

**CITIZENS ADVISORY COMMITTEE
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS CA 94070
BACCIOCCO AUDITORIUM, 2ND FLOOR**

MINUTES OF AUGUST 5, 2008

MEMBERS PRESENT: B. Arietta, J. Bigelow, P. Dixon (Chair), J. Fox, R. Hedges, R. Hees, S. Krause, A. Mader-Clark, L. Shaine, N. Stern, P. Young (Vice-Chair)

MEMBERS ABSENT: D. Maez, A. Vargas, G. Zimmerman

STAFF PRESENT: R. Lake, B. Lee, R. Lobo, I. McAvoy, L. Millard, M. Simon

Chair Pat Dixon called the meeting to order at 4:32 p.m. and Larry Shaine led Pledge of Allegiance.

APPROVAL OF MINUTES

A motion to approve the minutes of June 3, 2008 and July 7, 2008 was passed.

PUBLIC COMMENT

Tim O'Brien, Belmont, would like to see more funding to relieve traffic congestion by improving bicycle access to the District's transportation system with more buses and parking, better signals, more funding for bicycle lanes and bicycle access.

**ITEMS FOR REVIEW – TRANSPORTATION AUTHORITY BOARD MEETING
AGENDA OF AUGUST 7, 2008**

- a. Statement of Revenues and Expenses for May 2008 (TA Item 3b)*
- b. Information on Statement of Revenues and Expenses for the Period Ending June 20, 2008 (TA Item 3c)*

There was no discussion on the above items a and b.

- c. Annual Approval and Reaffirmation of Investment Policies (TA Item 3d)*

Nancy Stern referred to Exhibit A, Benchmarks of Merrill Lynch investments, and asked how Merrill Lynch funds are invested versus Merrill Lynch investments in Exhibit B for Paratransit Trust funds.

Randy Hees said these are benchmarks to establish a basis for evaluating investment results.

Rich Hedges said Merrill Lynch has had some problematic investment numbers and suggested taking a second look at investments down the road.

- d. Authorize Award of Contracts to Ross Financial-Robert Kuo Consulting, LLC of San Francisco and PFM Group of San Francisco to Provide On-call Financial Advisory Services for a Total Not-to-Exceed Cost of \$200,000 Over a Three-year Period (TA Item 10a)*

- e. Authorize Award of Contracts to Ross Financial-Robert Kuo Consulting, LLC of San Francisco, PFM Group of San Francisco and AECOM Consult, Inc. of Arlington, VA to Provide On-call Financial Analysis Services for a Total Aggregate Not-to-Exceed Cost of \$250,000 Over a Three-year Period (TA Item 10b)*
- f. Allocation of \$3,555,900 to the Peninsula Corridor Joint Powers Board for San Mateo County's Local Share for the Caltrain Systemwide Capital Improvement Program for FY 2009 (TA Item 10c)*
- g. Allocation of \$500,000 to the City and County of Association of Governments (C/CAG) Funding Agreement Amendment for Various Services and Programs (TA Item 10d)*
- h. Allocation of Measure A Transportation Systems Management (TSM) Funds in the Amount of \$59,487 to the City of Menlo Park and \$398,103 to the Peninsula Traffic Congestion Relief Alliance for TSM Program Funding for FY 2009 (TA Item 10e)*

There was no discussion on above items d through h.

- i. Authorization to Execute an Amended and Restated Agreement for State Administration of District Sales and Use Taxes with the State Board of Equalization and to Enter into and Execute an Agreement with a Third-party Collection Agent for the Collection and Distribution of the New Measure A Funds (TA Item 10f)*

Mr. Hees said this is mechanism for the TA to receive sales tax, of which 2 percent goes to BART through a third-party collection agent.

- j. Authorization to Appoint Tamalpais Wealth Advisors as Investment Advisors for the Transportation Authority for Three Years and Two One-year Options (TA Item 10g)*
Special Assistant to the CEO Mark Simon said staff is recommending that the TA appoint Tamalpais Wealth Advisors (TWA) to advise and manage a portion of up to \$100,000 million of TA funds. Chief Financial Officer Gigi Harrington will be directly responsible for investing the funds through the Bank of New York. A final decision to bring this proposal to the Board was made through discussions with a TA subcommittee, the San Mateo County Treasurer, and TA staff.

