

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

MINUTES OF JUNE 3, 2010

MEMBERS PRESENT: C. Groom, J. Lee, K. Matsumoto, T. Nagel, J. Vreeland

MEMBERS ABSENT: R. Foust (Chair), R. Gordon

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

Vice Chair John Lee called the meeting to order at 5:03 p.m. Director Carole Groom led the Pledge of Allegiance.

PUBLIC HEARING FOR PROPOSED FISCAL YEAR 2011 BUDGET

Authority Secretary Martha Martinez reported that Section 131265a of the California Public Utilities Code (CPUC) requires all county transportation authorities adopt an annual budget. Section 131266 of the code requires that a public hearing be held concerning the annual budget after notifying the public of the time and place of the public hearing by published notice at least 15 days prior to the date of the hearing. Upon the chair's approval, a public notice was placed in the San Francisco Chronicle on May 19, 2010, notifying the public of the proposed Fiscal Year (FY) 2011 budget. The Board agenda was also posted in the lobby of the San Mateo County Transit District (District) administrative offices. No correspondence or telephone calls were received on this item.

Manager of Budgets Ladi Bhuller provided an update on the proposed budget. A presentation was provided on the FY2011 budget at the May 6 Transportation Authority (TA) Board meeting. Since then, the only item that changed is the Staff Support line item, which increased by \$17,000. This change was made to properly reflect the TA's share of the District's administrative costs. Therefore, the total proposed expenditures are \$38.3 million. Ms. Bhuller said staff proposes the TA adopt the proposed FY2011 budget.

Director Jim Vreeland arrived at 5:06 p.m.

Public Comment

None

Legal Counsel David Miller provided a brief summary and description of the action and closed the public hearing.

A motion (Groom/Matsumoto) to adopt the FY2011 budget in the amount of \$38,259,999 was approved.

CONSENT CALENDAR

- a. Approval of Minutes of May 6, 2010
- b. Acceptance of Statement of Revenues and Expenses for April 2010
- c. Authorize Adoption of Appropriations Limit for Fiscal Year 2011 in the Amount of \$506,713,853

A motion (Nagel/Vreeland) to approve the Consent Calendar was passed.

PUBLIC COMMENT

None

CITIZENS ADVISORY COMMITTEE REPORT

Chair Pat Dixon said, at its May 4, 2010 meeting, the CAC received information on the following:

- San Mateo County TA Local Shuttle Program.
- FY2011 Budget.
- FY2011 appropriations limit.
- Funding for the San Bruno Grade Separation Project.
- Update on the South San Francisco and Redwood City ferry projects.
- State and Federal legislative report.
- Capital Project Status Report – 3rd Quarter Fiscal Year 2010.

Charles King resigned because of a move to Marin County.

Vice Chair Lee congratulated CAC members for their diligence.

CHAIRPERSON'S REPORT – ROSANNE FOUST

Chair Foust was absent. Vice Chair Lee had no report.

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

The May 12, 2010 report is in the agenda packet.

JOINT POWERS BOARD REPORT

Executive Director Michael Scanlon reported on the meeting of June 3, 2010.

- Public comment covered the Federal Railroad Administration (FRA) waiver, quad gates, and Transportation Investment Generating Economic Recovery grants (Tiger II) for possible bicycle expansion.
- Metropolitan Transportation Commission (MTC) liaison Sue Lempert was absent.
- Heard a report from the CAC.
- Year-to-date performance statistics for April 2010 compared to April 2009
 - a. Total Ridership was 9,871,908, a decrease of 6.4 percent.
 - b. Average Weekday Ridership was 37,308, a decrease of 7 percent.
 - c. Total Revenue was \$34,968,920, a decrease of 2.8 percent.
 - d. On-time Performance was 94.2 percent, a decrease of 1.3 percent. This was affected by a bomb scare and two fatalities.
 - e. Average Caltrain Shuttle Ridership was 5,658, a decrease of 8.4 percent. The decrease is tied to unemployment.

