

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

MINUTES OF JANUARY 9, 2014

MEMBERS PRESENT: D. Canepa, R. Foust, D. Horsley, K. Matsumoto, T. Nagel,
N. Patridge

MEMBERS ABSENT: C. Groom

STAFF PRESENT: J. Averill, T. Bartholomew, L. Bhuller, J. Cassman, A. Chan,
E. Goode, G. Harrington, C. Harvey, J. Hurley, M. Martinez,
N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon, J. Slavitt

Vice Chair Karyl Matsumoto called the meeting to order at 5:03 p.m. and led the Pledge of Allegiance.

SWEARING IN

Martha Martinez, Authority Secretary, administered the oath of office to Directors David Canepa and Naomi Patridge for a two-year term to the TA.

ELECTION OF 2014 OFFICERS

A motion (Horsley/Foust) to elect Director Matsumoto chair was approved unanimously.

A motion (Patridge/Nagel) to elect Director Canepa vice chair was approved unanimously.

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

CAC Chair Barbara Arietta reported on the meeting of January 7, 2014 (see attached).

CONSENT CALENDAR

- a. Approval of Minutes of December 5, 2013
- b. Acceptance of Statement of Revenues and Expenditures for November 2013

A motion (Foust/Patridge) to approve the Consent Calendar was approved unanimously.

PUBLIC COMMENT

None

CHAIRPERSON'S REPORT – KARYL MATSUMOTO

None

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

No discussion.

JOINT POWERS BOARD (JPB) REPORT

Michael Scanlon, Executive Director, reported:

- Director Tom Nolan was elected chair and Director Jerry Deal was elected vice chair.

- The Silicon Valley Community Foundation was thanked for sponsoring the Caltrain Holiday Train. A video on the Holiday Train was shown.
- The 150th Anniversary of the rail service will take place on January 18 at the Santa Clara Station.
- Key Caltrain Performance Statistics
 - Monthly Performance Statistics – November 2013 compared to November 2012
 - Total Ridership was 1,325,955, an increase of 8.1 percent.
 - Average Weekday Ridership was 51,991, an increase of 9.9 percent.
 - Total Revenue was \$5,839,024, an increase of 10.8 percent.
 - On-time Performance was 93.5 percent, an increase of 2.7 percent.
 - Caltrain Shuttle Ridership was 9,222, an increase of 5 percent.
 - Year-to-date Performance Statistics – November 2013 compared to November 2012
 - Total Ridership was 7,115,414, an increase of 7.8 percent.
 - Average Weekday Ridership was 53,374, an increase of 8 percent.
 - Total Revenue was \$31,438,851, an increase of 7.1 percent.
 - On-time Performance was 91.5 percent, an increase of 2.3 percent.
 - Caltrain Shuttle Ridership was 7,422, a decrease of 16.3 percent.
- Extra service:
 - San Jose Sharks games averaged about 1,100 riders per game.
 - The San Francisco 49ers game carried approximately 2,300 additional riders.
 - The Fight Hunger Bowl carried approximately 2,300 additional riders.
 - New Year's Eve carried approximately 10,000 additional riders.
 - The San Francisco Giants Fan Fest will be February 1 and extra service will be provided.
- A Saturday schedule with eight additional trains will operate on Presidents' Day.
- Extensive public outreach continues regarding the San Mateo Bridges Replacement Project.
- Some complications have come up with the transit-oriented development project at the Hayward Park Station and staff will have to re-solicit proposals.
- The Caltrain Electrification Draft Environmental Impact Report (DEIR) will be released in February and presented to the Board in March.
- The Board:
 - Presented a Resolution of Appreciation to outgoing chair Ken Yeager.
 - Issued a proclamation to Marcia Skelton on behalf of the Native Sons of the Golden West honoring the 150th anniversary of passenger rail service along the Caltrain corridor.
 - Approved the Statement of Revenues and Expenses for November. Revenues are better than budget and expenses are lower than budget.
 - Authorized the executive director to negotiate the purchase of 11 rail cars from Southern California Regional Rail Authority (Metrolink) for an amount not to exceed \$4 million. If the sale goes through, it will cost about \$4 million and six month's work to retrofit the cars. After the retrofit, these 11 cars would be switched out with 11 existing cars for state of good

