

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

MINUTES OF JUNE 2, 2011

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

MEMBERS ABSENT: C. Groom

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

Chair Rosanne Foust called the meeting to order at 5:02 p.m. Director Jim Vreeland led the Pledge of Allegiance.

PUBLIC HEARING FOR THE FISCAL YEAR 2012 BUDGET

Authority Secretary Martha Martinez reported Section 131265 (a) of the California Public Utilities Code requires all county transportation authorities to adopt an annual budget, in addition, 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.

In accordance with the applicable law, staff prepared and submitted for review at the May meeting the proposed annual budget for Fiscal Year (FY) 2012.

Notice of the public hearing appeared in the *San Mateo Daily Journal* on May 18, 2011. The notice was also posted in the lobby of the building. No correspondence or emails on this item were received.

Director of Budgets and Grants, April Chan provided an update on the FY2012 proposed budget:

- Total revenues are \$68 million.
- There is a net decrease of \$2.8 million primarily due to a reduction of \$4.2 million in grant proceeds.
- Total annual allocations are \$23.9 million based on the 2004 Expenditure Plan.
- Total program expenditures are \$58.1 million.
- Expenditures for FY2012 are 83.5 million.
- TA expenditures increased \$32.7 million primarily in the Highway Program and for a placeholder for the pedestrian/bicycle call for projects.

Public Comment

Pat Giorni, Burlingame, was surprised a placeholder was included for \$1.3 million for the pedestrian/bicycle call for projects. She said there is a problem in how the City/County Association of Governments (C/CAG) and the TA scored the projects and how money is being allocated.

Deputy CEO Chuck Harvey said the allocation of \$1.3 million is for the current pedestrian/bicycle call for projects.

Legal Counsel David Miller provided a brief summary and description of the action and reported that the Authority had met its obligations for public notification.

A motion (Horsley/Nagel) to close the public hearing was approved.

Authorize Adoption of the Fiscal Year 2012 Budget in the Amount of \$83,524,899

Director Karyl Matsumoto asked about the Peninsula BART extension budget item. Executive Director Michael Scanlon said when the San Mateo County Transit District split from BART there was an agreement to allocate 2 percent a year of Measure A funds to BART for the duration of the current Measure A.

Director Matsumoto asked if the agenda item to authorize the Proposition 1B State Local Partnership Program (SLPP) fund swap for Caltrain would affect the TA budget. Ms. Chan replied no; if the item is approved there may be an amendment to the budget.

Director Vreeland asked if budget numbers are based on staff recommendations. Ms. Chan said the allocations are based on the Expenditure Plan.

Director Vreeland asked if there was flexibility to spend an additional million dollars on something else. Mr. Miller said it would be possible between categories. There are accrued funds that could be advanced from expected future revenues. The blueprint of the budget is to adhere to the structures of the Expenditure Plan that specifically allocates percentages to the different categories.

Director Vreeland asked when the opportunity would be to add a million dollars to a category. Mr. Miller said it would not be in this item; it would be a policy issue that would come to the Board for a specific purpose as a separate agenda item.

A motion (Lee/Horsley) to adopt the FY2012 budget in the amount of \$83,524,899 was unanimously approved.

Chair Foust said the voter-approved Measure A is very prescriptive but there are opportunities to do things in the percentage allotments within each category.

CONSENT CALENDAR

Director Terry Nagel requested severing Consent Calendar Item 4b – Acceptance of Statement of Revenues and Expenditures for April 2011, and Item 4c – Annual Reaffirmation of the Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund.

Director Matsumoto requested severing Consent Calendar Item 4e – Authorize Allocation of \$297,977 in New Measure A Local Shuttle Program Category Funds for Fiscal Year 2012.

- 1. Approval of Minutes of May 5, 2011**
- 2. Authorize Adoption of Appropriations Limit for Fiscal Year 2012 in the Amount of \$523,795,603**

A motion (Nagel/Horsley) to approve the minutes of May 5, 2011 (Vreeland abstained) and to authorize adoption of the appropriations limit for FY2012 was unanimously approved.

