

**San Mateo County Transportation Authority
Board of Directors Special Meeting**

**1250 San Carlos Avenue, San Carlos, California 94070
Minutes of July 30, 2025**

Members Present: A. Fung, J. Mates (Vice Chair), C. Romero (Chair)

Members Present via Teleconference: N. Corzo, R. Medina, J. Speier

Members Absent: M. Nagales

Staff Present: E. Beach, J. Cassman, A. Chan, L. Lumina-Hsu, P. Skinner, M. Tseng

1. Call to Order

Chair Romero called the meeting to order at 3:00 pm.

2. Roll Call / Pledge of Allegiance

Margaret Tseng, Authority Secretary, called the roll and confirmed a Board quorum was present.

Vice Chair Mates led the Pledge of Allegiance.

3. Receive Update on Senate Bill 63 Regional Transportation Funding Measure and Make Recommendation on Whether San Mateo County Should Opt In

Emily Beach, Chief Communications Officer, provided the presentation that included the following:

- All taxed counties benefiting from Senate Bill (SB) 63 will have equal representation on the Metropolitan Transportation Commission (MTC) Oversight Committee and be treated equally and fairly
- Considerations of advantages and disadvantages of opt-in include: funding for Caltrain, Bay Area Rapid Transit (BART) and San Francisco Municipal Transit Agency (SFMTA); protecting Measure A investments; funds for SamTrans bus service, operational costs, and capital needs, and increased sales tax rates across San Mateo County (SMC)
- Advantages of opting in to a successful regional measure include: providing fastest emergency funds for Caltrain operations; fulfilling SamTrans' financial obligations to Caltrain for duration of measure; supporting BART and SFMTA connections for SMC transit users; protecting existing Measure A investments, and protecting funds for SamTrans bus service and capital investments from impending structural deficit
- Consequences of opting out a successful regional measure include: no relief for anticipated SamTrans operational deficit; no new source of funds to offset anticipated Caltrain deficits; a need to consider seeking voter approval of a new expenditure plan in

the upcoming Measure A renewal, with less funding for capital infrastructure, less local and regional funding for transit service, and less funding to support connections for riders; losing an opportunity for new leverage over BART and SFMTA service decisions in SMC, and effects on regional relationships with transit agencies and the advocacy, business, and labor groups who support the regional measure

- Draft proposal includes return-to-source funds for the life of the measure; requirements for transit operators to treat all counties equally, and accountability requirements with ability to withhold funds

The Board Members had a discussion and staff provided further clarification in response to the Board comments and questions, which addressed the following:

- Make up of Regional Measure Accountability Committee
- Measure A category funds usage to address Caltrain deficit
- Caltrain projected deficit is \$75 million deficit; proposed SMC portion of deficit is \$32.5 million by Fiscal Year 2031; SB 63 revenue would cover Caltrain and SamTrans deficits over duration of measure
- Revenue measure would last 14 years; use of return-to-source funds for programs and capital projects; taxpayers, cities, and other partners could provide input on funding for community improvements
- SamTrans capital project needs based on legislature requirements, such as zero emission buses and facilities to fuel or charge buses; long-term capital and infrastructure projects will need approximately \$200 million in funding
- BART and SFMTA commitments included in recent letter include making presentations to Board, transparency on service levels
- Accountability panel to be made up of 10 members
- Accountability committee able to withhold up to 5 percent; potential to strengthen position of accountability committee
- Accountability committee authority defined by ballot language; standards applied to all transit agencies across all counties, including consistent treatment
- San Mateo County Transportation Authority's (TA)'s fiduciary duty for continuation of transit services and quality of life standards to SMC transit riders
- Grievance and fund withholding processes under development
- If situation in which there is litigation and funds are tied up: TA has funding for Caltrain for operating and capital needs
- Will need clarification of what the funds will be used for and confirm that service degradation systemwide will not occur; clear expectations of what transit operators needs to do to receive funding
- SMCTD alternative: reduce allocation to SFMTA to offset helping SFMTA with its Caltrain obligation
- Caltrain deficit based on certain ridership levels being achieved; Caltrain deficit would potentially increase if levels not achieved
- Equalizing and normalizing accountability measures to address fairness standards;

