, Kiick, Rickman

Motion Passed

5. **Approve Resolution R05-2023 Authorizing the Adoption of a Locally Preferred Alternative for Evaluation in National Environmental Policy Act (NEPA) Environmental Clearance – ACTION**

Staff member Marianne Payne, Director of Planning, introduced this item and gave the floor to consultant Diane Cowin, Senior Vice President with AECOM. Cowin gave an update on the

Tri-Valley San Joaquin Valley Regional Rail Authority
Minutes of Board meeting on April 12, 2023

environmental process and an in-depth presentation on the adoption of the Locally Preferred Alternative (LPA). She outlined the project timeline and the FTA process as well as the background on the LPA and next steps related to NEPA and the California Environmental Quality Act (CEQA). Payne noted that letters of support for the LPA for evaluation in the NEPA process were received from the cities of Dublin and Livermore, Mountain House Community Services District (MHCS) and Zone 7 Water Agency. Chair Hernandez thanked Payne and Cowin and opened the floor to the public for comment and discussion by directors. Cowin responded to questions. Director Bedolla voiced his disappointment that a Tracy station was not included in Phase 1 but also noted that the City of Tracy continues to support the project. Public comments were heard from Roland LeBrun, Karen Moore and Adrian Brandt via teleconference and in-person comment was heard from David James, Community Development Director for the MHCS.

Motion: Haubert/Wright

Aye: Akinjo, Bedolla, Haubert, Hernandez, King-Tingle, Marchand, Nuño, Stepper, Wright, Zuber

Nay: None

Abstain: None

Absent: Arkin, Hudson, Kiick, Rickman

Motion Passed

6. **Approve Resolution R06-2023 Authorizing Acceptance of a New Procurement Manual and Adoption of Chapter 10 of the Caltrans Local Assistance Procedures Manual – ACTION**

Executive Director/CEO Kevin Sheridan introduced this item. He summarized the details of the staff report. There was no director discussion or public comment.

Motion: Zuber/Wright

Aye: Akinjo, Bedolla, Haubert, Hernandez, King-Tingle, Marchand, Nuño, Stepper, Wright, Zuber

Nay: None

Abstain: None

Absent: Arkin, Hudson, Kiick, Rickman

Motion Passed

7. **Approve Resolution R07-2023 Authorizing the Executive Director/CEO to Execute an Employment Agreement for the position of Executive Management Assistant – ACTION**

Sheridan summarized the staff report. He reiterated that the role was currently being filled by LAVTA staff through an administrative arrangement and the Authority would be executing the agreement with the assigned staff member.

Motion: Nuño/Wright

Aye: Akinjo, Bedolla, Haubert, Hernandez, King-Tingle, Marchand, Nuño, Wright, Zuber

Nay: None

Abstain: None

Absent: Arkin, Hudson, Kiick, Stepper (*due to technical difficulties*), Rickman

Motion Passed

Tri-Valley San Joaquin Valley Regional Rail Authority
Minutes of Board meeting on April 12, 2023

8. Executive Director’s Report - INFORMATION

Sheridan addresses speaker concerns regarding the difficulties with audio for the meeting. He updated the board on recent meetings with the Secretary of Transportation in an effort to ensure that the Valley Link project is identified correctly to be in the best position to secure funding. He reiterated that the project still includes a Mountain House to Lathrop alignment in the next phase of activities. Sheridan shared an upcoming event flyer and gave the floor to Chair Hernandez. Hernandez provided the details of the hydrogen-focused event, hosted by Innovation Tri Valley that will take place on May 17, 2023. Everyone was encouraged to attend. Directors discussed this item. There was no public comment.

9. Directors’ Discussion

Vice Chair Dan Wright reported on recent lobbying activity in Sacramento arranged by the San Joaquin Regional Policy Council. He announced that the Valley Link project is receiving support from Kern to San Joaquin counties, Wright also noted that lawmakers and staff were very receptive to the idea of getting the project reclassified as a short-term project. Director King-Tingle thanked staff for the thorough report and expressed confidence in the project’s ability to receive continued funding. Director Bedolla expressed concerns about the project implementation, timeline, and phasing. He also reiterated that he and the City of Tracy continue to support the Valley Link project.