- Special service:
 - a. Bay to Breakers ridership was more than 7,000, double the number from 2009.
 - b. Baseball ridership is approximately 4,800 per game, up 2 percent to about 142,000 for the first 31 games.
 - c. Extra service will be provided for the July 4th fireworks in San Francisco.
 - d. A Saturday schedule supplemented with a few additional limited trains will be in effect for Monday, July 5.
 - e. The Bikes-on-Board count and dwell time study is complete and a report will be available soon.
 - f. The Bicycle Advisory Committee is planning to have their first meeting in July.
 - g. A Request for Proposals was released for the operating contract for Caltrain service. A pre-proposal meeting on May 26 was attended by 80 people representing firms from around the world. A tour of the facilities was held on May 27.
 - h. The April Safety and Security Report includes a list of significant events with which Transit Police have to deal.
 - i. Peninsula Rail Program Director Bob Doty presented an update. He was recognized for his outstanding work with the FRA over three years. The JPB received a letter from the FRA granting a waiver to allow compliant and non-compliant trains to operate together, which means heavy cars can operate on the same railroad with more modern, lightweight vehicles that incorporate crash management technology to prevent collisions.
- The Board:
 - a. Held a public hearing to declare a fiscal emergency for FY2011.
 - b. Declared a fiscal emergency for FY2011.
 - c. Approved the Consent Calendar.
 - d. Authorized filing an application to receive \$1.25 million of FY2010 FRA Railroad Research and Development earmark funds for the Caltrain Positive Train Control/Communications Based Overlay Signal System Project.
 - e. Authorized entering into a funding agreement in the amount of \$4,943,089 with Caltrans for seismic retrofit work on four Caltrain bridges in the City of San Mateo.
 - f. Authorized execution of the memorandum of understanding with the MTC for operations and maintenance of the Clipper fare collection system.
 - g. Received a letter from Congresswoman Anna Eshoo signed by the Bay Area congressional delegation urging U.S. Secretary of Transportation Ray LaHood to fund Caltrain improvements that were part of the application for American Recovery and Reinvestment Act funds.
 - h. Received an update on the preliminary FY2011 Operating and Capital budgets, which included efforts made to reduce the \$12.5 million deficit. MTC Executive Director Steve Heminger, Ms. Lempert, and Director Ken Yeager were acknowledged for their assistance with SamTrans' share of Caltrain operating funds. Options may include trading some capital money for operating money in conjunction with a fare increase and minor service reductions to carry Caltrain until FY2012.
 - i. Authorized a budget amendment to the FY2010 Capital Budget in the amount of \$47 million from \$158,861,042 to \$205,861,042 for the San Bruno Grade Separation Project.
 - j. Authorized approval of bid documents and execution of a contract for the Fuel Hedging Program.
 - k. Received a legislative update.

1. Received the Quarterly Capital Progress Report.

Director Terry Nagel asked if there are any new ideas presented from the public or anyone else for sustainable funding for Caltrain. Mr. Scanlon said a gentleman spoke during the public hearing to charge High Speed Rail \$5,000 per train coming up the Peninsula. Another speaker said the Santa Clara Valley Transportation Authority (VTA) should not build the BART connection. Mr. Scanlon said Caltrain's Capital Budget also will be cut and deferred maintenance may be necessary. A speaker made a proposal relative to the \$10 vehicle motor license fee, which has been discussed with the City/County Association of Governments of San Mateo County (C/CAG). C/CAG has expressed willingness to, perhaps, split some of that in San Mateo County; but dedicating these funds to Caltrain has not been embraced by the other two JPB partners.

Director Groom said the \$10 vehicle motor license fee is on the C/CAG agenda a week from tonight to recommend it goes to the ballot.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Officer, Planning and Development Marian Lee provided details on the San Mateo County TA Local Shuttle Program.

- Staff is near the end portion of the local shuttles call for projects.
- The TA CAC received a presentation on the local shuttle program on June 1.
- Part 1 of the process involved CAC input on all existing and three new applications on June 1 and the TA Board is to take action on these at the July 1 Board meeting. Staff will re-evaluate five applications for Part 2 of the process, return to the June 29 CAC meeting for additional input and ask for Board approval at the August/September Board meeting.

FINANCE

Authorize an Amendment to the Fiscal Year 2010 Budget in the Amount of \$54.1 Million from \$68.61 Million to \$120.01 Million and Allocation of Measure A Funds to the Peninsula Corridor Joint Powers Board for the San Bruno Grade Separation Project

Budgets and Grants Director April Chan said staff recommends the Board approve three actions:

- a. Authorize an amendment to increase the FY2010 Capital Budget for TA Project #759 by \$51.4 million.
- b. Allocate the \$51.4 million in a combination of original and new Measure A funds to the project.
- c. Authorize Mr. Scanlon to executive any necessary document.

Ms. Chan reported budget information shared at the May 6 TA Board meeting and current updates:

- Total estimated cost of the project was \$165 million. Since that time a number of favorable bids have been received and staff was able to adjust project costs to \$147 million.
- Staff has secured \$100 million for the project: \$60 million previously allocated in Measure A funding; \$30 million in Proposition 1B funds; and \$10 million in Public Utilities Commission (PUC) 190 funds. Ms. Chan said, due to the fact that the total cost of the project is reduced and according to the grant guidelines for Proposition 1B and PUC 190, the total secure funding for this project is now \$95.6 million. The difference between the \$147 million and the secured funding of \$95.6 million is \$51.4 million, which is the amount staff is recommending for approval.
- Funding options were discussed. Ms. Chan said the only amount of funding that is actually programmed is \$19.2 million in State Transportation Improvement Plan funding. The State has

informed the TA, while they will approve the funding, there is no State money available at this time. Therefore, the TA has been given pre-award spending authority, and can spend local money first. Once the State has the money, it will allocate the funds to the TA. In order to keep the project going forward, staff is recommending amendment to the FY2010 budget in the amount of \$51.4 million. At the same time, the TA will continue to work with a number of the other funding sources including High Speed Rail. At this time, staff's recommendation is to go with the \$51.4 million in combination of original and new Measure A funds.