Chair Dixon said Bill Osher of Epic Wealth Management (EWM) had presented information on the investment policies to the CAC before changing their name to TWA.

Barbara Arietta asked what differences in organization management had occurred to make TWA change their name. Treasury Manager Brian Lee said he would contact Ms. Arietta with this information.

Steve Krause said EWM beat the county investments by 100 percent and said this usually means an increased risk. Mr. Simon said TWA must follow both state law and TA investment policy in terms of advising on investments.

John Fox asked if compensation for an advisor has a performance-based component.

Mr. Simon said TWA is providing advice on investments, not managing investments, so there would be no incentive for him to be on a performance-based incentive program. Mr. Lee said there is a set fee for services.

Ms. Arietta asked if the TA has plans to increase the investment above \$100,000 if the investment is successful. Chief Development Officer Ian McAvoy said Ms. Harrington directs staff recommendations towards the policy issues if she feels it's appropriate to change the benchmark, but at this point the TA is setting the stage for the future.

Mr. Hedges said a Grand Jury investigation reported that the San Mateo County investment system was great. He said one reason better investment returns are available right now is due to liquidity and a higher return for short-term money.

A motion to recommend approval of TA Items 3d) and 10a) through 10g) was passed.

REPORT OF THE CHAIR

Members were thanked for attending the July 7 special meeting on the update for the TA Strategic Plan outreach.

REPORT FROM STAFF

Mr. McAvoy reported:

- TA Strategic Plan outreach sessions are being planned. Adoption of the plan is expected before the end of the year, which will set the stage for transitional strategy in the first couple years for the reauthorized Measure A.
- A policy discussion update on the South San Francisco (SSF) request for funding of ferry service is on the August 7 TA agenda.

Mr. Hedges said the SSF ferry operation is expected to receive about one-half of TA ferry funding. He asked if the TA is waiting for a certain level of readiness in order to provide the funding. Mr. McAvoy said the TA is dealing with some internal policy issues in regards to the availability of funds to ensure that the TA will be ready to help SSF achieve their goals.

Austin Mader-Clark asked if Mr. McAvoy had heard about a private biodiesel ferry service trying to start service in Redwood Shores to just north of the Giant's ballpark. She asked if this would affect funding for the SSF or Redwood City (RWC) ferry service. Mr. McAvoy said project sponsors SSF and RWC have agreed to split TA ferry funding 50/50, and this depends on available funding. The Water Emergency Transportation Authority (WETA) is involved in meetings with the two project sponsors. Mr. McAvoy said he had not heard of a private ferry service.

Chair Dixon asked if CAC members would be attending Strategic Plan outreach meetings. Mr. McAvoy said it was his understanding that the TA CAC would be involved in outreach issues. Staff will provide dates/locations of outreach meetings to the CAC when all details are finalized with staff and the TA Board.

COMMITTEE COMMENTS

Mr. Fox thanked staff for distributing an article to the CAC by Rory Brown, which appeared in the Menlo Park Almanac on the difficulty of using existing public transportation in lieu of

driving. He said he was disappointed that there was never any response to that article from any of the transit agencies that the author had used. He said his response would be that this is one of the structural problems of having agencies that can't coordinate a ticket and where schedules have buses leaving a train station before a train arrives.

Mr. McAvoy said the District responds in many ways to issues. He said the bus in question does not serve the train station as its primary source and its predominate focus is on youth service to schools and school bell times. Mr. McAvoy said that there is definitely an integration of service times when the focus of a specific route is getting people from a bus to a specific train. He said the District ultimately wants to serve the largest market share we possibly can serve.

Mr. Fox said it would be good public relations to acknowledge the Almanac article. Mr. McAvoy said the article would be brought to the attention of the Communication's department.

Mr. Fox said it would be important for media people to educate the public on successful alternatives to personal driving. Mr. McAvoy said the SamTrans Strategic Plan is focusing on mobility management, which is integration of different types of services. SamTrans is focusing beyond buses because the intermodal connections on public transportation are absolutely critical as the District goes forward in managing integration with MUNI, SamTrans, the VTA and Caltrain.

