

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

MINUTES OF DECEMBER 2, 2008

MEMBERS PRESENT: B. Arietta, J. Bigelow, P. Dixon (Chair), R. Hedges, R. Hees, S. Krause, D. Maez, L. Shaine, N. Stern, A. Vargas, P. Young (Vice Chair)

MEMBERS ABSENT: J. Fox, A. Mader-Clark, G. Zimmerman

STAFF PRESENT: T. Bartholomew, J. Hurley, R. Lake, Director J. Lee, B. Lee

Chair Pat Dixon called the meeting to order at 4:36 p.m. Jim Bigelow led the Pledge of Allegiance.

Chair Dixon welcomed TA Board Director John Lee to the meeting. Director Lee thanked the CAC for their due diligence and for all the work the committee does for the Board.

APPROVAL OF MINUTES

Barbara Arietta said on page four in the third paragraph, \$700 million should read \$700 billion. A motion (Bigelow/Hedges) to approve the minutes of November 4, 2008, was passed with this correction.

Doris Maez asked a question about the \$2.6 million the governor was proposing to take from Caltrain funding in addition to the diversion of \$1.7 billion in funding already diverted by the governor, as noted in the November 6, 2008 TA Board minutes. Mr. Hurley said the \$1.7 billion represents statewide cuts.

ITEMS FOR REVIEW – Acceptance of Statement of Revenues and Expenses for October 2008

No discussion.

Nancy Stern arrived at 4:45 p.m.

Investment Plan for the San Mateo County Transportation Authority Investment Portfolio Invested through Tamalpais Wealth Advisors - TA Item 10(a)

Treasury Manager Brian Lee presented details of the investment plan.

- In August Executive Director Michael Scanlon was authorized to appoint and enter into a contract with Tamalpais Wealth Advisors (TWA).
- Staff has developed an investment plan for the portfolio of funds managed by TWA.
- The plan involves moving the first \$25 million out of the County Pool to the Local Agency Investment Fund (LAIF), which is a very liquid, safe place for the funds and invest 25 percent in very liquid investments maturing in less than one year, 35 percent invested in very liquid investments maturing in 2-4 years and 40 percent invested in securities that are backed by obligations of U.S. Agencies or Government Sponsored Enterprises.

Ms. Arietta asked about current total TA assets and if the withdrawal of funds was capped at \$100 million. Mr. Lee said the TA has assets of over \$400 million. He said staff has recommended moving \$100 million and this amount may be increased if the investments do well.

Steve Krause asked about the reputation of TWA. Mr. Lee said TWA has been involved with investments for the District and has the foresight to make good decisions, which have protected the District's investments.

Rich Hedges asked if the TA is investing in funds in already existing portfolio managers. Mr. Lee said the TA is investing in securities, not in a portfolio. The Plan includes investments in U. S. Securities, Treasury Bills and Notes, which will be very liquid investments maturing in less than 1-4 years.

Chair Dixon thanked Mr. Lee for the excellent presentation.

Authorization to Enter into Measure A Funding Agreement with South San Francisco to Accelerate the Start of the South San Francisco Ferry Terminal – TA Item 10(b)

Larry Shaine asked if the TA was spending money it didn't have yet or is this new Measure A money that hasn't been authorized to spend because the new Measure A does not become effective for 30 days. Mr. Hurley said the funding will not be made available to the City of South San Francisco until the TA had the funding in hand. Staff is proposing the Board make a commitment of future Measure A dollars for future needs associated with the South San Francisco Ferry Project. The Water Emergency Transportation Authority (WETA), acting as an agent for the City of South San Francisco is going to advertise in December 2008 or January 2009 for the construction of the terminal. Due to environmental sensitivity of this location, there are limited windows of opportunity to conduct certain construction activities such as pile driving. WETA does not want to advertise for construction until it receives a commitment for funding. The dollars don't actually move from the TA until sales tax revenues are collected. Funding will not flow until June 2009. The funding agreement will give WETA the level of comfort that it can move forward with advertising of the construction contract at this point.

Mr. Shaine asked if this will provide WETA leveraging. Mr. Hurley said the TA will be leveraging about 60-70 percent of the cost of the project. There are federal funds, funds associated with Homeland Security and Regional Measure 2 (RM2) dollars for operating funds. The TA will probably pay about 30 percent of the capital component of the project. Mr. Hurley said one of the missions of WETA is the emergency component of having ferry service available in the event of a natural disaster.

Ms. Arietta asked about the function of WETA. Mr. Hurley said SB 976 transferred the functions of the Water Transit Authority (WTA) to WETA in 2007, which consolidated all ferry service to WETA except Golden Gate Ferry service.

Mr. Hedges said funding from any economic stimulus package would more likely flow to projects that are ready to move.

Mr. Hurley said on of the new ferries, manufactured in Washington for the South San Francisco Ferry Project, arrived in San Francisco last week.

Chair Dixon said Redwood City pushed for ferry service 15 years ago. Mr. Hurley said the 2004 Expenditure Plan makes sales tax revenue available to the cities of South San Francisco and Redwood City for ferry service.

Authorize the Redirection of Funds from the Crestview Project to Caltrain, the Priority One Program Under the 1988 Measure A Expenditure Plan – TA item 10(c)

Ms. Maez asked about the November 6 TA Board discussion concerning the redirection of Measure A funds from the Crestview Project to Caltrain.