10. Upcoming Meeting Details

The next regular meeting of the board will be held on June 14, 2023.

11. Adjourn

The meeting adjourned without objection at 3:40 p.m.

AGENDA

ITEM 4 B





Tri-Valley San Joaquin Valley REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Fiscal Year 2024 Budget
FROM: Wil Ridder, Deputy Director
DATE: June 14, 2023

Action Requested

Staff requests that the Board of Directors approve the Fiscal Year (FY) 2024 Budget.

Background/Discussion

The Tri-Valley – San Joaquin Valley Regional Rail Authority continues to receive funding from the allocation of funds approved by the Metropolitan Transportation Commission (MTC) to advance the Valley Link Project. These funds are received on a reimbursement basis. In FY 2024 these funds will be augmented by \$5 million in State budget funds approved by the legislature in 2023 and formally authorized in May 2023 through a Funds Transfer Agreement with the California Department of Transportation (Caltrans). The budget for FY 2024 focuses primarily on the Caltrans Project Approval and Environmental Documentation (PA&ED) work in the I-580 corridor, federal environmental clearance, 30% design, and Federal Transit Administration (FTA) requirements under the Capital Investment Grants (CIG) Program.

Authority staff recognize that during FY 2024 additional funds will flow from the State based upon the award of a discretionary grant the Authority was awarded this year under the Transit and Intercity Rail Capital Program (TIRCP). As these funds are formally allocated to the Authority by the California Transportation Commission (CTC) staff will bring back to the Board budget amendments to reflect these revenues and uses.

Attached are the revenues and expenses that make up the FY 2024 Budget. The direct labor and benefits expenses for Authority staff, including the Deputy Director, the Director of Policy, Programming and Environment, and the Director of Rail Engineering and Construction include a 5% increase in salaries based upon annual performance review and approval by the Executive Director/CEO. Below is a brief description of the revenues and expenses:

Revenues

MTC Allocation

MTC provided a multi-year allocation of bridge toll funds in June of 2020 in the amount of \$46.8 million to perform the project development work as noted above in the staff report.

State Budget Funding

The State legislature approved \$5 million to the Authority for the Valley Link rail project as part of the FY 2023 State Budget (Assembly Bill 179) for environmental and preliminary engineering activities.

ATTACHMENT 1





Tri-Valley San Joaquin Valley **REGIONAL RAIL AUTHORITY**

STAFF REPORT

SUBJECT: Authorize Signature Endorsement on behalf of the Authority with Bank of the West
FROM: Kevin Sheridan, Executive Director/CEO
DATE: June 14, 2023

Action Requested

Approve resolution authorizing the Executive Director/CEO to open or maintain accounts with Bank of the West

Background/Discussion

The Tri-Valley – San Joaquin Valley Regional Rail Authority (The Authority) maintains a relationship with the Bank of the West, which was initially set up through the ongoing relationship with Livermore Amador Valley Transit Authority (LAVTA). During the annual review it was determined that The Authority should establish a resolution that authorizes its Executive Director/CEO to conduct business on The Authority's behalf.

The resolution will allow the Board of Directors of the Tri-Valley – San Joaquin Valley Regional Rail Authority to authorize the Executive Director/CEO to enter into any agreement with Bank of the West relating to the transfer of funds from the account by means of telephonic, electronic, oral, or written instruction, and further authorize the Executive Director/CEO to designate the individuals to act as Authorized Representatives who shall be empowered to order or confirm such transfers on the Authority's behalf.

Fiscal Impact

None

Recommendation

Staff recommends the board approve Resolution R08-2023.

Attachments

1. Resolution R08-2023

ATTACHMENT 1





RESOLUTION NO. R08-2023

* * *

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRI-VALLEY-SAN
JOAQUIN VALLEY REGIONAL RAIL AUTHORITY AUTHORIZING SIGNATURE
ENDORSEMENT ON ACCOUNTS WITH BANK OF THE WEST**

WHEREAS, the Tri-Valley San Joaquin Valley Regional Rail Authority (The Authority) has a banking relationship with the Bank of the West;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority that the Executive Director/CEO of this organization is authorized to open or maintain accounts with Bank of the West contemplated in the Bank's signature card and account agreement;