Mr. Shaine said the Almanac article noted the importance of east/west transportation along El Camino Real. Mr. McAvoy said a new phrase important in the next couple of years in projects funded by the reauthorized Measure A is called community-based transportation, which is local transportation that will deal with east/west access issues. The focus of the main trunk lines with Caltrain and SamTrans bus system is like a dumbbell. South of the system are integrated services, a trunk line going north/south on El Camino Real and then Daly City in north county with more of an urban bus system. Caltrain runs in the middle of the dumbbell. The issues of east/west travel have predominately been focused historically on school trips and shuttles because this is the marketplace. He said people criticize SamTrans when they see an empty bus. The bus is actually on route to deal with peak loads and the peak loads are usually school bell times. However, community-based transportation will have an integrated suite of transportation services that will meet the needs of not only inter-county regional trips but also intra-county trips, which are city- to-city trips and also intra-city trips within the cities themselves. The SamTrans Strategic Plan will be looking at a service-business plan going forward.

Paul Young said it might be useful to reach out to regional universities to coordinate various transit systems to improve the peak load problems by having them run a linear programming system on their super computers. Mr. McAvoy said the District has the ability to do sophisticated run-time modeling. He said making a change in the schedule impacts the whole network so major changes are usually done once a year. The theme of the last few years has been interlining, which means that the same bus is used for multiple routes in order to use resources and human capital as effectively as possible.

Mr. Young suggested a solution may involve staggering bells at various schools. Mr. McAvoy said bell time management is a very difficult process.

Chair Dixon asked if shuttle service could be available in Redwood Shores after the commute timeframe. She was informed that the buses travel to a service yard for re-servicing after the commute period before the next commute period begins. Mr. McAvoy said bus service is all about efficiency and trying to do more with less. Equipment cannot be idle and must be interlined. Community-based transportation will be one of the key efforts of truly connecting local trips to regional trips. He said San Carlos used to have a demand-responsive service in the community similar to a dial-a-ride model.

Mr. Hedges said the service was wonderful but the people of San Carlos were not willing to fund the service.

Ms. Arietta said Google has a program that will tell a customer the exact municipal transportation options available for a specific service. After the customer plugs in a time and the program will tell the customer when the next connection is available. Mr. McAvoy said this is an option with Google maps that show a transit option, which gives connection information. Mr. Young said this program could be used to setup a linear program to adjust schedules. Mr. McAvoy said this it is a very complicated issue in terms of making all the pieces fit together. He said the Metropolitan Transportation Commission (MTC) is obligated by law regarding regional coordination and not having duplicative services in the region but the District has an obligation to be able to transport as many people as possible. Unlimited budgets would provide for everything but the District must manage within budgets.

Mr. Krause asked about the status of Wi-Fi. Mr. McAvoy said Caltrain had a demonstration about two years ago looking a concept called WiMax, which is a real end-of-generation of Wi-Fi. There was an issue with the business model, which required upfront payment of almost \$10 million for infrastructure or an option of subscriber-based monthly payments. Outreach to customers indicated there was no interest in a monthly payment option. Caltrain is now involved in the process of signal systems and could not get the technical interface issues resolved to satisfaction of the failsafe train control systems. AC Transit buses have Wi-Fi, which is great for intercity services that go long distances without stops. The District has looked at Wi-Fi for buses but at this stage doesn't feel there is enough of a subscriber base to put Wi-Fi on buses. He said it is only a matter of time for availability of real-time transit information and SamTrans and the JPB will soon be awarding contracts for this type of service.

Mr. Fox said the Stanford Marguerite shuttle system offers real-time information online and by telephone and urged transit agencies to move on this.

Mr. McAvoy said Caltrain does not have GPS devices at the moment but every SamTrans bus is equipped with GPS, which gives automated stop announcements. The next step is to utilize that technology for real-time information.

Mr. Shaine said it is important for the CAC to be the eyes and ears of the TA Board to make sure everything is done in support of High Speed Rail (HSR). He said it is important that any work on Caltrain be done with HSR in mind.

Mr. Shaine said congestion is worsening at the Woodside Road/Highway 101 southbound area. The Woodside Road project is a carryover project in the reauthorized Measure A. Mr. McAvoy said this project is in the environmental process.