Mr. Hurley said staff reviewed the list of projects contained in the 1988 Expenditure Plan and identified the Crestview Drive Project as an infeasible project. The funds earmarked for this specific project are to be reallocated, per the 1988 Plan, only to Caltrain, the number one priority program. The TA Board said there was discretion in terms of the discretionary nature of whether the funds could stay in the Highway Program or had to specifically follow the recommendations of the 1988 Plan. Legal counsel reviewed the Board's concern and it was agreed that it was not discretionary and the money would have to be moved to the Caltrain program as the 1988 Plan defined it to be. Mr. Hurley said redirection of funds would apply to other projects deemed infeasible.

Mr. Bigelow said there were significant problems over the last 20 years with the Crestview Project. He endorsed reprogramming of the money according to the staff recommendation.

Mr. Krause asked about funding allocated to one TA category being moved to another category. Mr. Hurley said the makeup of the 1988 Plan is different than the reauthorized 2004 Measure A. The 2004 Plan earmarks specific funding in terms of key congestion corridors, which was developed from public workshops and technical analysis.

Mr. Hedges asked if there was community support for the Crestview Project. Mr. Bigelow said the city and community did not want to pursue the project due to resident discontent with the project, vista point issues with possible crime, headlight intrusion into adjoining homes and steepness of Crestview Drive.

Adoption of Measure A Strategic Plan 2009-2013 – TA Item 11(a)

Mr. Bigelow said, with the passage of Proposition 1A – High Speed Rail (HSR) bond, there is a heavy effort to begin the \$33 billion phase one project to go from San Francisco to Los Angeles. The HSR Board is on track to do preliminary engineering and an environmental review process of the project level on the Caltrain corridor with the goal for completion of those phases by the end of 2011.

Randy Hees arrived at 5:07 p.m.

A motion (Hedges/Arietta) was passed to recommend endorsement of the following TA items:

1. 3(b): Acceptance of Statement of Revenues and Expenses for October 2008.
2. 10(a): Investment Plan for the San Mateo County Transportation Authority Investment Portfolio Invested through Tamalpais Wealth Advisors.
3. 10(b): Authorization to Enter into a Measure A Funding Agreement with South San Francisco to Accelerate the Start of the South San Francisco Ferry Terminal.

4. 10(c): Authorize the Redirection of Funds from the Crestview Project to Caltrain, the Priority One Program Under the 1988 Measure A Expenditure Plan.
5. Adoption of Measure A Strategic Plan 2009-2013.

REPORT OF THE CHAIR – PAT DIXON

Attended the November 14 celebration for the opening of the Broadway pedestrian and bicycle overpass, which is part of the 3rd Avenue to Millbrae Avenue Auxiliary Lane Project.

REPORT OF THE NOMINATING COMMITTEE

There were no nominations from the floor. The Committee of Mr. Bigelow, Randy Hees and Ms. Maez recommended re-election of Chair Dixon and Vice Chair Paul Young for 2009 officers.

A motion (Hees/Arietta) was passed to re-elect Chair Dixon and Vice Chair Young for 2009 officers.

REPORT FROM STAFF

Mr. Hurley reported:

- Congratulated Chair Dixon and Vice Chair Young on their re-election for 2009 officers.
- Recognized TA staff in attendance: Senior Engineer Jim McKim and Secretary Irma Hernandez.
- Expressed thanks and appreciation to the CAC for dealing successfully with issues and challenges of the committee.
- Wished Happy Holidays to all in attendance and their families.

COMMITTEE COMMENTS

Mr. Hedges toured Denver's mass transportation system and was impressed with the light rail system, wonderful mix of transit oriented development and mix of housing, packed buses on frequent schedules and cleanliness of the system.

Ms. Arietta was impressed with the free jitney service in Beaver Creek and Vail, Colorado.

Ms. Maez thanked Chair Dixon and Vice Chair Young for their service to the CAC. She extended condolences to Vice Chair Young on the death of a family member.

Ms. Stern visited Southeast Asia and was impressed with the immaculate subway system in Singapore and white gloved traffic directors in Katmandu.

Mr. Bigelow thanked the 60 percent of voters who passed Proposition 1A – HSR, which will help San Francisco, San Mateo and Santa Clara counties with Caltrain electrification, grade separations and addition of two tracks. He thanked elected officials, community outreach efforts and city and agency staffs for the work, which will help with preliminary design and the environmental impact report to clear the project in a couple of years. Transit representatives in San Jose will be meeting on December 18 for a planning meeting with HNTB contractors and Parsons Engineering on project details. He suggested HNTB staff be invited to present project details at a future CAC meeting.

Vice Chair Young thanked everyone for their expressions of sympathy to him and his family.

April Vargas thanked Chair Dixon and Vice Chair Young for their service to the CAC. She said CAC members are an intelligent group and well-schooled in transit issues, which should be considered in the selection of citizens for the Strategic Plan project review committee.

Mr. Shaine suggested Chair Dixon express Ms. Vargas' comments to the TA Board. Chair Dixon shared this information at the November TA Board meeting.

Mr. Hees said it was an easy decision by the Nominating Committee to recommend re-election of Chair Dixon and Vice Chair Young. He thanked Ms. Arietta for offering to serve as an officer in the future.

Mr. Krause thanked Chair Dixon and Vice Chair Young for their service to the CAC. He was pleased to see the completion of the Broadway pedestrian/bicycle overpass and asked when the 3rd Avenue to Millbrae Avenue Auxiliary Lane Project would be completed. Mr. McKim said in Spring 2010.

Ms. Stern requested Holiday Train information be sent to her. Assistant District Secretary Rosemary Lake will send the items.

NEXT MEETING

The next regular meeting of the TA CAC will be held on Tuesday, January 6, 2009 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

ADJOURNMENT

5:33 p.m.