FURTHER RESOLVED that the Board of Directors of the Authority authorizes the Executive Director/CEO to enter into any agreement with Bank of the West relating to the transfer of funds from the account or accounts of The Authority by means of telephonic, electronic, oral, or written instruction, and are further authorized to designate the individuals to act as Authorized Representatives who shall be empowered to order or confirm such transfers in accordance with such agreements or to otherwise act in accordance with such agreements;

FURTHER RESOLVED that this resolution shall be in full force and effect and binding upon The Authority and that Bank of the West may conclusively presume that the above named positions remain authorized as set forth herein until this Resolution shall have been repealed, revoked, or amended and written notice of such is delivered to Bank of the West at a time and in a manner set forth in the Authorization and Agreement for Cash Management Services affording the Bank of the West reasonable opportunity to act upon the written notice so received.

APPROVED AND PASSED, this 14th day of June, 2023.

Melissa Hernandez, Chair

ATTEST:

Kevin Sheridan, Executive Director/CEO

ATTACHMENT 1



ATTACHMENT 1





Tri-Valley San Joaquin Valley **REGIONAL RAIL AUTHORITY**

STAFF REPORT

SUBJECT: Approval of Resolution Adopting a Code of Conduct

FROM: Kevin Sheridan, Executive Director/CEO, and Michael Conneran, General Counsel

DATE: June 14, 2023

Action Requested

Consider adoption of a resolution establishing a Code of Conduct for the Authority's Board of Directors. This Code will help to ensure that the business of the Authority is conducted in accordance with the highest ethical standards.

Background/Discussion

In order to facilitate the effective operation of the Authority Board of Directors, this Code of Conduct establishes expectation for the behavior of Board members. This Code will be enforced through the Accountability provisions being considered by the Board for addition to the Authority Bylaws. Unlike an amendment to the Bylaws, this Code can be amended by a simple majority of the Board present at a meeting.

Recommendation

It is recommended that the Board consider adoption of a resolution including the attached Code of Conduct to ensure that the business of the Board is conducted in accordance with the highest ethical standards.

Recommendation

1. Resolution #R10-2023

ATTACHMENT 1





Tri-Valley San Joaquin Valley
REGIONAL RAIL AUTHORITY

RESOLUTION NO. R10-2023

* * *

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRI-VALLEY-SAN JOAQUIN VALLEY REGIONAL RAIL AUTHORITY ADOPTING A CODE OF CONDUCT

WHEREAS, the Legislature adopted AB 758, establishing the Tri-Valley-San Joaquin Valley Regional Rail Authority (Authority) under California Public Utilities Code Section 132651 *et seq.*, to plan, develop and deliver cost-effective and responsive transit connectivity between the Bay Area Rapid Transit District's rapid transit system in the Tri-Valley and the Altamont Corridor Express commuter rail service;

WHEREAS, as required by AB 758, the Authority prepared and delivered an initial Project Feasibility Report to the Legislature on June 30, 2019 to explore the improvement of transit connectivity between the Tri-Valley and San Joaquin Valley; and

WHEREAS, pursuant to the final Project Feasibility Report, the Authority has been engaged in the design and environmental activities to advance the Valley Link Rail Project (Project) towards construction and eventual operation; and

WHEREAS, staff recommends that the Board adopt a Code of Conduct to ensure that the business of the Board of Directors is conducted in accordance with the highest ethical standards.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Tri-Valley-San Joaquin Valley Regional Rail Authority hereby adopts the Code of Conduct attached as Exhibit A.

APPROVED AND PASSED, this 14th day of June 2023.

Melissa Hernandez, Chair

ATTEST:

Kevin Sheridan, Executive Director/CEO

Exhibit A



**AUTHORITY BOARD OF DIRECTORS CODE OF CONDUCT
TRI-VALLEY–SAN JOAQUIN VALLEY REGIONAL RAIL AUTHORITY**

Introduction

The Board of Directors desires to meet the most demanding ethical standards and demonstrate the highest levels of achievement in practicing the core values identified in this Code of Conduct. Those values, which are fundamental to public trust, are being adopted to guide the decisions and actions of individual Council Members and the Council as a whole. To help the Board make these values real in their regular work with the Authority, the Code describes for each value a basic set of character traits and actions residents can expect to see Board Council Members meet and exceed.