Director Nagel asked about the probability of receiving State and Federal funding and what projects might be impacted if funding is not received. Ms. Chan said it would be other grade separation projects; the recommended funding comes out of the TA grade separation category.

Mr. Scanlon said the San Bruno Grade Separation Project will take most of the funding from the grade separation category to resolve one of the most dangerous grade crossings in the State.

A motion (Vreeland/Groom) to authorize amendment to the FY2010 budget in the amount of \$54.1 million from \$68.61 million to \$120.01 million and allocate Measure A funds to the Peninsula Corridor Joint Powers Board for the San Bruno Grade Separation Program was approved.

Program

Program Report: Transit: South San Francisco and Redwood City Ferry Projects

Ms. Lee introduced Water Emergency Transportation Authority (WETA) Planning and Development Director John Sindzinski and Planner/Analyst Michael Gougherty. Topics for discussion included shuttle service and funding, construction activities and Redwood City ferry service.

Mr. Sindzinski provided the following details:

South San Francisco Ferry Project:

- The Project will be the first new regional ferry service since 1990 and will run between the East Bay from Jack London Square in Oakland to Oyster Point in South San Francisco, with an estimated travel time of 35 minutes.
- Dredging and demolition are completed at a cost of \$1.1 million. Construction contracts have been awarded for the terminal and pier package in the amount of \$8.6 million and gangway and float costs are \$10.5 million.
- No structural piers will penetrate adjacent landfill property. The structures are built to standards to protect human life during a seismic event. First responders will have priority in any emergency.
- The terminal will be 90 feet in length. The gangway and float will accommodate any public transit ferry in any tidal conditions and meets Americans with Disabilities Act standards.
- Boats will carry 149 or 199 passengers with a minimum of 34 bike spaces. Boats are built with low wake and low wash to mitigate any damage to the shoreline. Vessels are mandated to use clean diesel fuel and WETA is working to meet greenhouse gas emission standards on the Catalytic Reduction System.
- WETA is working to provide intermodal service connections and is applying for \$84,500 in TA Measure A Local Shuttle Bus Program funds to support expanded shuttle service between job centers and the ferry. They are required to make Bay Trail improvements to provide bike linkages to the ferry and will install new bike lockers on the east side of the trail. Genentech will provide employer shuttle services.

- WETA has made a commitment to have Clipper as fare media and the terminal has been designed to accommodate this operation.

Director Matsumoto asked if the Genentech shuttle will stop at all shuttle stops. Mr. Sindzinski said WETA does not know.

- Shuttles will connect all employment sites to the ferry terminal. WETA will be able to communicate with shuttle operators regarding delays and weather issues.
- Construction is to begin in fall 2010 and piles should be driven before the December 1 deadline. Shuttle route and service scheduling work will begin this fall. WETA is taking over the ferry service of the City of Vallejo and the City of Alameda and is looking at a comprehensive fare structure. Fares will be comparable to BART with the addition of a guaranteed seat and other amenities. Discounts will be offered to passengers using different modes of transit.
- WETA will do outreach on services and ridership with employers in the spring.

Vice Chair Lee commented on TA funding of \$15 million that helped move the project forward. Mr. Sindzinski said TA and State funding helped tremendously.

Director Matsumoto asked if the State funding was Proposition 1B money. Mr. Sindzinski replied that WETA relied on Proposition 1B money because the organization, unlike most regional transit agencies, does not have fare revenue and has a cash-flow issue.

Redwood City Ferry Project:

- Environmental review began in 2004, which was supported by Proposition 1B funds. The review was stopped in 2008 when funds were frozen by the State. WETA received \$44 million from the State several months ago and restarted the environmental review; secured services to provide conceptual design and engineering for the environmental review process; and expects a draft by summer 2011. The environmental study will be done to qualify for the National Environmental Policy Act and California Environmental Quality Act to ensure access to any Federal funding.

Vice Chair Lee asked if it would be feasible to move first responders in the event of a major disaster. Mr. Sindzinski said his forte is emergency response planning and moving first responders is absolutely considered in planning.

- The ferry terminal is designed for fueling at the terminal. Tankers can be driven to the site in the event central fueling facilities are knocked out.