Acceptance of Statement of Revenues and Expenses for April 2011

Director Terry Nagel said the TA has about \$200 million each in the County Pool and in the investment portfolio. She said this is a lot of cash in just two pots and asked if there has been consideration to expand the risk with more sources to manage the revenues and invite bids from additional investment advisors on a regular basis.

Deputy CEO Gigi Harrington said the funds in the portfolio were originally held in the County Pool and the Board approved actions to move increments of funds to SunTrust Bank. Both portfolios are diversified and monitored carefully. There has been no recommendation to move any additional funds because the rates of return being earned on both pots are about best available. The TA has the ability to invest about \$40 million in the Local Agency Investment Fund (LAIF) and funds are put there when it is earning a decent rate. Staff can go through a procurement process when it is time to review the investment contract and consider benefits and disadvantages of whether there should be multiple entities.

Director Nagel asked if the amount of money has increased in recent years. Ms. Harrington said there has been about \$400 million invested for quite a few years and much of the original Measure A funds have been programmed but not yet drawn down. There have been modest returns but no recent losses.

Director Nagel asked if the TA has had the same investment advisor for about five years. Chair Foust said after the Lehman Brothers loss, staff decided to diversify investments and did not have money anywhere else but the County Pool prior to two and one-half years ago.

A motion (Nagel/Horsley) to accept the Statement of Revenue and Expenses was unanimously approved.

Annual Reaffirmation of the Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund

Director Nagel asked if the Policy should mention that financial statements are regularly audited. Ms. Harrington said the TA by its nature as a public entity, is required to have an annual audit. She will check to see if an annual audit should be included in the Policy.

Mr. Miller said the statute says by law the Board must require a post-audit of its financial transactions and records at least annually and is broader than just on the investment policies. It encompasses all financial transactions.

Director Nagel said C/CAG is in the process of looking into forming an investment advisory committee of individuals from the public and she thought the TA may want to look into this.

Director Matsumoto asked if the audit would be just a financial audit or measure performance. Mr. Scanlon said investments are typically benchmarked and are audited continually by month, quarter and year-to-date by agreed upon benchmarks.

A motion (Nagel/Vreeland) to approve the investment policy was unanimously approved.

Authorize Allocation of \$297,977 in New Measure A Local Shuttle Program Category Funds for Fiscal Year 2012

Director Matsumoto asked if ferry shuttle costs would be included in the \$15 million allocated to the South San Francisco Ferry Project. Acting Director Caltrain Modernization Program, Marian Lee said this money is just for shuttle service and different monies were allocated for the ferry project. The \$84,500 in this allocation is Measure A shuttle money approved for the South San Francisco Ferry Project to provide feeder service to the ferry.

A motion (Matsumoto/Nagel) to approve the allocation for the local shuttle program category for FY2012 was unanimously approved.

PUBLIC COMMENT

Pat Giorni, Burlingame, asked if public comment could be extended from one to three minutes. Mr. Scanlon said this could be taken under advisement.

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

Chair Barbara Arietta said that at its May 31, 2011 meeting the CAC:

- Welcomed new member Laurie Simonson.
- Supported June 2, 2011 TA agenda items:
 - a. Adoption of the FY2012 Budget.
 - b. Acceptance of Statement of Revenues and Expenses for April 2011.
 - c. Annual reaffirmation of the Investment Policy and authorization to invest monies with the LAIF.
 - d. Authorize adoption of appropriations limit for FY2012.
 - e. Authorize allocation in new Measure A Local Shuttle Program category funds for FY2012.
 - f. Authorization to receive up to \$3.7 million in San Mateo County Transit District Proposition 1B State Local Partnership Program (SLPP) funds to assist in a fund swap for local Caltrain operating funds.
- Received information on the Capital Projects Quarterly Status Report – 3rd Quarter FY2011.
- Received a State and Federal legislative update.
- Received an update on the pedestrian and bicycle call for projects. Matt Grocott, chair of C/CAG's Bicycle Pedestrian Advisory Committee (BPAC), asked the CAC to take no action on this item.
- Heard a report by the chair on AB 147, High-Speed Rail (HSR), National Dump the Pump Day, recruitment for the Bicycle Advisory Committee, District One Board of Supervisors election, and the passing of Peninsula Corridor Joint Powers Board Director Omar Ahmad.