I. ETHICAL

I am trustworthy, acting with the utmost integrity and moral courage.

I am truthful, do what I say I will do, and am dependable.

I make impartial decisions, free of bribes, unlawful gifts, narrow political interests, and financial and other personal interests that impair my independence of judgment or action.

I am fair, distributing benefits and burdens according to consistent and equitable criteria.

I extend equal opportunities and due process to all parties in matters under consideration. If I engage in unilateral meetings and discussions, I do so without making voting decisions.

I show respect for persons, confidences, and information designated as “confidential.”

II. PROFESSIONAL

I use my title(s) only when conducting official Authority business, for information purposes, or as an indication of background and expertise, carefully considering whether I am exceeding or appearing to exceed my authority.

I apply my knowledge and expertise to my assigned activities and to the interpersonal relationships that are part of my job in a consistent, confident, competent, and productive manner.

I approach my job- and work-related relationships with a positive attitude.

I keep professional knowledge and skills current and growing.

III. SERVICE ORIENTED

I provide friendly, receptive, courteous service to everyone I am attuned to, and care about, the needs and issues of residents, public officials, and Authority workers.

IV. FISCALLY RESPONSIBLE

I make decisions after prudent consideration of their financial impact, taking into account the long-term financial needs of the Authority, especially its financial stability.

I demonstrate concern for the proper use of Authority assets (e.g., personnel, time, property, equipment, funds) and follow established procedures.

I make good financial decisions that seek to preserve programs and services for the Authority.

V. ORGANIZED

I act in an efficient manner, making decisions and recommendations based upon research and facts, taking into consideration short and long-term goals.

I follow through in a responsible way, keeping others informed, and responding in a timely fashion.

I am respectful of established Authority processes and guidelines.

VI. COMMUNICATIVE

I communicate in various ways that I am approachable, open-minded and willing to participate in dialog.

I engage in effective two-way communication, by listening carefully, asking questions, and determining an appropriate response which adds value to conversations.

VII. COLLABORATIVE

I act in a cooperative manner with groups and other individuals, working together in a spirit of tolerance and understanding.

I work towards consensus building and gain value from diverse opinions.

I accomplish the goals and responsibilities of my individual position, while respecting my role as a member of a team.

I consider the broader regional and Statewide implications of the Authority's decisions and issues

I exhibit a proactive, innovative approach to setting goals and conducting the Authority's business

I display a style that maintains consistent standards, but is also sensitive to the need for compromise, "thinking outside the box," and improving existing paradigms when necessary

I promote intelligent and thoughtful innovation in order to forward the Authority's policy agenda

AGENDA

ITEM 8





Tri-Valley San Joaquin Valley **REGIONAL RAIL AUTHORITY**

STAFF REPORT

SUBJECT: State Legislative Update
FROM: Wil Ridder, Deputy Director and Gus Khouri, Consultant
DATE: June 14, 2023

Action Requested

This is an Information item only.

Background/Discussion

On May 12, Governor Newsom released his May Revision to the proposed FY 2023-24 State Budget. The 2023-24 Budget, which contains \$223.6 billion in General Fund spending (\$306 billion with special funds), is projected to have a deficit of \$31.5 billion, up from the \$22.5 billion cited in January. This is a sharp turn from the past few years following surpluses in the FY 22-23 State Budget (\$97.5 billion) and the FY 21-22 State Budget (\$76 billion) surplus, predominantly used for one-time expenditures than long-term obligations. The May Revision contains a \$37.2 billion reserve, up from \$35.6 billion in January, to help address the shortfall and stave off deep cuts. As the Budget Stabilization Account balance is at its constitutional maximum, \$2.3 billion must be dedicated to infrastructure investments in 2023-24 (up from \$951 million in January).

While the Governor is not predicting a recession, some factors are causes for concern, including the federal debt ceiling impasse, higher interest rates to curb inflation, the uncertainty of financial institutions with bank failures, and \$42 billion in delayed tax collection by the IRS and Franchise Tax Board until October, including personal income tax (\$28 billion), corporate tax (\$13.3 billion), and reduction of capital gains. Should these risks be realized, a moderate recession scenario in the fiscal year 2023-24 could decrease revenues by \$40 billion in 2023-24 alone, largely driven by losses in personal income tax. Revenue declines relative to the May Revision forecast could reach an additional \$100 billion through 2026-27.

