

CITIZENS ADVISORY COMMITTEE
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 San Carlos Avenue, San Carlos CA 94070
Bacciocco Auditorium, 2nd Floor

MINUTES OF FEBRUARY 2, 2010

MEMBERS PRESENT: B. Arietta, J. Bigelow, P. Dixon (Chair), J. Fox, R. Hees, C. King, A. Mader-Clark, D. Maez, A. Vargas, P. Young, G. Zimmerman

MEMBERS ABSENT: R. Hedges, D. Mensing, L. Shaine

STAFF PRESENT: J. Hurley, R. Lake, M. Lee, T. McIntyre, S. Murphy, L. Snow

Chair Pat Dixon called the meeting to order at 4:34 p.m. Randy Hees led the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion (Bigelow/Zimmerman) to approve the minutes of January 12, 2010 was approved.

PUBLIC COMMENT

None

ITEMS FOR REVIEW – FEBRUARY 4, 2010 TA BOARD AGENDA

There was no discussion on the following items:

1. Approval of Minutes of January 13, 2010 - TA Item 3a
2. Acceptance of Statement of Revenues and Expenses for December 2009 - TA Item 3b

SamTrans Liaison Report – January 13, 2010 - TA Item 7

George Zimmerman asked about the amendment to decrease the Operating Budget. Director of TA Program Joe Hurley said this was a result of service cuts implemented in December 2009.

Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook for the San Mateo County Transportation Authority – TA Item 10a

Treasury Manager Lori Snow reported:

One-hundred percent of the portfolio was invested in the County Pool in September 2008. In November 2008, the Board approved moving \$100 million of the \$454 million in the County Pool to Tamalpais Wealth Advisors (TWA). In December 2009, the TA portfolio stood at \$414 million, of which approximately \$304 million remains in the County Pool and approximately \$108 million with TWA. The Board approved an additional \$50 million to be moved from the County Pool to TWA in December 2009, which will be done in increments of \$10 million a month over a course of six months.

Mr. Zimmerman asked what the advantages and disadvantages were of splitting the funds and keeping a significant proportion in the County Pool versus transferring all funds to TWA.

Ms. Snow said TWA gives the portfolio attention to specific and intentional investments; whereas, the TA is part of a \$2.8 billion pool of investments with the County Pool, which doesn't give the

TA a more precise portfolio. The investments with TWA give the TA a bit higher return with the same level of risk and the ability to manage the type of investments in the portfolio.

Randy Hees asked what the advantage is of keeping funds in the County Pool. Ms. Snow said the TA does benefit from being part of the County Pool.

Barbara Arietta asked if the TA had to invest a minimum with the County Pool and if there is an argument to move more money out of the County Pool if the portfolio with TWA has a higher return with the same level of risk. Ms. Snow said investment in the County Pool is completely voluntary. She said there are difficulties in moving large amounts of money. The investment environment of the type of investments that are mandated by the investment policy of the TA are in a competitive situation, which brings the price down. Any movement of investments at this time would be very controlled because the TA wants to ensure they are putting the right quality investments in the investment portfolio.

Austin Mader-Clark asked if all the investments are based solely on economic return and is there any focus on social issues. Ms. Snow said the portfolio of investments with the County Pool is limited by the California code and the TA's investment policy. County Pool advisors spend as much time and energy looking at investments in the pool as TWA but they don't do it specifically for the TA. All investment information is available on the County Pool Web site. The County Pool invests in the same security types as TWA but has additional securities that TWA doesn't have. For example, the County Pool has certificates of deposits and certain corporate bonds, which are not in the TWA portfolio.

Jim Bigelow said it should be remembered that the TA lost \$22 million in the County Pool and it is good to look at how the TA can protect against that kind of a loss in the future.

April Vargas asked if the TA feels comfortable with the amount of input the agency has in terms of how investments are made in the County Pool. Ms. Snow said TWA monitors the investments in the County Pool on an overall scale and provides advice on the level of risk that exists. Staff monitors the investments on a monthly basis and the County Pool provides a very detailed report to the TA.

Mr. Zimmerman asked if the acronyms in the report could be explained. Ms. Snow said they will be written out in the next report.