Public Comment

Pat Giorni, Burlingame, asked why BPAC chair Mr. Grocott urged the CAC to not support the pedestrian and bicycle call for projects. Chair Arietta said her understanding was that BPAC had

questions how it was scored and was not meeting until the end of July and needed more discussion on the issue.

CHAIRPERSON'S REPORT – ROSANNE FOUST

No report

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

The May 11, 2011 SamTrans report is included in the agenda packet.

Director Nagel said the report includes information on awarding a contract to OfficeMax and Staples for purchase and delivery of general office supplies, which will save money. She asked about the arrangement to prepay supplies and if cities could benefit from this arrangement. Deputy CEO Chuck Harvey said this is a State or Federal government program that has large supplier agencies that provide the heaviest discounted pricing available. The San Mateo County Transit District essentially piggybacks on these agreements, which takes advantage of other pooled bids than have already been completed. Ms. Martinez will send this information to the Board.

JOINT POWERS BOARD REPORT (JPB)

Mr. Scanlon reported on the meeting of June 2, 2011:

- Public comment included a thank you for retrofitting all train consists with two bike cars, condolences on the passing of Director Ahmad, and a request for quad gates at a rail crossing in Atherton.
- Received a report on the JPB CAC.
- Reported on a rail fatality on June 1 involving two trains near the San Antonio station.
- Monthly Performance Statistics – April 2011 compared to April 2010
 - a. Total Ridership was 1,075,960, an increase of 6.3 percent.
 - b. Average Weekday Ridership was 40,756, an increase of 7.1 percent.
 - c. Total Revenue was \$4,374,574, an increase of 19.6 percent.
 - d. On-time Performance was 89.8 percent, a decrease of 3.4 percent.
 - e. Caltrain Shuttle Ridership was 7,000, an increase of 18.7 percent.
- Year-to-Date Performance Statistics – April 2011 compared to April 2010
 - f. Total Ridership was 10,331,753, an increase of 4.7 percent.
 - g. Average Weekday Ridership was 39,159, an increase of 4.8 percent.
 - h. Total Revenue was \$39,525,343, an increase of 13 percent.
 - i. On-time Performance was 93.5 percent, a decrease of 0.7 percent.
 - j. Caltrain Shuttle Ridership was 6,144, an increase of 11.6 percent.
- Received a presentation on on-time performance including what is being done to bring on-time performance back up to the Caltrain standard.
- Received a letter from the San Francisco Bike Coalition thanking the Board for conversion of all train consists to two bike cars.
- The bike rack project was finished ahead of schedule.
- Sharks ridership for playoff games increased 35 percent over last year.
- Giants ridership is up 13 percent over last year.
- Bay to Breakers ridership was down this year.
- A Sunday schedule will be run on July 4 with extra evening service for the fireworks in the evening and the post-Giants game.

- The reading file included the Safety and Security report.
- The Peninsula Rail Program has been renamed the Caltrain Modernization Program. Ms. Lee has been appointed acting director of the program and the focus will be on planning, outreach, listening and engaging people.
- Reported on an article in the *Mercury News* on June 2, 2011 that distorted financial information and took the whole administrative section of the budget and referred to it as executive compensation.
- Received a legislative report from Executive Officer Public Affairs, Mark Simon.
- Received the Quarterly Capital Progress Report.
- The Board:
 - a. Approved the Consent Calendar.
 - b. Approved a resolution in memory of Omar Ahmad.
 - c. Reappointed two members to the JPB CAC for San Mateo and Santa Clara counties and appointed a new member to represent San Francisco County.
 - d. Proclaimed June 16, 2011 as “National Dump the Pump Day.” Linda Koelling, mayor of Foster City and chair of the Peninsula Traffic Congestion Relief Alliance (Alliance) accepted the proclamation.
 - e. Accepted the Statement of Revenues and Expenditures for April 2011.
 - f. Adopted the FY2012 Operating Budget in the amount of \$103,779,904.
 - g. Received a presentation on the Preliminary FY2012 Capital Budget.
 - h. Authorized approval of bid documents and execution of documents and payment of premium for commodity price cap for the Fuel Hedging Program for FY2012.
 - i. Authorized execution of contracts of more than \$100,000 for information technology license renewals, maintenance services and professional services for FY2012 for an aggregate not-to-exceed amount of \$500,000.
 - j. Authorized execution of contracts of more than \$100,000 for technology related products and services to vendors under cooperative purchasing programs for an aggregate not-to-exceed amount of \$500,000 for FY2012.