Director Nagel asked how many passengers would be served at the South San Francisco ferry terminal in an average day. Mr. Sindzinsky said this will depend on the amount of operating subsidies available. Regional Measure 2 (RM2) money is the principal and only operating subsidy; and fare toll collection is down. Ridership estimates are 1,500 passenger trips a day by 2025.

Director Nagel asked if service would have to be subsidized. Mr. Sindzinski said WETA must get 40 percent of costs from the farebox. Vallejo and Alameda ferry services operate in the mid-40-50 percent farebox recovery.

Director Nagel asked what a fare would be if comparable to BART, but with a premium. Mr. Sindzinski said WETA has not reached this level of analysis.

Director Nagel asked why WETA is called an emergency operation. Mr. Sindzinski said when the Legislature recreated WETA they gave broad powers about coordinating disaster preparedness in the event of a major catastrophe with all water agencies except Golden Gate Ferry. WETA participates in all the regional disaster planning efforts and also carries out internal drills.

Director Nagel asked if the majority of people served by the ferry would be employees of companies in the area. She asked if there was a parking facility available for other people. Mr. Sindzinski said the route was initially designed from the East Bay to South San Francisco and from South San Francisco to downtown San Francisco. The City of South San Francisco requested WETA not do the last leg of the route because there is a Caltrain/BART station and other development plans for that area. Ridership estimates are modest for a reverse commute, which may change.

Director Groom said there should be a way to augment weekend/family trips. She said she did not notice this in WETA's marketing plan. Mr. Sindzinski said WETA is first and foremost a public agency to take care of commuters and emergency disaster preparedness and staff did not spend a lot of time on this issue because it is not a priority at the moment. He said WETA staff is looking at a special fare for baseball service.

Director Groom said a lot of people would like to get out of their cars with their families and public agencies always deal with both pleasure and commute choices. Mr. Sindzinski said it could be a wonderful marketing tool.

Director Matsumoto said there will be some sort of surface parking available at Oyster Point and there is also other parking at Oyster Point besides the dedicated parking for the Yacht Club. Mr. Sindzinski said WETA had to reserve some spots as part of the San Francisco Bay Conservation and Development Commission permit for public access.

Director Vreeland said the ferry project has morphed from what it was several years ago to have an emergency component, which resurrected this as a public project; and it was creative of the County, Redwood City and South San Francisco to make this come together.

Verbal Update on State and Federal Legislative Program

Government Affairs Manager Seamus Murphy reported:

State:

The governor released his State budget May Revise last month. Even though the deficit has increased significantly since the gas tax swap was approved, the governor did not propose altering the funding levels negotiated by the California Transit Association earlier this year. That means this year's \$400 million funding levels are preserved and the framework of the swap will probably survive the current budget cycle.

Federal

The American Power Act is the Senate's latest proposal to address climate change. Similar to previous proposals, the legislation includes cap and trade provisions, and also includes fees imposed on the production of motor fuels, which would eventually be passed on to consumers and would have the

same effect as a gas tax increase. The problem is that only a small portion of these revenues would be invested back into transportation programs, even though financing for a long-term surface transportation authorization is dependent on these revenues. Staff has contacted our Senate offices to ask them to work with the American Public Transportation Association to amend the bill and ensure that 100 percent of the funding associated with an increase in motor fuel fees be dedicated to transportation programs.

Another recent issue is the Public Transportation Preservation Act, which would authorize \$2 billion in emergency operating assistance for transit agencies to help restore and prevent service cuts or fare increases. If it is passed, the Bay Area would receive \$85.5 million. The MTC would be responsible for allocating the funds throughout the region.

Capital Projects Quarterly Status Report – 3rd Quarter Fiscal Year 2010

Director of TA Program Joe Hurley extended an invitation to discuss any issues.

Mr. Hurley said a public information meeting associated with the Calera Parkway Project has been scheduled for June 22 at 6 p.m. in the Pacifica City Council chambers. There has been significant effort to notify the public about this meeting. Materials for the meeting can be accessed at www.smcta.com.

Director Vreeland asked that any information sent out be linked to the city's Web page. Mr. Hurley said staff has already worked with the city to organize this request.

Mr. Vreeland would like to have a prep meeting with Mr. Hurley and meeting presenters to make sure there will be thoughtful analyses of the alternatives.

REQUESTS FROM THE AUTHORITY

Director Matsumoto said there is no TA representative to C/CAG since Rosalie O'Mahony left the Board. Mr. Scanlon said he will discuss this with Authority Secretary Martha Martinez.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

None

LEGAL COUNSEL

No report

DATE AND PLACE OF NEXT MEETING

The next meeting is scheduled for Thursday, July 1, 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.

Adjourned 6:18 p.m.