

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CA 94070**

MINUTES OF FEBRUARY 4, 2010

MEMBERS PRESENT: R. Foust (Chair), J. Lee, K. Matsumoto, T. Nagel, J. Vreeland

MEMBERS ABSENT: R. Gordon, C. Groom

STAFF PRESENT: G. Harrington, C. Harvey, R. Haskin, J. Hurley, R. Lake,
M. Lee, M. Martinez, N. McKenna, D. Miller, S. Murphy,
M. Scanlon, M. Simon

Chair Rosanne Foust called the meeting to order at 5:06 p.m. and Director Terry Nagel led the Pledge of Allegiance.

CONSENT CALENDAR

- a. Approval of Minutes of January 13, 2010
- b. Acceptance of Statement of Revenues and Expenses for December 2009

A motion (Nagel/Lee) to approve the Consent Calendar was passed. Director Jim Vreeland abstained.

PUBLIC COMMENT

None

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

Chair Pat Dixon said that at its February 2, 2010, meeting the CAC received presentations on the Quarterly Investment Report and Fixed Income Market Review and Outlook Report, award of contact for on-call transportation planning and program support, a legislative report and a report on the Alternative Congestion Relief –Traffic Demand Management Program.

CHAIRPERSON'S REPORT – ROSANNE FOUST

Traveled to Washington, D.C., representing the San Mateo County Economic Development Association (SAMCEDA) as part of the Bay Area Council legislative action trip, which focuses on transportation. San Mateo County was acknowledged for effective interactions with Federal officials and continually leveraging dollars as a Self Help County.

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

The January 13, 2010 report is in the agenda packet.

Director John Lee congratulated Director Matsumoto on her election as vice chair to the SamTrans Board.

JOINT POWERS BOARD REPORT

Executive Director Michael Scanlon reported on the meeting of February 4, 2010.

- Metropolitan Transportation Commission (MTC) liaison Sue Lempert said the agency is continuing discussions on the Oakland Airport Connector Project.
- JPB CAC Vice Chair Brian Wilfley said that at its January 20 meeting Public Affairs Executive Officer Mark Simon reported on Caltrain's initiatives and prevention efforts with community health experts on deaths by suicide on the railroad.
- Reviewed monthly performance statistics – December 2009 compared to December 2008
 - a. Total Ridership was 888,790, a decrease of 8.1 percent.
 - b. Average Weekday Ridership was 32,597, a decrease of 8.7 percent.
 - c. Total Revenue was \$3,105,282, a decrease of 3.2 percent.
 - d. On-time Performance was 93.4 percent, a decrease of 1.2 percent.
 - e. Caltrain Shuttle Ridership was 5,171, a decrease of 5.4 percent.

Year-to-date performance statistics – December 2009 compared to December 2008

- f. Total Ridership was 6,075,455, a decrease of 9.5 percent.
- g. Average Weekday Ridership was 38,057, a decrease of 9.5 percent.
- h. Total Revenue was \$21,405,188, a decrease of 4.4 percent.
- i. On-time Performance was 93.6 percent, a decrease of 0.5 percent.
- j. Caltrain Shuttle Ridership was 4,509, a decrease of 28.6 percent.
- Attended the Chief Executive Officer workshop sponsored by the American Public Transportation Association. Decreased revenue and ridership is a national problem.
- Caltrain's revenues are stable for the current fiscal year primarily due to fuel savings.
- The San Mateo County Transit District, Santa Clara Valley Transportation Authority and San Francisco Municipal Transportation Agency are facing significant deficits. The governor's proposed FY2010/2011 budget would wipe out State Transit Assistance funding and proposes to eliminate sales tax on gasoline for an excise tax, which will circumvent the California Transit Association's recent judicial victory to preserve money dedicated to transportation.
- The president awarded \$8 billion nationally for High Speed Rail (HSR) and inner city rail grants. This investment in America can drive the economy similarly to the National Highway Bill in 1956 and create a more sustainable, green economy.
- Special service for the Martin Luther King Jr. Freedom Train carried 847 riders compared to 2,200 in 2009. The January 30 Monster Energy AMA Supercross event at AT&T Park carried 4,600 additional riders.
- Caltrain will offer regular weekday service for President's Day on February 15 but will review service, ridership and other regional transit service schedules for possible changes.
- The Centralized Equipment Maintenance and Operating Facility in San Jose experienced a failure in the high pressure water line in late December, which put the wash system and adjacent track out of service. Staff is preparing procurement documents for the repair.
- There were four trespasser fatalities from December 16 to 31. Year-to-date there have been 25 interventions to rescue trespassers from the tracks.
- Peninsula Rail Program (PRP) Director Bob Doty presented an update on the PRP and said public release of the alternative analysis has been postponed to March. He introduced details of an interactive outreach tool to provide the public-at-large with a tool that shows impacts, relative costs, etc., in construction of HSR.