Chair Foust asked if the JPB would consider writing a letter to counter the disturbing article published in the *Mercury News*. She said Caltrain finances and reports are an open book. Mr. Scanlon said staff will be taking efforts to understand what is going on with the *Mercury News*.

Public Comment

Rich Hedges, San Mateo, said because of the plight of newspapers, there has been a reduction in quality of staff, lots of turnover and the quality of reporting has diminished.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon reported:

- Caltrans awarded the contract for the Highway 101 – Marsh to San Mateo County/Santa Clara County Line (Auxiliary Lanes) to Granite Construction. Construction is scheduled to begin late June or July. A groundbreaking ceremony is being finalized.
- URS Construction has been given the notice to proceed on the design phase for the Highway 101/Broadway Interchange Project. Design will take approximately two years. The project is funded with Measure A funds for about a year. If the California Transportation Commission hasn't sold bonds by then, staff would come to the Board and ask that money be advanced to

keep the project going with repayment at a later date.

- Staff is working to get signage on the Highway 101/Broadway Interchange Project in recognition of the contributions by former TA Director Rosalie O'Mahony.

Public Comment

Greg Conlon, Atherton, said he spoke at the June 2, 2011 JPB meeting on safety issues at Watkins Avenue in Atherton. He recommended and supports installation of quad gates.

FINANCE

Authorization to Receive up to \$3.7 Million in San Mateo County Transit District's Proposition 1B SLPP Funds to Assist in a Fund Swap for Local Caltrain Operating Funds

Ms. Chan said San Mateo County Transit District's (SamTrans) share of the Caltrain budget for FY2012 is \$10.6 million and includes \$4.9 million in Measure A funds from the TA. It also includes \$2 million that SamTrans received from the Santa Clara Valley Transportation Authority (VTA) for right-of-way payback. This \$3.7 million is from Proposition 1B SLPP that the TA will receive from SamTrans. The VTA, instead of putting their money towards the Caltrain Capital Budget, would provide an equivalent amount of \$3.7 million to SamTrans for the Caltrain Operating Budget. There is no impact to the Measure A program.

Mr. Scanlon said two members of the TA CAC were troubled by this and worried about the legal propriety of the swap. Mr. Miller said the Expenditure Plan approved by the voters remains intact and is within province of the Board. There is a provision that governs all transportation authorities in the statute that says, "Any tax revenue generated pursuant to the enabling legislation shall be expended in the county of origin. However, the tax revenues may be exchanged for Federal or State funds available to a county or local government for transportation purposes if the exchange will benefit the county of origin." He said this is an explicit authorization from a legal point.

Director Horsley asked what is being done in the long run. Mr. Scanlon said the objective is to put together a two-year plan. The Metropolitan Transportation Commission (MTC) will address this at their June meeting, which will give Caltrain the balance for the FY2012 budget from July 1, 2011 through June 30, 2012. Staff is meeting with the JPB partners and MTC Executive Director Steve Heminger to discuss 2013 funding. The objective is to create a modernized electrified service, hopefully with HSR, that runs up and down the Peninsula every 10 minutes and gets people to and from their destinations.

Director Nagel said it would be critical to clarify this point of view with the *Mercury News*.

Mr. Simon said Caltrain stakeholders have expressed their concerns and a letter has been sent to them that addresses most of the factual errors. Staff will try to work with the editor to ask what sort of relationship will work and then direct actions based on this discussion.

Director Nagel asked if staff will be working with San Francisco County to reevaluate their contribution. Mr. Scanlon said the preliminary Capital Budget includes charts that show what the lowest common denominator was and it is San Francisco at \$2.7 million and the VTA at \$3.1 million. The presentation showed a comparison of contributions based on \$4 million,

\$3.1 million or \$2.7 million and the related consequences, especially deferring preventative maintenance on rolling stock that is 25 years old.