- repair. It may take up to a year to complete this project. If new rail cars were purchased it would cost about \$40 million.
- Authorized the award of contract to URS Corporation Americas for program management support services for the Caltrain Modernization Program for a not-to-exceed amount of \$10,167,109 for a three-year base term.
 - Authorized the rejection of the proposal submitted for a systems safety specialist for the Caltrain Modernization Program. Staff is looking at opportunities to get safety covered through existing contracts.
 - Authorized the rejection of all proposals for train dispatch voice communication systems upgrade services. The proposals were nonresponsive. Staff feels they can keep the system running for the foreseeable future and can get parts from other sources.
 - Authorized the rejection of all proposals for contracted shuttle services. After the notice of award was published, a protest was received from the current service provider, Parking Company of America (PCAM). Staff realized that information provided by PCAM relating to the number of current employees was flawed. This is important because it helps proposers size the scope of what to bid in their proposal and under California Labor Law, the JPB is required to give 10 bonus points to a proposer that agrees to keep the current workforce. Staff will go out to bid again.
 - Authorized amending the Fiscal Year (FY) 2014 Operating Budget in the amount of \$513,582 from \$119,991,971 to \$120,505,553. This was to recognize increased revenue.
 - Authorized amending the FY2014 Capital Budget in the amount of \$8,350,000 from \$190,564,950 to \$198,914,950. This was to recognize some other revenues that will be coming in and corresponding expenses.
 - Authorized the adoption of a ticket policy governing distribution of tickets and passes received by the JPB to officials and employees.
 - Received an update on the Los Gatos Creek Bridge Replacement Project. This will be a stretched out, expensive, and complicated project due to issues with environmental issues.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon reported:

- Applications are being accepted through January 17 for the Bicycle and Pedestrian Program Call for Projects (CFP) for FY2014 and FY2015. The TA hosted a well-attended workshop December 11 that provided an overview of the program criteria. Redwood City Mayor Jeff Gee will serve on the evaluation panel. Mayor Gee was also elected SamTrans Board chair.
- The Route 92/El Camino Real Interchange DEIR will be released for public review and comment the week of Jan. 13. It will be available at San Mateo City Hall, the city library and the California Department of Transportation website. The TA allocated \$600,000 for the environmental phase of the project. On January 29, there will be an open house at San Mateo City Hall to provide information and solicit input from the public.

- The Daly City Bayshore Shuttle service kickoff went well and the service is off to a good start.

Director Canepa thanked Mr. Scanlon and said he was the best transit operator in the country. Director Canepa thanked the TA board for supporting Daly City. He thanked Mark Simon, Executive Officer, Public Affairs, Seamus Murphy, Director, Government and Community Affairs, Joel Slavitt, Manager, Programming and Monitoring, and Ms. Martinez for their support.

FINANCE

Authorize Amendment of FY2014 Budget to Increase Budget Expenditures by \$3.9 Million for a Revised Total of \$122,235,286

Eva Goode, Manager, Budgets, said this increase is due to a projected increase in sales tax revenue collections for the year and the corresponding increase in various expenditure plan categories.

A motion (Foust/Canepa) to approve the amendment to the FY2014 budget was approved unanimously by roll call.

PROGRAM

Adoption of the Tickets Policy Governing the Distribution of Tickets and Passes Received by the TA to Officials and Employees

Ms. Martinez said this policy complies with the regulations set forth by the California Fair Political Practices Commission. The policy would govern the distribution of tickets the TA receives that are distributed to the Board and staff. If individuals receive a ticket today, they would report it on their Form 700 as a gift. This policy gives the Executive Director the authority to distribute and disclose tickets on Form 802. She said a person reviewing the tickets provided to the TA can look at one Form 802 instead of individual Form 700s. Form 802 will be available to the public.

Director Nagel asked what prompted this policy. Ms. Martinez said the San Mateo County Transit District and the JPB approved this policy and the TA is being asked to do the same to be consistent and manage the tickets with the same standards.

Director Nagel asked if there is a limit or a maximum number that a person can receive. Ms. Martinez said there is not, as long as they follow the criteria in the policy.

A motion (Horsley/Patridge) to approve the tickets policy was approved unanimously by roll call.

Program Report: Measure A Ferry Program

April Chan, Executive Officer, Programming and Development, said this is a six-month update. In December 2008, the TA allocated \$15 million in capital funds to construct the South San Francisco Ferry Terminal. She said \$7 million has been returned; \$8 million was used. The operating dollars are being provided from fare revenue and Regional Measure 2 (RM2) funds allocated by the Metropolitan Transportation Commission (MTC). The only TA requirement was that the service be operated for five years. The

MTC requires the service achieve a 40 percent farebox recovery ratio by the end of the third year.

Ms. Chan said the operating cost per passenger in Quarter 1 FY2013 was \$78.87, and now it is down to \$33.72, a decrease of 57 percent. The farebox ratio recovery was less than 10 percent in the first quarter, FY2013, and now it is 19 percent, a 111 percent increase. The average boardings per trip, the average weekday ridership, and the total ridership also increased.