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 – TA Item 10b

Executive Officer Strategic Planning and Development Marian Lee said the contract would include two additional one-year option terms with each year having a cap of up to \$375,000. In the past staff was utilizing available engineering consulting firms to do planning work. When those contracts expired staff saw an opportunity to do a Request for Proposals (RFP) specifically for planning consultants. Six bids were received and staff is currently in negotiation with three of the six. 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 the other qualified firms are completed. The chosen consultants would be utilized for the three business units – the TA, SamTrans and the Joint Powers Board. Consultants could help the TA with support for the call for projects, future strategic plan updates and technical expertise in new project development.

Mr. Hees asked how much has been spent with the engineering consultants on planning work in the last couple of years. Ms. Lee said about \$1.5 million. She said the approval of this contract does not mean staff could run through \$1.5 million. The contract will be for on-call services and as such, work will be authorized on a Work-Directive basis.

Mr. Zimmerman asked for examples of on-call services. Ms. Lee said on-call with a very specific project means the consultants are there by contract with a defined project and staff doesn't need to go through a separate RFP, and only negotiate the scope.

Ms. Mader-Clark asked for more specifics on project details. Ms. Lee said that as part of the Measure A Implementation Plan that was just adopted and approved by the CAC, one of the things that staff has to do is develop a highway strategic plan. A funding strategy planner would be very helpful to staff in figuring out how to maximize leveraging funds from outside sources to fund the program.

Charles King asked why staff rejected bids from the joint procurement. Ms. Lee said staff tried a new RFP process for general and environmental planning. The RFP went fine for the general planning but proposals for environmental planning did not meet qualifications. Because of that, all proposals were rejected.

Mr. Bigelow asked if the need to reply quickly to stimulus funding availability could be an advantage with this contract. Ms. Lee said this is really the purview of the lobbying and legislative staff.

Mr. King asked how visionary the TA can be with stimulus funding. Ms. Lee said there are new opportunities for funding including the Global Warming Solutions Act and greenhouse reduction and sustainability strategy.

A motion (Bigelow/Hees) to support the on-call contract was passed.

PROGRAM

Update on State and Federal Legislative Program – TA Item 11a

Government Affairs Manager Seamus Murphy reported:

State

- The governor released the 2010-2011 proposed budget, which would eliminate sales tax on gasoline and diesel fuels and replace a portion of that revenue source with an increase by 10.8 cents on the excise tax on fuels, none of which would be allocated to transit. This gives the governor more flexibility as far as how to spend those funds. A good portion of those funds traditionally go towards transit operations. The State has made it a habit of devoting those funds or cutting those funds to fulfill General Fund obligations in the past and diverting them away from transit operation purposes. The governor's strategy is an obvious end run around California Transit Association's successful lawsuit, which prevents the State from using spillover revenue for any non-mass transportation purposes. The decision requires the State to deposit spillover revenue into the Public Transportation Account but does not specify how the funding will be appropriated. Staff has been in discussions with leadership in the Senate and there is every indication they are not in favor of the governor's proposal and have come up with a different budget scenario that stays true to the TA's successful lawsuit.

- The Transportation Policy Committee in the Senate and Budget Subcommittees that deal with transportation issues in the Senate organized a number of hearings to review the High Speed Rail (HSR) business plan. One hearing was held in Palo Alto and staff supported the appropriation of the second half of the current fiscal year budget for the California High Speed Rail Authority (CHSRA). The budget that was approved last year conditioned half of the CHSRA's current fiscal year budget on a revised plan. It appears that the second half of the budget has been approved, which will ensure the Peninsula Rail Program (PRP) continued planning for HSR and delivery of Caltrain modernization and electrification projects.
- The State is having difficulty selling bonds, which affects Proposition 1B and Caltrain's \$3.8 million allocation for Positive Train Control in the Public Modernization, Improvement, and Service Enhancement Account, which is the transit account with Proposition 1B. The state has been able to sell about 40 percent of the bonds programmed for the current fiscal year. It appears Caltrans and the California Transportation Commission (CTC) are planning on a pro rata share scenario, which would mean receiving a smaller percentage than allocated.

