

San Mateo County Transportation Authority
1250 San Carlos Avenue, San Carlos, California
Minutes of Board of Directors Meeting

August 3, 2023

Members Present: E. Beach, J. Mates, R. Medina (Chair), M. Nagales, C. Romero (Vice Chair)
(In Person)

Members Present: None
(Via Teleconference)

Members Absent: N. Corzo, R. Mueller

Staff Present: A. Chan, J. Cassman, S. van Hoften, P. Skinner, C. Mobley-Ritter,
C. Fromson, J. Brook, D. Seamans

1. Call to Order

Chair Rico Medina called the meeting to order at 5:00 pm.

2. Roll Call/Pledge of Allegiance

Dora Seamans, Authority Secretary, confirmed that a quorum was present. Chair Medina led the Pledge of Allegiance.

3. Public Comment for Items Not on the Agenda

There were no comments.

4. Report of the Citizens Advisory Committee

Chair Medina noted that the report was posted on the website.

5. Consent Calendar

5.a. Approval of Minutes of the Board of Directors Meeting of June 1, 2023

5.b. Acceptance of Statement of Revenues and Expenditures for the Period Ending May 31, 2023

5.c. Information on Statement of Revenues and Expenditures for the Period Ended June 30, 2023

5.d. Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook

5.e. Authorize the Request for Allocation of \$2 Million in Regional Measure 3 Funding for the US 101/ State Route 92 Direct Connector Project – *Approved by Resolution No. 2023-15*

Regarding Item #5.b, Vice Chair Carlos Romero asked about when the TA started investing in the CAMP (California Asset Management Program) Pool portfolio as opposed to LAIF (Local Agency Investment Fund). Connie Mobley-Ritter, Director of Treasury, said they had decided to expand their allowable choices of investment because CAMP had been performing well lately, earning 5.3 percent versus LAIF earning in the 3 percent range.

Motion/Second: Romero/Nagales

Ayes: Beach, Mates, Medina, Nagales, Romero

Noes: None

Absent: Corzo, Mueller

6. Nominating Committee Report for the Citizens Advisory Committee (R. Medina/M. Nagales)

6.a Appointment of Citizens Advisory Committee Members

Chair Medina and Director Mark Nagales announced the following recommendations for CAC membership:

Incumbent Members Proposed to be Reappointed

- Doug Bojack
- Ken Chin
- Sandra Lang

New Members Proposed to be Appointed

- Giuliano Carlini
- Nheeda Enriquez
- Allie Paul

Motion/Second: Nagales/Mates

Ayes: Beach, Mates, Medina, Nagales, Romero

Noes: None

Absent: Corzo, Mueller

7. Report of the Chair

Chair Medina said the Board does read the CAC minutes and listens to the CAC meetings and that he had watched the April and May CAC meeting videos and appreciated the CAC members' input. He stressed that participation on the CAC should happen with a spirit of collaboration and respectfulness.

8. SamTrans Board Liaison Report

8.a Meeting of June 7, 2023

8.b Meeting of July 12, 2023

8.c Meeting of August 2, 2023

Chair Medina said that the reports were in the packet and posted on the website. He commented on the annual insurance ratification for Fiscal Year 2024 and noted that the

coverage had increased from \$2 million to \$5 million to enhance cybersecurity protection. He also noted the award of a contract for real estate brokerage services to locate a new District headquarters building. He noted that ridership is up 20 percent from June of 2022.

9. Joint Powers Board Liaison Report

April Chan, Executive Director, said that the report was posted on the website. She said one of the items at that morning's Board meeting was a discussion on how to revise the fare structure to bring back ridership. She said there would be further discussion at the September JPB Board meeting. She said Caltrain ridership is 30 percent of pre-pandemic levels and there was discussion about how to attract new riders. She said near-term strategies include marketing of the new electric train. Chair Medina noted that over 4,000 people attended the community event to view the electric train cars at the San Jose Diridon Caltrain Station.

Vice Chair Romero commented on the SamTrans meeting, congratulating staff on the upcoming Strategic Plan. He said he was concerned with the minimum age to ride the Ride Plus service is 17, and noted that there were 13- and 14-year-olds in East Palo Alto that were turned down for a ride. Ms. Chan said they were looking into the age restriction.

10. Report of the Executive Director

Ms. Chan said the report was in the packet. She said that the highway call for projects was closing on August 25. She congratulated the City of Burlingame for being awarded \$70 million in state funds for the Broadway grade separation project. Chair Medina noted that two other municipalities also were awarded grade separation funding.