Public Comment

Jim Bigelow, Redwood City/San Mateo County Chamber of Commerce, said the TA with \$4 million for operating and \$4.9 for capital is a benchmark for VTA.

A motion (Horsley/Vreeland) to approve the authorization to receive up to \$3.7 million in San Mateo County Transit District's Proposition 1B SLPP funds in a fund swap for local Caltrain operating funds was unanimously approved.

PROGRAM

Measure A Highway Program: Funding Plan

Manager, Programming and Monitoring, Melanie Choy reported:

- The 2004 Implementation Plan spelled out which programs were to be call for projects or plan-based as the Highway Program, which is to reduce congestion and increase throughput on roads and highways.
- The Expenditure Plan requires a firewall between Key Congested Corridor (KCC) and Supplemental categories; the KCC funding is split by corridors; KCC has a 50/50 local match assumption and the Supplemental has a 70/30 local match.
- During Phase 1, all candidate projects were subject to a merit-based evaluation with five core criteria, which include need, readiness, policy consistency, effectiveness and sustainability.
- KCC and Supplemental projects were subdivided into interchange, freeway or major arterial projects.
- During Phase 2, the Capital Improvement Program (CIP) and funding strategy were developed that estimated total projected program costs of \$1.8 billion and estimated funding sources with a resulting funding gap of \$656 million.
- There is not enough money to accommodate all needs, so it is proposed that the CIP be developed over time to factor in the true demand and need for project solicitation and then decide on one year or 10 years worth of Measure A spending.
- Project solicitation will include the call for interest/call for projects and funding benchmarks.
- Funding benchmarks for KCC include estimated total category project costs of \$1.137 million and \$665 million for Supplemental projects.
- Input on the Plan will be solicited in April/May 2011; the Plan will be presented to the TA Board in June with adoption proposed for July/August 2011 and project solicitation issued from September-December 2011.

Director Nagel said this will create a lot of work for cities to come up with proposals and asked if there will be certain amounts targeted. Ms. Choy said the plan is to layout the benchmark for a year or two as the goal. If submittals come in above this it would be the purview of the TA Board to make decisions above that amount. This process is proposed for an annual basis so cities could do it the next year.

Director Matsumoto asked if it will be possible when the funding mechanism is setup to set aside "x" amount of money for north, south and central county because monies tend to go from San Mateo south. Ms. Choy said the KCC category is subdivided into two corridors but

Supplemental is open ended. Mr. Miller said additional projects can be added to the Supplemental category over time, and they are quite different in terms of flexibility.

Director John Lee said the money should be spent where it can best serve the people.

Director Vreeland said geographic equity has to be part of this process and it is important to talk about how to best serve everyone in the county and to work on projects that serve the most people and have the most impact.

Chair Foust said the proposed approach developing the CIP over time is innovative and it provides the flexibility needed for this process.

Update on Pedestrian and Bicycle Call for Projects

Ms. Lee reported:

- There was excellent outreach for the project, which resulted in receipt of 41 applications, which meant the funding request was oversubscribed.
- In administering the project, the policy was anchored by the 2004 Expenditure Plan and 2009 Implementation Plan.
- Three percent of Measure A revenues are allocated. The call for projects is for FY2012 and FY2013.
- The San Mateo County Bicycle and Pedestrian Plan was used as a resource in evaluating projects.
- This was a joint effort between the TA and C/CAG so that applicants would only file one application, but that decisions about funding requests would be made each by C/CAG and the TA, including separate project scoring and approval. The TA has \$3 million in Measure A funding for the project and C/CAG has \$1.1 million of Transportation Development Act Article 3 funds.
- Issuing the request for proposals and site visits were done together and project scoring and approval done separately.
- Evaluation criteria included eligibility requirements and scoring criteria including need, policy consistency, readiness, effectiveness and sustainability.
- There are 17 recommended projects for award.
- The project strives for geographic equity over the life of the program, which provides long-term intent and short-term flexibility, and monitoring for patterns of inequity.
- Funding was applied beginning with the highest ranked project with the TA and C/CAG taking turns as they moved down the list of ranked projects. Twelve TA projects and five C/CAG projects were eligible.
- Next steps include input from C/CAG's Bicycle Pedestrian Advisory Committee (BPAC) with approval by the TA Board scheduled for July 2011 and C/CAG approval in August.