The Water Emergency Transportation Authority (WETA) added midday excursions on Wednesdays and Fridays, and an afternoon commute trip to increase ridership. The approximate annual cost was \$3.4 million before adding the extra service and now it is \$3.6 million.

Ms. Chan said the Bay Area Rapid Transit (BART) strike and the Bay Bridge closure boosted ridership. She said the farebox recovery ratio is only about 20 percent and WETA has until June of 2015 to reach the 40 percent requirement.

Ms. Chan said Genentech is now fully subsidizing the cost of its employees to ride the ferry.

Director Nagel asked what the ridership goal was when the project started, and what the ideal ridership is to achieve the farebox recovery. Ms. Chan said the bottom line is they need to achieve a 40 percent recovery ratio. Mr. Scanlon said if operations costs stayed the same they would need to double ridership.

Director Nagel asked what WETA's plans are to reach that goal. Ms. Chan said WETA's marketing service has been beefed up over the last six months, and they have been working with employers and improving the service.

Director Nagel asked if they have conducted surveys to determine what they need to do to improve service. Ms. Chan said they did surveys in April 2013 and their service increased based on those results.

Director Nagel asked if they have looked into connecting with mass transit using shuttles. Ms. Chan said two shuttles connect the ferry to various places in South San Francisco and Caltrain. She said shuttle ridership is not great either.

Director Nagel asked what the outcome will be if they don't meet their goal, and if other entities supporting the ferry have an escape clause. Ms. Chan said WETA will have to answer to the MTC.

Director Foust said when WETA comes to the TA Board meeting she would like to understand what they're doing with the Google private ferry that is operating between San Francisco and Redwood City. She said this is the time for WETA to provide the service. She said this is an example of private industry solving problems the government does not solve adequately.

Chair Matsumoto said some Genentech employees stopped taking the ferry and went back to the Genentech bus because they like the idea of not having to transfer.

Director Patridge said she can't believe the numbers. She said this seems to be wasted money and more needs to be done.

Director Nagel said if this is not successful it seems unlikely the TA would fund a Redwood City ferry. She said the county needs more solutions because public transportation is maxed out and there is too much congestion.

Director Canepa said the farebox recovery ratio went from 9 percent to 19 percent and it is trending upward. Ms. Chan said they have to reach 40 percent by their third year otherwise MTC will take the RM2 funding away.

Director Nagel said average weekday ridership is back down to where it was last June and is no longer 19 percent. Ms. Chan said it is no longer 19 percent, but it has improved.

Public Comment

Jim Bigelow, Redwood City/San Mateo County Chamber of Commerce, said the city of South San Francisco sent out postcards to every resident making them aware of the service. He said the Wednesday and Friday service is designed to provide more ridership especially to retirement groups, schools, and the Convention and Visitors' Bureau. He said people are trying and it is a work in progress.

Program Report: Transit – Shuttles

Mr. Slavik presented:

- Four percent of the Measure A Program is set aside for shuttles, totaling \$60 million over the 25-year life of the program.
- The program provides matching funds for the operation of local shuttle service.
- A minimum 25 percent match has been required for the program.
- There have been two shuttle CFPs on two-year cycles.
- Approximately \$7.5 million of Measure A funds have been allocated from the past two CFPs.
- Thirty shuttles were allocated Measure A funds in FY2013 and FY2014. Total operating cost is projected to be \$9.4 million, \$4.7 million from Measure A and \$4.7 million in matching funds.
- Types of shuttles include 23 commuter, six community, and one combination commuter/community.
- There were 28 shuttles in operation in FY2013. Sponsors are required to submit progress reports with information on ridership, operating costs and number of passengers per service hour.
- Total monthly ridership averaged around 70,000 passengers per month in FY2013 or about 817,000 for the fiscal year.
- The average operating cost per passenger in FY2013 for commuter shuttles was \$6 and for community shuttles, \$17.
- There was an average of 17 passengers per service hour for the commuter shuttles and seven for the community shuttles.

Director Nagel asked if there is a way to get shuttles to go across city borders. Mr. Slavitt said some shuttles cross jurisdictions, such as the Lincoln Center and Mariners Island that serve San Mateo and Foster City.

Director Nagel asked if the shuttles can be more flexible like the new SamTrans FLX buses. Mr. Scanlon said the Brisbane shuttle is the commuter and community shuttle. Chuck Harvey, Deputy CEO, said the Bayshore/Brisbane shuttle has a set schedule in the morning and connects people to transportation centers. During the rest of the day, customers can call and ask to be picked up in the zone the shuttle operates in.