- The Board:
 - a. Authorized award of contract to Wilbur Smith Associates to provide on-call transportation planning and program support for up to \$1,500,000 over a three-year period.
 - b. Authorized award of contract to BECI Electric, Inc. for the Advanced Traveler Information System – Visual Message Sign Upgrade at five Caltrain stations for a total amount of \$380,000.
 - c. Authorized award of contract to Disney Construction, Inc. for the San Bruno Grade Separation Box Culvert Reconstruction Project for a total amount of \$1,841,650.
 - d. Authorized award of contract to VAE Nortrak North America, Inc. for furnishing and delivering two new power crossovers for the San Bruno Grade Separation Project for a total price of \$881,601.
 - e. Approved updates to JPB's Procurement Policy to incorporate provisions of Assembly Bill 116.
 - f. Accepted the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended December 31, 2009.
 - g. General Counsel David Miller briefed the Board on real estate acquisitions in conjunction with the San Bruno Grade Separation Project.

Director Nagel asked when the JPB will hear how much money will be allocated for HSR on the Peninsula. Mr. Scanlon said he does not know but funding for the PRP, Caltrain, HSR and Transbay Terminal will essentially come as a block grant with \$400 million most likely reserved for the basement of the Transbay Terminal. The California High Speed Rail Authority (CHSRA) has been awarded \$2.5 billion and California voters authorized \$9 billion for a total of \$11.5 billion for statewide HSR. Mr. Scanlon said there is an additional \$2.5 billion appropriated and the president added another \$1 billion in the proposed budget for FY2011.

Chair Foust said Caltrain improvements, including positive train control, grade separations and electrification, are critical to Caltrain's viability and safety. In her recent trip to Washington D.C., the message in every meeting was that these projects will put people to work. She said there were many discussions about where the political will is to find the revenue sources for these projects.

Mr. Scanlon said this country lacks the courage to politically make tough decisions that people made in the 1950s developing the National Highway System.

Director Nagel asked if there was any discussion on the Context Sensitive Solutions process in selling local needs to federal funders. Mr. Scanlon said it is a great idea.

Director Nagel said it is a good point that the Content Sensitive Solution has full support of the PRP and the public and community consensus is the Obama mantra, so this kind of community involvement might help the proposal move forward.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon congratulated Chair Foust who was named Person of the Year by the Redwood City-San Mateo County Chamber of Commerce and acknowledged her enthusiasm, willingness to say yes when asked, knowledge of the Chamber organization, accomplishments, commitment and dedication.

FINANCE

Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook for the San Mateo County Transportation Authority

Bill Osher, Chief Economist and Head of Fixed Income for Tamalpais Wealth Advisors (TWA) reported:

- There have been no problems managing the portfolio for more than a year.
- The portfolio avoided higher risk corporate bonds for government bonds and without that exposure outperformed TWA's benchmark by .0045 percent for the entire year and grew about 2 ³/₄ percent without any corporate exposure.
- The economy grew last quarter without a lot of job growth but job growth is expected by spring.
- Current trends in 2010/2011 include a probable increase in interest rates due to financing major deficits, lack of job growth, reduction in stimulus funding, inability of small business to get capital, and a skittish stock market.

A motion (Lee/Vreeland) to accept the report was passed.

Authorize Award of Contract to Wilbur Smith Associates to Provide On-call Transportation Planning and Program Support for up to \$1,500,000 Over a Three-year Period

Contracts and Procurement Director Cheryl Cavitt said the total ceiling of the contract is \$1.5 million over a three-year period to be shared in the aggregate among the total number of awardees selected. Staff is recommending the Board authorize the Executive Director to exercise up to two additional one-year option terms with the above firm for up to \$375,000 for each option term, to be shared in the aggregate with any other firms from the same solicitation. The Request for Proposals (RFP) was issued as a joint procurement detailing the scope of services for the San Mateo County Transit District (SamTrans), the JPB and Transportation Authority (TA). Because planning services are needed immediately, recommendation for only one award is being made at this time. Staff intends on recommending up to two additional firms for contract award in the near future as negotiations with other qualified firms are completed.