Federal

- The president's announcement for national high speed rail funding includes \$2.25 billion for the States HSR project based on an application for about \$4.7 billion and this is good news for the PRP. 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. Caltrain applied for \$980 million for the Caltrain corridor between San Francisco and San Jose. Staff is working with a number of regional organizations and community and civic organizations on the Peninsula to advocate for the largest percentage of the \$2.25 billion to be directed to the Caltrain corridor. Every dollar of the \$2.25 billion will be matched with Proposition 1A bond sale allocation. The president allocated another \$1 billion in his proposed FY2011 budget subject to approval by Congress. There is hope for surface transportation reauthorization, which would include upwards of \$50 billion for nationwide high speed rail projects and go a long way towards Caltrain achieving California's projected Federal required funds for the project.
- The president's FY2011 budget includes \$307 million for livable communities, which will be advantageous for the Grand Boulevard Initiative. There is a national infrastructure bank finance fund, which is a \$4 billion budget program to fund large projects of national significance. There is \$24 million in rail safety grants, which is money to fund positive train control. The Positive Train Control Project is required for HSR and Caltrain has the benefit of being able to rely on those funds for the project.

Mr. Zimmerman asked if there were communities on the Peninsula that are not so supportive of some HSR improvements. Mr. Murphy said there are groups that are concerned about how HSR is going to be designed and delivered on the Peninsula.

Doris Maez said she listened to hearings in Sacramento on HSR and they were critical of ridership projections. She asked if this was a theme in the HSR meeting in Palo Alto. Mr. Murphy said the Legislative Analyst's Office was critical of the HSR business plan. The response by the CHSRA has been that ridership projections are based on their best assumptions of the situation when HSR is at full build out and these are difficult things to project. As a result of the hearings, the Legislature is going to look at a couple of bills that would change how the Authority is governed and require more accountability and transparency from the Authority.

Ms. Vargas asked if there was any provision in the HSR bill to have citizen oversight.

Mr. Murphy said there is currently no provision in the bill.

Mr. King asked about livable communities. Mr. Murphy said this is synonymous with transit oriented developments.

Mr. King asked about AB 744 – High Occupancy Toll Lanes. Mr. Murphy said this was put on hold because it wasn't going to pass the House but is a legislative priority this season for the Metropolitan Transportation Commission.

Program Report: Alternative Congestion Relief (Transportation Demand Management) – TA Item 11b

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 Peninsula Traffic Congestion Relief Alliance (Alliance) has completed a three-year Strategic Plan (Plan) to address these issues.

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.

Mr. Zimmerman asked how much coordination the Alliance has with comparable organizations in adjacent counties because one's home residence and place of employment don't respect artificial political boundaries, and if they offer incentives to use public transportation. Ms. Maley-Grubl said she serves on the Technical Advisory Committee for the regional rideshare program and other counties meet quarterly to offer these types of programs. She said there are incentives to try transit in other counties and there are rideshare options on 511.org for each county.

Ms. Maez said a major congestion issue is lack of school and college pooling and asked if there were efforts to deal with this. Ms. Maley-Grubl said the Alliance has a school pool incentive and parents can receive a one-time gas card. She said there is funding that may be coming available for the Safe Routes to School initiative.

Paul Young said there is a very large parking structure adjacent to the District building and asked how many employees utilize van pools. Ms. Maley-Grubl does not work at the District but staff will get back to Mr. Young.

Mr. Young said it took almost four hours to commute round trip from San Francisco on BART and Caltrain to attend a HSR meeting at the District. Ms. Maley-Grubl said there are express shuttles between BART and Caltrain designed to pick up people and take them directly to and from work sites and this is something to look at for the future.

Ms. Arietta expressed concerns that Pacifica has traded its shuttle for a bus and lost the commuter bus service. Ms. Maley-Grubl said there is an Alliance staff person who is dedicated to outreach on the coastside and has done a lot of work related to getting people interested in carpooling. She attends Chamber of Commerce programs, advertises in newspapers and distributes flyers on the Alliance in different community buildings. One of the Alliance board members is from Pacifica and gets the word out about the Alliance.

John Fox asked about the size of Alliance staff. Ms. Maley-Grubl said there are nine staff members in a San Bruno office. Mr. Fox said it would be helpful for the Alliance to do a survey of its staff and set goals on what percent increase of transit options are used by Alliance staff coming to work. He said participation in public transportation and understanding connection difficulties with biking to the train would be beneficial. Mr. Fox said it would be good to see a 5 percent increase per year in internal goals of the Alliance in the same way the public is expected to increase use of public transportation by 5 percent.