Per the Constitution, the legislature must submit a balanced budget to the Governor by June 15. The Governor must sign by June 30. Due to its reliance on special funds such as the gas tax and vehicle registration fee, transportation is fairly insulated from impacts to the General Fund. Still, there is General Fund revenue being proposed to supplement public transit.

Additional Funding for Transit

SB 198 (Committee on Budget), Statutes of 2022, includes intent language to allocate \$4 billion over FY 23-24 and FY 25-26 (\$2 billion each fiscal year) through the Transit Capital and Intercity Rail Program to Metropolitan Planning Organizations, such as the Metropolitan Transportation Commission and San Joaquin Council of Governments, using the State Transit Assistance formula to supplement transit capital and operations needs. This funding was conditioned upon the availability of General Fund resources, which reached a record \$97.5 billion balance for FY 22-23. The legislature does have \$37.2 billion in the Rainy-Day Fund, but the fulfillment becomes more challenging as the deficit grows.

Governor Newsom proposes a planned funding reduction in 2023 and 2024 from \$2 billion annually to \$1 billion in 2023-24 and \$500 million each in 2024-25 and 2025-26, representing a 50 percent reduction of SB 198 funds, and spreading funds out over three fiscal years, rather than two. These funds are set to be allocated proportionally, by region, based on population. On May 23, the Senate Budget Subcommittee #5 voted to reject the reductions. This will be a Big Three negotiation between the Governor, Assembly Speaker, and Senate President pro Tempore.

	Governor's Proposal	Senate's Proposal	Assembly Proposal
SB 198 Funds-TIRCP-Formulaic-Population Distribution By MPOs	Approve \$1B in FY 23-24; \$500M for FY 24-25, \$500M for 25-26.	Approve \$4B intent language for FY 23-24 and 24-25	Approve \$4B intent language for FY 23-24 and 24-25

Bills of Interest

Each house is working through bills in the house of origin. Bills must be approved by June 2 to remain live for the year. Policy committees must complete their business by July 14 (start of Summer Recess, back on August 14), fiscal committees by September 1, and all business by the floor of each house by September 14, to be considered for signature by the Governor by October 14. Below is a summary of bills of interest to Valley Link.

SB 746 (Eggman), sponsored by Valley Link, adds electrolytic hydrogen to the list of alternative energy resources in statute, and allows Valley Link to enter a service contract. to enter those contracts for the generation, sale, and use of electrolytic hydrogen. **Status:** Assembly Utilities and Commerce Committee

AB 557 (Hart)

This bill would remove the January 1, 2024, sunset on the Brown Act exemptions for boards to meet virtually during a state of emergency declaration provided under AB 361 (Rivas), Chapter 165, Statutes of 2021. **Status:** Senate Governance and Finance Committee

SB 537 (Becker)

This bill has been amended to allow multijurisdictional bodies to meet virtually. Multijurisdictional means a legislative body that includes representatives from more than one county, city, city and county, special district, or a joint powers entity. This would allow the Valley Link board to meet virtually without a state of emergency declaration. **Status:** Assembly Rules Committee

AGENDA

ITEM 9





Tri-Valley San Joaquin Valley **REGIONAL RAIL AUTHORITY**

STAFF REPORT

SUBJECT: Funding Update
FROM: Wil Ridder, Deputy Director
DATE: June 14, 2023

Action Requested

This is an Information item only and no action is requested.

Discussion

Staff will provide a verbal report at the June Board meeting on the Authority's success in securing a total of \$30 million in State funds over the last year.

Background

On April 24, 2023, Governor Newsom announced the award of \$25 million to the Valley Link rail project as part of a \$690 million statewide investment to expand transit and passenger rail service across California. The \$25 million in funds from the Transit and Intercity Rail Capital Program (TIRCP) will advance Valley Link's design and equity focused community engagement during the current Project Development phase under the Federal Transit Administration's (FTA) Capital Investment Grants (CIG) Program. These funds were awarded from the \$150 million statewide Major Projects Project Development Reserve category of the TIRCP specifically established to support the delivery of capital projects such as Valley Link that have entered or have applied to enter federal project development processes to receive federal funding in the future.