Big 4 operators (BART, SFMTA, Caltrain, Alameda-Contra Costa Transit (AC Transit)) will receive \$50 million or more; Accountability standards to ensure SMC and all counties receiving services are treated equally

- Use SB 63 return-to-source funding can be used to meet commitments; also, SB 63 unlocks additional funding for projects that will improve the community
- Risk of joining measure: provides funding for other transit operators that SMC has no control over/no seats on their Boards
- If TA supports opt-in, send amendments as part of recommendations to SamTrans
- Oversight agency ability to withhold SMC funds until specified standards are met
- Support an opt-in at 1/2 cent only if able to protect selves and people the TA represents

Motion to accept staff recommendation and encourage the bill authors to increase the percentage to be withheld from the transit agencies by the accountability committee beyond 5 percent.

Motion/Second: Corzo/Romero

Substitute Motion by Director Speier to not opt-in until final wording for the accountability portion of the measure is provided to SamTrans. There was no second. Motion died.

Friendly Amendment by Vice Chair Mates: Include direction for SamTrans to review any additional proposed amendments regarding oversight and assess how the amendments impact accountability and oversight to advocate for strongest possible protections for the San Mateo County taxpayers.

Accepted: Corzo/Romero

Substitute Motion by Director Fung to continue item to August 5, 2025 to get more information on accountability measure wording and allow for more fully informed discussion and consideration.

The Board Members had a discussion which included the following:

- Duty of TA Directors to have all information for a discussion
- Leverage is now on the bill authors
- Directors will need to come prepared with specific amendments to give to SamTrans at August 5 meeting
- Board has a duty to discuss and consider funding plan and accountability, ensure effective service for riders who depend on transit every day
- Give Board time to make an informed decision

Motion/Second: Fung/Speier

Ayes: Fung, Speier, Mates

Noes: Corzo, Medina, Romero

Absent: Nagales

Motion with friendly amendment: Accept staff recommendation, with the SMCTD Alternative expenditure plan proposed by staff on slide 13 of the presentation, and to encourage the bill authors to increase the percentage so that more than 5 percent can be held-back from BART and Muni for accountability purposes, and to include direction for the SamTrans Board to review any additional proposed amendments and assess how the amendments impact accountability and oversight, and ensure San Mateo County is advocating for the strongest possible protections for the San Mateo County taxpayers.

Motion/Second: Corzo/Romero
Ayes: Corzo, Medina, Mates, Romero
Noes: Fung, Speier
Absent: Nagales

Public Comment

Sebastian Petty, SPUR, spoke in support of opt-in to SB 63.

Jessica Sanders, Chamber San Mateo County, spoke in support of opt-in to SB 63 and commented on transit funding and Measure A.

Don Cecil, SAMCEDA, commented on looming fiscal crisis, ballot language, legislative delegation advocacy, and SB 63 in present day.

Gina Papan commented on SB 63 amendments and accountability.

Guiliano Carlini spoke in support of opt-in to SB 63 at 1/2 cent and commented on public transit riders and gross receipt tax approach.

Jenny Michel commented on riding public transit due to medical need and spoke in support of opt-in to SB 63 at 1/2 cent or gross receipt sales tax.

Dylan Finch commented on polling results and spoke in support of funding transit and transit coordination.

Roland commented on Caltrain agency member funding and Gilroy service operation and funding.

Adina Levin, Friends of Caltrain and Seamless Bay Area, spoke in support of opt-in to SB 63 at 1/2 cent, and commented on accountability provisions and system coordination funding and standards.

Gregg Dieguez commented on transit agency deficits and mismanaged agencies and spoke against opt-in to SB 63.

Matt Jones, Silicon Valley Bike Coalition, spoke in support of opt-in to SB 63 at 1/2 cent sales tax with preference for gross receipt sales tax, and commented on Measure A funding support to bike and ped.

Jeremy Levine, Housing Leadership Council, spoke in support for a regional funding measure and commented low-income housing users are more likely to use public transit.

Katherine Dumont commented on using public transit, coordinated transit schedules, and increasing expenses.

- 4. Adjournment** - The meeting adjourned at 5:38 pm.