Mr. Fox said there will be difficulties with school pooling until superintendents recognize this as a positive thing. Schools are major employers and should offer incentives to staff including bicycles. Ms. Maley-Grubl said the Alliance has engaged some superintendents who support the program.

Mr. Bigelow said employers should have a pretax program so employees can shelter more than \$100 a month from being taxed. He said new Measure A funding is double the current shuttle program.

REPORT OF THE CHAIR – PAT DIXON

The TA Board expressed their appreciation for the in-depth examination of TA agenda issues.

REPORT FROM STAFF – JOE HURLEY

- Last month the TA Board approved an application for State Transportation Improvement Plan (STIP) funds for the 101/Broadway Interchange Project. On January 27, MTC agreed to include the project in the draft 2010 STIP and the TA's specific dollar request. The application now moves onto the CTC and is due on February 12 with a public hearing scheduled for March 22. A draft STIP program will be ready for adoption in May. This STIP funding is subject to availability of State funds.

- Staff is working towards a scoping meeting tentatively scheduled for February 24 in association with the Calera Parkway Project. The intent of the scoping meeting is to solicit input from both regulatory agencies and the general public on environmental issues to be considered as part of the environmental studies.
- Staff presented the 101/Broadway Interchange Project to a Burlingame city council study session on February 1, which was a good opportunity to introduce the project to new council members. The council is wrestling with distribution of their hotel tax increase. The TA strongly encourages local financial participation in these types of projects and Burlingame city staff wanted to ensure the Interchange Project was considered as the council moves forward in deciding how the hotel tax funds will be spent.
- The tier one report associated with the proposed Cargill Saltworks development in Redwood City was released on February 1. The intent of the report is to make sure there are no insurmountable issues associated with the project moving into the environmental process. The public had an opportunity to comment on the report at a meeting in Redwood City on February 1. The findings from staff indicated no insurmountable issues.
- As a follow up from last month's presentation on the San Bruno Grade Separation Project, there will be 24 bike lockers and two bike racks, which will accommodate the projected demand at the station in 2035. There will be more parking spaces at the completion of the project than current numbers to meet project demand for 2035.

Mr. Fox said it is important to see routes for the bicyclists and pedestrians as part of the design phase because the project probably doesn't have funding to reconfigure surface streets. There needs to be a map to show the routes bicyclists and pedestrians use to come into the station to mitigate any conflicts with vehicular traffic with subsequent integration into the design plan.

Ms. Maez said 139 parking spaces were originally planned at the San Bruno Station and 195 are now planned for the project.

Chair Dixon said, in reference to the Cargill project, there is a freight line that can run from the shore in Redwood City to Caltrain.

Mr. Hees asked if a potential light rail line associated with the Cargill project would also serve ferry service in Redwood City. Mr. Hurley said he does not know but would get back with an answer.

COMMITTEE COMMENTS

Mr. Bigelow said it is difficult to impossible to make the connection between BART and Caltrain at the Millbrae Intermodal Station, which can mean an hour's delay until the next train. He said BART and Caltrain run on schedule and missed connections are not due to late trains.

Mr. Fox said it appears there is no effort to coordinate the schedules and this happens on both the north and southbound trains to the San Francisco International Airport.

Ms. Mader-Clark said the connection is impossible even if a person runs to make the train.

Assistant District Secretary Rosemary Lake said it is important that committee members report these problems to Caltrain customer service for follow up.

Mr. Hees commented on the upcoming scoping meeting in Pacifica for the Calera Parkway Project. He said it is important for staff to make sure the public understands the purpose and process for the meeting for a successful outcome. Mr. Hurley said information that has been disseminated about the meeting has articulated the expectations and intent. Flyers have been distributed in a 500 foot radius of the project; ads will be placed in appropriate newspapers; and there will be postings at Vallemar Elementary School and community centers.

NEXT MEETING

The next regular meeting of the TA CAC will be held on Tuesday, March 2, 2010 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

ADJOURNMENT: 6:17 p.m.