The \$25 million TIRCP award will specifically advance design work targeted to high-risk areas of the project where we would seek to increase design from 30% (typical in Project Development) to 60% during the 2-year Project Development period. This advanced design work will ensure that we are most accurately estimating the total cost of the project prior to requesting construction funding from both FTA and the State and is both allowable and encouraged by FTA under the CIG Program. The scope of the Valley Link application is also in line with the regional focus on major project delivery led by the Metropolitan Transportation Commission (MTC) over the last year to address significant cost increases experienced on the other major Bay Area projects. The TIRCP award was supported by MTC's endorsement of Valley Link for TIRCP Cycle 6 funding as part of their October 2023 adoption of the MTC Major Project Advancement Policy (MAP) and TIRCP framework, in which Valley Link was approved as a Level 2 project priority and specifically identified for TIRCP Cycle 6 funding for project development activities.

We thank Governor Newsom, Secretary of Transportation Toms Omishakin and his team at the California State Transportation Authority for their leadership and support of the Valley Link rail project in the award of \$25 million in TIRCP Cycle 6 funding. This funding is significant to position Valley Link for future construction funding and moves us closer to implementing this critical project for the communities it will serve. We also sincerely appreciate the support of MTC in their endorsement of this funding for Valley Link and see this award of TIRCP as a shared success for the region.

On May 30, 2023 the Authority also received the fully executed Funds Transfer Agreement from the California Department of Transportation (Caltrans) for the \$5 million in State budget funds approved by the legislature in Assembly Bill 179. These funds will be used to support the completion of project development, including all state and federal requirements under the Caltrans' Project Approval and Environmental Document (PAED) and the Federal Transit Administration (FTA) Capital Investment Grants (CIG) Project Development processes. The scope of work involves all activities in support of completing environmental clearance under the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA).

We thank Assemblymember Rebecca Bauer-Kahan for her support in securing these funds for the Valley Link project through the FY 2023 State budget process and Caltrans for their efforts over the last year to establish and execute the Funds Transfer Agreement.

Fiscal Impact

The FY 2024 Budget includes the \$5 million in State budget funds authorized in May 2023 through the Funds Transfer Agreement with Caltrans. As the \$25 million in TIRCP funds are formally allocated to the Authority by the California Transportation Commission (CTC), staff will bring back to the Board budget amendments to reflect these revenues and uses.

AGENDA

ITEM 10





Tri-Valley San Joaquin Valley **REGIONAL RAIL AUTHORITY**

STAFF REPORT

SUBJECT: Federal Transit Administration (FTA) Update

FROM: Wil Ridder, Deputy Director

DATE: June 14, 2023

Action Requested

This is an Information item only.

Discussion

Staff will provide a verbal report at the June Board meeting on the Authority's success in securing direct recipient grantee status from the Federal Transit Administration (FTA).

Background

On May 22, 2023 the Authority was formally notified by FTA that it had been approved as a direct recipient grantee. This is a significant accomplishment for the Authority as it not only positions the Authority to directly administer federal transit funding being pursued under the Capital Investment Grants (CIG) Program, but it is also required by FTA for the Authority to be recognized as the official project sponsor of the Valley Link rail project to lead all of the activities under the Project Development phase of the CIG Program.

FTA's approval of direct recipient grantee status comes after months of staff work with FTA to demonstrate the legal, financial and technical capacity of the Authority to deliver the Valley Link rail project under all of FTA's regulations. However, the Authority's efforts to establish direct recipient grantee status have spanned over several years with the Board's approval of resolutions in 2021 authorizing the filing of applications with FTA and execution of certifications, assurances and grant agreements as well as adopting Title VI and Disadvantaged Business Enterprise programs.

We thank FTA Region 9 Regional Administrator Ray Tellis, Deputy Regional Administrator Amy Changchien and their team at Region 9 for their support over the past year in securing this approval.

Fiscal Impact

There is no immediate fiscal impact of this item.

AGENDA

ITEM 11





Tri-Valley ▲ San Joaquin Valley
REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Executive Director's Report
FROM: Kevin Sheridan, Executive Director/CEO
DATE: June 14, 2023

Action Requested

This is an information item. No action is requested.

Background/Discussion

An oral report will be provided at the board meeting.