TA Citizens Advisory Committee Meeting
August 5, 2008

Jim Bigelow reported on HSR:

- AB 3034 is on the Senate floor, which will update the language for Proposition 1.
- The HSR Board certified the Environmental Impact Report and Environmental Impact Statement for the Central Valley alignment to the Bay Area, which is the last of five route segments.
- Current polling in the Bay Area and Los Angeles is running over 60 percent and 50 percent elsewhere in the state.
- If Proposition 1 passes the Caltrain corridor will be a significant corridor for phase one.
- Caltrain has a pending application for a lighter rail positive train control, European-type technology for the design process for electrification. The Federal Railroad Administration (FRA) may finalize this application in 2009 and Caltrain would be the featured demonstration project for the nation.

Mr. Bigelow reported on Dumbarton Rail. The MTC has a \$300 million regional Resolution 3434 for Dumbarton Rail. A draft resolution will take \$91 million of the \$300 million for the Warm Springs BART extension to Santa Clara. The Dumbarton Rail Policy Advisory Committee voted to retain the \$91 million. ~~Several advisory committees~~ Several members of the Dumbarton Citizen's Advisory panel have suggested terminating the Dumbarton Rail project to put in a bus program and other groups are trying to kill the Project to make sure funding goes to the Warm Springs BART project.

Mr. Bigelow said MTC representative Sue Lempert is championing a move to preserve the \$91 million funding for Dumbarton Rail.

Ms. Stern asked for the date of the TA celebration for the completion of the Highway 92/Route 1 project. This information will be sent to Ms. Stern.

Ms. Stern said in addition to carpooling, two private vans run from Half Moon Bay to Genentech in South San Francisco with the hope of sponsorship from Genentech. Ms. Stern thanked Mr. O'Brien for his public comments on bicycle access. She is keeping an eye out for ways to leverage public transportation for bicyclists.

Mr. Fox asked if the Caltrain Bicycle Access and Parking Plan is available online. Mr. McAvoy said this information would be sent to Mr. Fox.

Mr. Hedges said he has sent letters with negative comments to SamTrans regarding issues of counter commute in order to work internally to help solve some problems and not discourage anyone from using the system. He had a positive trip on an employee shuttle with Caltrain funding to the Caltrain station in Mountain View to attend an MTC meeting on congestion pricing in San Francisco. The MTC has a grant to study outreach and additional information can be accessed on the MTC Web site. Mr. Hedges said there was also discussion on environmental justice and concerns about pockets of poverty in wealthy communities.

Mr. Hedges said Foster City has proposed a tremendous development area that will dwarf the Bay Meadows area and will include retail and commercial expansion and parking, new housing to include housing for the elderly and acute care. The city has put together a transit committee to look at transit issues in moving all these people to and from transit.

Mr. Hedges commented on Mr. Brown's transit article in the Menlo Park Almanac and said it's a normal reaction that a lot of people have the first time they ride transit. He said people believe that transit has to be more efficient than the automobile. He said people can't expect transit to be as convenient and free of interruptions as an automobile. Mr. Hedges added: Even in the heyday of transit the car was more convenient – that's difficult on the west coast to understand.

Public Comment

Rick Gomez recently retired after four years with the CAC. He thanked staff for their help and support. He thanked the CAC for their involvement and service to the community and hoped for continued diversity on the committee. Mr. McAvoy thanked Mr. Gomez on behalf of staff.

Chair Dixon asked if there has been any reciprocal trading of fold up bicycles with employers rather than having to take bicycles on the train. Mr. McAvoy said recommendations in the Caltrain Bicycle Access and Parking Plan don't address short term issues of additional onboard access. Caltrain has one of the highest mode splits of bicyclists riding on trains. Ninety-three percent of customers do not take bicycles on the train. Seats must be taken out in order to create more space for bicycles. When seats are removed seats are taken away from existing paying customers in the peak and trains right now are crush loads in the peak. Caltrain is looking at folding bicycle subsidies in the short term and looking in the long term with the purchase of nine Bombardier cars and replacing the fleet with electric multiple units (EMUs), which present an opportunity at the design level of the equipment to deal with access issues. Staff is in dialog with the Minetta Institute of Transportation at San Jose State University to have them do additional work with bicycles onboard.

Mr. McAvoy said Caltrain worked with the City/County TA of San Francisco to fund a bike station at the 4th and King Caltrain station, which has been an overwhelming success for bike storage and also a successful business operation and possible model for the future.

NEXT MEETING

The next regular meeting of the TA CAC will be held on Tuesday, September 2, at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

ADJOURNMENT

6:06 p.m.