Ms. Lee said at its May 31 meeting, some members of the TA CAC asked why some cities were not receiving funding and urged an approach that focused on projects regionally and sub-regionally to provide a county-level network of bicycle and pedestrian facilities. CAC members asked for geographic equity as well as economic equity and to highlight safety.

Ms. Lee said BPAC is calling a second meeting because due to a miscommunication, they did not have the list of TA-recommended projects available when evaluating their list. The BPAC

and TA essentially agreed on 95 percent of the projects. The chair of BPAC wants to reconcile two projects: Alpine Road Resurfacing and Bicycle Route and East Grand Avenue Bike Lanes, ranked 25 and 26, respectively on the TA ranked list because these were ranked 13 and 14 on C/CAG's list.

Director Vreeland asked why a staff committee scored and evaluated projects between the process of public input. Ms. Lee said the process was laid out by staff and the TA and the TA CAC serves in the role of public input prior to Board consideration.

Director Vreeland said some communities are getting two or three projects and there were 18 jurisdictions that submitted projects but only eight or nine are getting funding. He thought every city should get its highest ranked project.

Director Lee said there is a tremendous difference in the size of the cities.

Chair Foust said not every city has the same amount of sales tax generation and it is a challenge to figure out what are the best projects that reach the most number of people.

Director Vreeland said the highest ranked project in Pacifica, the Pacifica Headlands Trail Project, connects what is going to be the abandoned section of Highway 1 with the 4 ½ -mile coastal trail and is next to the new Devil's Slide tunnel. The city of Pacifica has spent \$150,000 on the environmental document. The Coastal Conservancy has committed \$250,000 to leverage this section of the coast to connect these two pieces.

Director Horsley said he is very supportive of the Pacifica Headlands Trail Project.

Director Matsumoto said she has served many years on BPAC and the scoring sheet has been through many reiterations and updates to make it fair. The amount of leveraging a project has will affect the score. She said there was a question of transparency because due to a miscommunication, the TA had not provided their scoring sheets to C/CAG. She suggested a TA CAC member serve on the TA staff committee, which also includes C/CAG's executive director, because the BPAC includes elected members and public citizens. She said projects in Half Moon Bay and Pacifica lose on major projects because they require so much work and have high dollar volume. She said BPAC looked at signage, connectivity and safety and those projects were a given but there was confusion with the TA because that was not specified. She said scoring on one project within BPAC could also vary widely. She said transparency and public involvement should be worked out in the next scoring process.

Director Nagel asked why TA and BPAC staff didn't score as a unit if they went together on site visits. Ms. Lee said staff wanted to respect the decision-making authority of the two agencies.

Director Nagel asked to see scoring sheets before the Board makes a final decision on the project.

Chair Foust said staff has heard the Board feels uncomfortable about the process. The joint call for projects was supposed to make the decision easier, more efficient and inclusive and this may not have happened. She said there may need to be public input and more information.

Ms. Lee said staff's assessment is that doing it jointly was easier for project applicants, there were economies of scale, joint site visits and good synergy between the two agencies. She identified TA staff that scored the projects: C/CAG Executive Director Rich Napier, Manager, Grants and Fund Programming Joel Slavitt who has served on BPAC and is a bike rider, Ms. Choy who is administering the program and Director, TA Program Joe Hurley. Ms. Lee said the scores were very tight and even after looking at the scoring documents, people will still be wrestling with the same challenge because discrepancies in the projects are not huge.

Chair Foust asked for a list of the projects, scores and rationale for the technical side that may allow the Board to make the best decisions.

Director Horsley asked that Pacifica Headlands Trail be reconsidered because it is a major area for pedestrians and bicyclists along the coastal trail.