Joint TA and C/CAG San Mateo County Shuttle Program Call for Projects

Mr. Slavitt presented:

- The San Mateo County Shuttle Program is a joint CFP with the TA's Measure A Local Shuttle Program and the City/County Association of Government's (C/CAG) Local Transportation Services Shuttle Program.
- The purpose is to provide matching funds for the operation of local shuttle services.
- Eligible costs include operations, marketing, and the administration of shuttles.
- Eligibility requirements:
 - Sponsors must be public agencies.
 - Shuttles must serve county residents and employees.
 - Shuttles must provide access to regional transit and/or meet local mobility needs.
 - Shuttles must be open to the public and comply with the Americans with Disabilities Act.
 - Funds must supplement other funding sources.
 - A letter from SamTrans is required to confirm the shuttle route does not duplicate existing fixed-route service or other shuttle service.
 - A resolution is required from the sponsor's governing board to ensure local support for the project.
- Staff is proposing to release the joint funding call with C/CAG on January 13.
 - The call will provide funding for the operation of shuttles over the next two fiscal years with \$6 million from Measure A and \$1 million from C/CAG.
 - A minimum 25 percent match is required.
 - There is one set of program guidelines, one application process and one evaluation panel.
- Evaluation criteria:
 - Need and readiness: 40 – 50 percent
 - Effectiveness: 15 – 25 percent
 - Funding leverage: 20 percent
 - Policy consistency and sustainability: 15 percent
- Schedule:
 - A public workshop will be held on January 21.
 - The application deadline is February 14.
 - The Draft Program of Projects will be presented to the Board and CAC in April.
 - The Board will be asked to approve the projects in May.

Update on State and Federal Legislative Program

Mr. Murphy provided the following update.

State

The governor released his plan for the State budget and there is a proposal to allocate revenues from the Cap and Trade Program. He said \$100 million would be for sustainable community strategy implementation. The MTC has approved a framework for distributing those funds and some of the funds would go toward transit operations. He said \$200 million would go for low carbon transportation projects that would include light-duty zero-emission vehicles, \$250 million would be for high-speed rail (HSR) and \$50 million would be for connectivity projects related to the HSR program. This is not enough to remedy the deficiencies found in the financing plan, but the governor has said there will be a 30-year proposal for the allocation of Cap and Trade revenues, which would have enough revenue to resolve some of the deficiencies.

Federal

Mr. Murphy said the pretax benefit for transit riders would be reduced from \$245 to \$130 a month, substantially lower than the benefit drivers receive. Staff will be pushing to establish permanent parity. He said this will reduce or slow the growth of ridership around the country.

Chair Matsumoto asked what the status is on the court cases regarding HSR. David Miller, Legal Counsel, said he is waiting for an opinion on the town of Atherton case, which has to do with the adequacy of the environmental document and that opinion should be coming down any day. He said California High-speed Rail Authority has the other cases under advisement to deal with the bond authorization issue and financing plan. He said he will be able to report more on these cases next month after he meets with their legal counsel.

REQUESTS FROM THE AUTHORITY

None

WRITTEN COMMUNICATIONS TO THE AUTHORITY

No discussion

REPORT OF LEGAL COUNSEL

No report.

DATE AND PLACE OF NEXT MEETING

February 6, 2014 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

Meeting adjourned at 6:48 p.m.

Good evening Madam Chair and members of the Board. On behalf of the CAC, I would like to extend our New Year's greetings, not only to the Board, but also to our Executive Director, our legal staff and also to all of our District staff members.

Our CAC Agenda on Tuesday evening was a rather brief one.

Our initial action on Tuesday evening was the election of 2014 CAC officers. Upon the CAC's acceptance of the recommendations from CAC Nominating Committee members Jeff Londer, Rich Hedges and Jim Whittemore, the CAC re-elected both Laurie Simonson as the Vice Chair and myself as the Chair for the 2014CAC term.

Following the elections, we proceeded to review tonight's Agenda and I have the following to report concerning same:

(TA Item 6a) - The CAC had no questions or comments in reference to the Board Minutes of December 5, 2013.

(TA Item 6b) - The CAC supported the acceptance of the Statement of Revenues and Expenditures for November 2013.

(TA Item 12a) - The CAC supported the authorization to amend Fiscal Year 2014 Budget to Increase Budget Expenditures by \$3,900,000 for a Revised Total of \$122,235,286.

(TA Item 13a) - The CAC supported the Adoption of the Tickets Policy Governing the Distribution of Tickets and Passes Received by the TA to officials and employees with the understanding that this does not affect members of the CAC. Overall, the CAC agrees with the implementation of such a policy and believes it is a good business practice to have this in place.