Director Matsumoto asked if \$1.5 million will be allocated for each of the two firms.

Ms. Cavitt said there is no guarantee of any amount to any contractor and it is meant to be shared in the aggregate by however many contractors are ultimately put on contract for the services.

Director Matsumoto asked if the aggregate included SamTrans, the JPB and TA. Mr. Scanlon said this contract involves the TA. The JPB approved a contract and the SamTrans Board is scheduled to approve a contract next week. Mr. Scanlon said the maximum amount would be \$500,000 split for each of the agencies. The contract work will be authorized on a Work-Directive basis.

Director Nagel asked who and how many people were on the evaluating committee. Strategic Planning and Development Executive Officer Marian Lee said four planners from the planning group evaluated the proposals.

Director Nagel asked how long the RFP was advertised and how many firms received the RFP. Ms. Cavitt said the RFP was advertised for two consecutive weeks in newspapers of general circulation and the solicitation was made from a database of firms. Ms. Lee said there were more than 50 interested firms. Ms. Cavitt said four bid proposals were received in the competitive range.

A motion (Nagel/Vreeland) to award the contract to Wilbur Smith Associates passed.

PROGRAM

Verbal Update on State and Federal Legislative Program

Government Affairs Manager Seamus Murphy reported:

State

- The governor's proposed FY2010-2011 budget would side-step the recent court decision that requires the restoration of gasoline sales tax spillover funding for public transportation. By eliminating the sales tax on gas completely and replacing it with an increase in the gasoline excise tax, the governor hopes to continue the diversion of funding away from public transportation. After opposition from other transit agencies, including Caltrain, at last month's budget hearings, the Legislature has shown a willingness to work with the agencies on a more reasonable solution. Some legislative leaders are proposing a variation on the governor's gas tax swap that would include new statewide legislative authority for each county to impose a 6-cent per gallon gas fee, levied by a simple majority approval from voters or by a regional transportation planning agency or county congestion management agency. Staff calculated that San Mateo County funding could be \$21 million based on gasoline total sales.

Director Lee asked if the funding would be in addition to the excise tax. Mr. Murphy said it would be in addition to the increase in the excise tax that would come from the gas sales tax swap but the 5-cent per gallon tax cut at the pump would be retained by the State.

Federal

- Senate leaders are announcing their Jobs Bill strategy today. It appears they are interested in a multi-bill approach with the first bill including a one-year extension of SAFETEA-LU and supplemental transportation spending that is fairly close to the levels already passed in the House. There are some obstacles, however, because the Senate wants to offset the bills spending with Troubled Assets Relief Program (TARP) funds and the Congressional Budget Office says TARP funds don't exactly qualify as offsets. There may also not be enough legislative vehicles for a multi-bill strategy because revenue bills need to originate in the House, and the House has only given the Senate one revenue measure to work with. If it passes, the region's transportation formula share is expected to be about what the Recovery Act provided, which is \$495 million.

- The president's announcement for national high-speed rail funding includes \$2.25 billion for the State's HSR project and is good news for the Peninsula Rail Program. At issue is how the funds will be allocated within the State. Early reports indicate an allocation of more than \$400 million for the Transbay Terminal box.

Director Lee asked if there was any indication of the percentage of the total cost of HSR that would be required from local entities. Mr. Murphy said the business plan for HSR specifies Federal and State shares and a local match but doesn't specify on section-by-section basis what that would be. The value of the right of way is assumed to be included so it is unclear what constitutes local match.

Mr. Murphy further clarified Director Nagel's comment about using the Context Sensitive Solutions Program in selling local need to federal funders. He said staff will be meeting with local regional transportation partners to figure out what our advocacy strategy will be. The original application for projects on the Caltrain corridor included \$980 million and this is a good selling point to use because there is concern about where residents are on the project on the Peninsula. It will be helpful if staff can show them that there is broad-based support for a process to arrive at eventual design alternative.

Chair Foust asked if staff will be following the proposal on a national infrastructure bank related to transportation projects. Mr. Murphy said there is \$4 billion included in the president's budget for a national infrastructure bank to fund large projects of national significance; hopefully HSR would qualify as one of these projects.

Mr. Scanlon cautioned that the infrastructure bank concept isn't really true funding, but how one finances projects - the ability to borrow money. He said borrowing money from public/private partners to get equity will be more costly but is available. The government can borrow money more cheaply but public money isn't as available.