11. Finance

11.a. US 101 Express Lanes: Quarterly Update on Variable Rate Bond and Operations

Connie Mobley-Ritter, Director of Treasury, provided the presentation on the variable rate bond.

Vice Chair Romero asked in terms of paying off the Series A and Series B, which are due June 2027, if the reserve is going to be under a million dollars. Ms. Mobley-Ritter estimated that the amount would be somewhere between \$1 and \$2 million and they also have a substantial amount in the project fund that was not needed for construction of the lanes, some of which could be used for the landscaping phase. She added that they will not have the final number until they get closer and would report that to the Board.

Director Emily Beach asked if the all-in interest rate was still around 0.92 percent. Ms. Mobley-Ritter said she would have to get back to her, but it was a very low number.

Lacy Vong, Program Manager, HNTB, provided the presentation on the operations of the Express Lanes.

Director Nagales said he was interested in learning about the equity program. Ms. Chan said the equity program has been in place for a year and it is going through an evaluation to determine if program changes are needed. Ms. Vong said they are closed to 2,200 Clipper and FasTrak benefits being distributed. She said they would like to see those numbers be higher. She said they are looking at barriers to enrollment and other ways that they can improve the program.

Vice Chair Romero asked what was the all-in cost was, including operations and maintenance, agency cost, and debt service fees, and Ms. Mobley-Ritter said it was 40 basis points or \$400,000. She said they would provide more transparency into the costs that going to come out of this revenue line in the future. Ms. Chan said they now have more revenues than expenses. She asked for clarification from Vice Chair Romero so that they could provide that information in future reports, and he said he wanted to know all the costs involved.

Director Julia Mates said they would like to see the waterfall figures. Ms. Chan said they would confer with staff and include the information as part of the next quarterly update presentation.

11.b. First Amendment to Reimbursement Agreement to Extend Expiration Date of Letter of Credit Supporting the \$100 Million Variable Rate Bonds – Approved by Resolution No. 2023-16

Ms. Mobley-Ritter presented the staff report. She said the amendment would continue to allow the TA to maintain a financial backstop for the variable rate bonds.

Director Beach and Vice Chair Romero thanked staff for the clear presentation and their efforts.

Motion/Second: Mates/Beach

Ayes: Beach, Mates, Medina, Nagales, Romero

Noes: None

Absent: Corzo, Mueller

11.c. Approval and Ratification of the Fiscal Year 2024 Transportation Authority Insurance Program – Approved by Resolution No. 2023-17

Ryan Hinchman, Director, Financial Planning and Analysis, presented the staff report. He said that coverage has not changed since the previous year and the premium has increased by 3 percent. He added that funding for the insurance premiums was included in the adopted budget.

Motion/Second: Romero/Nagales

Ayes: Beach, Mates, Medina, Nagales, Romero

Noes: None

Absent: Corzo, Mueller

12. State and Federal Legislative Update

Casey Fromson, Chief Communications Officer, provided a summary of federal and state legislation.

At the federal level, she said Congress is on August recess and that the appropriations bills need to be passed by September 30 to avoid a continuing resolution.

At the state level, on the House side, Ms. Fromson said the Governor signed a transportation bill on July 10, which restored TIRCP (Transit and Intercity Rail Capital Program) funding, allowing \$800 million already planned for the region, plus an additional \$400 million. She said that funds will flow to MTC (Metropolitan Transportation Commission) to be distributed to capital projects and transit operations. She said further negotiation with transit operators will occur to determine how the funds are allocated. She noted the Self-Help Counties Coalition, of

which the TA is a member, was able to secure a 10 percent cap, in perpetuity, on indirect cost charges from Caltrans on those projects where Caltrans provides oversight. She also noted new personnel changes and that the Legislature will be on recess until August 14.

13. Requests from the Authority

There were no requests.

14. Written Communications to the Authority

Chair Medina noted that the correspondence was available on the website.

15. Date/Time of Next Regular Meeting

Chair Medina announced the next meeting would be on Thursday, September 7, 2023, 5:00 pm in person at the SamTrans Auditorium and via Zoom teleconference.

16. Report of Legal Counsel

Ms. Cassman said that she had nothing to report.

17. Adjourn

Chair Medina expressed appreciation to staff for their support.

The meeting adjourned at 6:01 pm.

An audio/video recording of this meeting is available online at <https://www.smcta.com/about-us/board-directors/video-board-directors-cac-and-smcel-jpa>. Questions may be referred to the Authority Secretary's office by phone at 650.508.6242 or by email to board@smcta.com.