(TA Item 13b) - The CAC received a 6 month update of the Measure A Ferry Program from April Chan, Executive Officer, Planning and Development. The CAC was pleased to see that ridership has increased in the past 6 months and hopes to see a continuing increase moving forward, noting that the July BART strike and the Bay Bridge closure appeared to have raised public awareness and usage of the ferry service.

However, members of the CAC did express some concerns about the continuing and growing competition from private bus transportation services by high tech firms that are covering some of the same areas as the public ferries.

It is also to be noted that, with the recently reported launch on Monday, January 6th, of a 1 month test program catamaran ferry by Google to Redwood City, concerns about competition between private and public modes of transportation, especially in light of this new catamaran ferry development possibly impacting the projected ridership of the future planned extension of the public

ferries to Redwood City, continue to develop.

(TA Item 13c) - As part of a series of program reports on each of the TA's six program areas, Joel Slavit, Manager of Programming and Monitoring, delivered a highly informative PowerPoint presentation to the CAC highlighting the status of the Local Shuttle Program.

However, in reviewing the performance metrics of the local shuttle program it was noted that even though the Pacifica Weekend Community Shuttle, at present, shows low ridership, that figure is expected to change dramatically upon the opening of the new Devil's Slide Trail in March, at which point it is anticipated that the public, due to a lack of available parking space, will utilize the shuttle more and more as an alternate source of transportation in getting to and from the entrance of the trail.

(TA Item 13d) - Joel Slavit, also informed the CAC about the San Mateo County Shuttle Program Joint Call For Projects. The CAC was pleased to see that the application funding process has been streamlined and is consistent with the recommendations from the 2012 Shuttle Business Practices Study, which was a joint effort undertaken by the TA, C/CAG, the Peninsula Congestion Relief Alliance and Samtrans, to improve shuttle business practices throughout the county.

(TA Item 13e) - The CAC received no updates on State and Federal Legislative Programs, as there was nothing to report, due to the current recess periods of the Legislatures.

In my own report to the CAC, I advised the following:

* I attended the launch of the new free shuttle service in Daly City's Bayshore Community on January 6th...a service which has been much needed and a long time coming... Speaking at the event were Daly City's new Mayor and TA Executive Board member, David Canepa, TA Chair Carole Groom, TA Public Affairs spokesperson, Mark Simon, as well as several other elected officials and local community leaders.

*The \$2 million Devil's Slide Trail Project, which is converting a 1.3 mile stretch of State Highway 1, south of Pacifica, into a recreational trail for bikers, hikers, birdwatchers and nature lovers, is planned to be open in March.

*Friends of Caltrain conducted a Strategic Planning meeting on December 16th. The primary vision coming out of that meeting was: more frequent all-day service, level boarding for faster service and better transfers, grade separations for safety and reliability and the availability of wi-fi on all trains.

*Caltrain will celebrate it's 150th Anniversary of passenger rail service between SF and San Jose on January 18th at the Santa Clara station, with speeches from local leaders, exhibits, and live music.

*Samtrans will launch comprehensive service changes on January 26th by "doing more of what works,

less of what doesn't and trying new things." One of those new things will be the launch of FLX pilot services in both San Carlos and Pacifica, wherein buses will circulate within their respective communities and serve major gathering spots and mainline transit service. The buses will also be able to deviate from their fixed routes to meet the needs of would-be riders.

*In concluding my report to the CAC, I advised that the MTC, on December 18th, provisionally decided on how to divide \$3 billion in Transportation funds from the state's Cap and Trade program over the next 26 years, in preparation for what is expected to be a budget battle in Sacramento this Spring.

Caltrain and Sam Trans did proportionally okay, according to analysts, with each receiving 3%. This won't fix Caltrain's operating gap, but will be helpful if the funding materializes.

The biggest operators (Muni-42%, BART - 13%, AC Transit -18% and VTA - 16%) are getting the most certain and soonest funding, based on the arguments that these operators will serve the largest amount of the region's growth. However, it was pointed out that this vote was bit of an exercise in "counting unhatched chickens", since Cap and Trade funding for Transportation, which is planned to be available in 2015, is not a sure thing. There are no guarantees.

In Joe's report, he extended congrats to both Laurie Simonson and myself on our re-elections to it's leadership and spoke a little bit about what we can look forward to in the year to come, including the Call for Projects on Bike and Pedestrian projects and Shuttle programs, as well as start of construction of the Route 1 San Pedro Creek Bridge and 101/Broadway I/C Capital Projects.

Respectfully submitted,

Barbara Arietta
Chair, San Mateo County Transportation Authority, CAC