Program Report: Alternative Congestion Relief (Traffic Demand Management)

Marian Lee said the theme of the presentation includes alternative congestion relief, paying attention to infrastructure and operational investments, but the key component is dealing with human behavior to be less dependent on cars and advancing a program to encourage other transit options. The region is overwhelmed with SB 375: Redesigning Communities to Reduce Greenhouse Gases and trying to advance every possible tool and strategy to achieve these goals. The Peninsula Traffic Congestion Relief Alliance (Alliance) has completed a three-year Strategic Plan (Plan) to address these issues.

Vice Mayor Linda Koelling of Foster City said she has had the honor of presiding over the Alliance this year. She said there is ever-increasing demand on the Alliance to implement a wider range of programs in community-based mobility solutions. The Plan will provide innovative and cost-effective solutions to employers and community stakeholders and also reduce emission and traffic congestion in San Mateo County.

Alliance Executive Director Christine Maley-Grubl presented the following details:

- The Alliance's new mission statement is: "Working together to improve our San Mateo County commute" by working with employers, commuters and public/private partners.

- Two-hundred ninety employers currently support 108,000 employees in employer-based shuttle programs. The objective is 10,000 additional employees per year through market research initiatives, targeted campaigns and collaboration with SamTrans and the City/County Association of Governments (C/CAG) and to provide employer perspective to SamTrans' Comprehensive Operations Analysis Technical Advisory Committee.
- Current employer support services include the Emergency Ride Home Program, bicycle lockers and bicycle safety workshops. The goal is to increase employer participation in Alliance support services by 5 percent annually.
- Efforts to increase commuter participation include direct marketing, van and carpool programs, a Try Transit incentive program and Bike to Work Day promotions. In the past year 1,434 commuters received \$83,640 in gas cards for participation in car pools and the Alliance provided 130 vanpool passenger incentives and 11 driver incentives worth \$35,781. The goal is to increase van and carpool participants 10 percent annually.
- The Alliance will work with public/private partners in funding and resource development; development of community-based mobility services and community facilitation of transportation alternatives.
- In order for the Alliance to achieve its goals it will consider program priorities including contractual operations, relative cost-effectiveness, annual mobility benefits and sustainability of funding sources.

Director Matsumoto asked about the number of community-based shuttles and what cities they serve. Ms. Maley-Grubl said there is a redline and blueline connection in Foster City and a midday on-demand shuttle in Redwood City.

Director Matsumoto asked if it would be possible to use shuttles as feeders to SamTrans. Ms. Maley-Grubl said the Alliance is excited about looking at how fixed-transit is matching up with shuttles throughout the county.

Director Nagel asked about the number of employers in San Mateo County with more than 100 employees because she thought 290 was a small number. Ms. Maley-Grubl thought 85-90 percent of employers were considered small.

Director Nagel said Henry Gardner of the Association of Bay Area Governments suggested individual cities copy the San Francisco ordinance on pretax commuter benefits through employers in order to simplify the process. She said she was going to speak to Director of TA Program Joe Hurley to take this up with C/CAG.

Director Nagel asked if the Alliance has been approached by Web developers that would like to access transit data in order to create personal digital assistant applications to assist commuters. Ms. Maley-Grubl replied no. She said the Alliance promotes their programs through MTC and the 511.org transit trip planner.

Chair Foust said SAMCEDA has contracted for an economic profile and a shift share analysis of current industry clusters and this data would be helpful for the Alliance in working with employers. Chair Foust said congestion relief can be layered onto the model of livable communities. Ms. Maley-Grubl said the Alliance is tied into the Transportation for Livable

Community Grant through MTC and looking at fixed transit and the last mile shuttle connections.

Public Comment

Jim Bigelow, Redwood City-San Mateo County Chamber of Commerce, said the Board needs to take credit for doubling Transportation System Management (TSM) program funding in the new Measure A. He said many employers have a pretax account program for shuttles and employees can have money matched by their employers. Mr. Scanlon clarified TSM funding was raised but not doubled.

REQUESTS FROM THE AUTHORITY

None

WRITTEN COMMUNICATIONS TO THE AUTHORITY

The Board received the Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes*, together with the Independent Accountant's Report for the fiscal year ended June 30, 2009 from Controller Tom Huening.

LEGAL COUNSEL

No report

DATE AND PLACE OF NEXT MEETING

The next meeting is scheduled for Thursday, March 4, 2010, at 5 p.m. at the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos CA 94070.

Adjournment 6:40 p.m.