Director Nagel asked if funding could be split between the two agencies to make their own decisions. Ms. Lee said the Board has the opportunity to layer on other conditions and guide staff to go beyond their technical evaluation.

Mr. Scanlon suggested coming up with a little more money to go deeper down the list and keep the purity of the process. He said it would take \$900,000 to get to the Pacifica project.

Director Matsumoto said most of the funding for the Pacifica project was to purchase land and the guidelines don't provide for the purchase of land.

Mr. Scanlon said staff understands the sentiment of the Board but is concerned about moving forward to be prepared for the July Board meeting. Chair Foust said she is happy to work with staff on behalf of the Board to reconcile these concerns.

Public Comment

Pat Giorni, Burlingame, said she was concerned to hear it was technical staff and not actual bicyclists making project decisions. She suggested TA judging staff and the BPAC panel get together to compare data before a final decision on the project because a lot of objection was that the scoring for TA projects was predicated on their knowledge of what BPAC was willing to fund and the process didn't come off as being transparent.

Rich Hedges, CAC member, said two CAC members voted against the project and the main issue for them was that the Pacifica Headlands Trail Project deserved some money. He said one of the criteria should be safety. He said staff did a good job and cautioned in this time of financial constraints, the project should not be ripped apart because it will not solve a lot of the objections.

Barbara Arietta, Pacifica, said the Pacifica Headlands Trail Project has 64.5 points and the Brewster Avenue Pedestrian Improvements Project has 65.8, which is a 1.3 point split. She said the sustainability section in the table on project scoring asks if the project provides or improves facilities to or at transit-oriented developments (TOD). This would add four points to the project score. Pacifica has no TOD, Caltrain or BART and few buses so the city is starting the process with a minus four. If these four points were added to the Pacifica project, it would be in the rank

of about 13. She said the process plan is a living document and can be changed. Director Matsumoto said that was recognized and that will be changed; it was a majority vote.

Van Ocampo, Pacifica, said C/CAG is only funding the construction side but TA money can be used for other purposes including the environmental document and right-of-way acquisition. He referenced the general information section of the table scoring sheet and said a project already in the environmental process will score a zero on these criteria compared to a project that is in construction.

Jim Bigelow, Belmont, said he has been on C/CAG's Congestion Management Program and Environmental Quality Committee for 15 years. He said C/CAG projects typically have some idiosyncrasies in the first call but seem to prevail. He said this is a bi-annual amount of money and the projects can come back, criteria can be changed if the Pacifica project is truly as important as it appears and the TA may be able to come up with more funding. He said if the rules have been spelled out and disseminated and there are criteria, they should be used for this process and then reviewed later because the TA has a certain amount of money that the Board is charged with delivering for projects.

Update on State and Federal Legislative Program

Executive Officer Public Affairs, Mark Simon reported:

State

There is an extensive report on the State legislative update in the agenda packet. He said staff is lobbying through the TA lobbyists for a fall bond sale in order to keep transportation projects moving. June 3 is the deadline for bills to be passed out of House origin. There is a bill to continue the Vehicle License Fee for the next five years.

Federal

Surface Transportation Reauthorization has been in limbo but is starting to move. The administration has made a very extensive proposal but hasn't proposed how to fund it. The Senate has a blueprint that maintains current funding levels. The House version will likely reduce transportation investment by approximately 30 percent based on existing Highway Trust Fund revenues.

Capital Projects Quarterly Status Report – 3rd Quarter Fiscal Year 2011

There were no questions or comments.

REQUESTS FROM THE AUTHORITY

Director Nagel said by the time the Board receives the CAC report at the meeting, the Board has already acted on some items. She requested the report be presented before action items. Mr. Scanlon said this is set forth in the Rules of Procedure.

Director Vreeland said it was nice to be back after dealing with medical and work issues for the last several months.

Director Matsumoto requested a copy of the Water Emergency Transportation Authority's budget.

REPORT OF LEGAL COUNSEL

No report

DATE AND PLACE OF NEXT MEETING

Thursday, July 7, 2011 at 5 p.m. in the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd floor, 1250 San Carlos Avenue, San Carlos CA 94070.

The meeting adjourned at 7:55 p.m. in memory of Omar Ahmad.