



# AGENDA

## SAN MATEO COUNTY TRANSPORTATION AUTHORITY

Bacciocco Auditorium, 2<sup>nd</sup> Floor  
1250 San Carlos Avenue, San Carlos, CA 94070

**September 7, 2017 – Thursday**

**5:00 p.m.**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Report of the Citizens Advisory Committee
5. Consent Calendar  
Members of the Board may request that an item under the Consent Calendar be considered separately
  - a. Approval of Minutes of August 3, 2017
  - b. Acceptance of Statement of Revenues and Expenses for July 2017
  - c. Reaffirm the San Mateo County Transportation Authority Investment Policy and Reauthorize Investment of Monies with the Local Agency Investment Fund
6. Public Comment  
Public comment by each individual speaker shall be limited to one minute. If you wish to address the Board, please fill out a speaker's card located on the agenda table and hand it to the TA Secretary.
7. Chairperson's Report
8. San Mateo County Transit District Liaison Report – K. Matsumoto
9. Joint Powers Board Report – J. Hartnett
10. Report of the Executive Director – J. Hartnett
11. Program
  - a. Approve Policy Revisions for Measure A Highway Program Call for Projects
  - b. Program Report: Transit – Dumbarton Corridor
  - c. Capital Projects Quarterly Status Report 4<sup>th</sup> Quarter FY 2017
12. Written Communications to the Authority
13. General Counsel Report
14. Date/Time of Next Regular Meeting: Thursday, October 5, 2017, 5 p.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2<sup>nd</sup> Floor, 1250 San Carlos Avenue, San Carlos, CA 94070
15. Adjourn

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

## INFORMATION FOR THE PUBLIC

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

If you have questions on the agenda, please contact the Authority Secretary at 650-508-6242. Assisted listening devices are available upon request. Agendas are posted on the Authority Website at [www.smcta.com](http://www.smcta.com). Communications to the Board of Directors can be e-mailed to [board@smcta.com](mailto:board@smcta.com).

### Location, Date and Time of Regular Meetings

Regular meetings are held at the San Mateo County Transit District Administrative Building located at 1250 San Carlos Ave., San Carlos, which is located one block west of the San Carlos Caltrain Station on El Camino Real. The building is also accessible by SamTrans bus routes ECR, FLX, 260, 295 and 398. Additional transit information can be obtained by calling 1-800-660-4287 (TTY 650-508-6448) or 511.

The Transportation Authority (TA) meets regularly on the first Thursday of the month at 5 p.m. The TA Citizens Advisory Committee (CAC) meets regularly on the Tuesday prior to the first Thursday of the month at 4:30 p.m. at the San Mateo County Transit District Administrative Building.

### Public Comment

If you wish to address the Board, please fill out a speaker's card located on the agenda table. If you have anything that you wish distributed to the Board and included for the official record, please hand it to the Authority Secretary, who will distribute the information to the Board members and staff.

Members of the public may address the Board on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to one minute and items raised that require a response will be deferred for staff reply.

### Accessibility for Individuals with Disabilities

Upon request, the TA will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to the Authority Secretary at the San Mateo County Transportation Authority, 1250 San Carlos Avenue, San Carlos, CA 94070-1306 or emailed to [board@smcta.com](mailto:board@smcta.com); or by phone at 650-508-6242, or TTY 650-508-6448.

### Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

**MINUTES OF AUGUST 3, 2017**

**MEMBERS PRESENT:** E. Beach, M. Freschet, C. Groom (Chair), D. Horsley, K. Matsumoto

**MEMBERS ABSENT:** K. Ibarra, C. Johnson

**STAFF PRESENT:** M. Beveridge, J. Cassman, A. Chan, S. Cocke, L. Guan,  
C. Gumpal, J. Hartnett, J. Hurley, M. Martinez, N. McKenna,  
L. Millard, C. Mobley-Ritter

Chair Carole Groom called the meeting to order at 5:02 p.m. and led the Pledge of Allegiance.

**CITIZENS ADVISORY COMMITTEE (CAC) REPORT**

The August 1 report is in the reading file.

**APPROVAL OF MINUTES JUNE 1, 2017**

Director Karyl Matsumoto asked when will the Measure A Status Report be available.

April Chan, Chief Officer of Planning, Grants, Real Estate and TA, said they were still resolving the differences in terms of the financial system and they are hoping to bring an item on October 2017.

Motion/Second: Beach/Matsumoto

Ayes: Beach, Freschet, Matsumoto, Horsley, Groom

Absent: Ibarra, Johnson

**ACCEPTANCE OF STATEMENT OF REVENUES AND EXPENDITURES FOR MAY 2017**

Director Matsumoto asked if sales tax was worse than budget because the forecast sales tax is high? Connie Mobley-Ritter, Director Treasury, said the budget numbers projected out at the beginning of the fiscal year come from San Mateo County and are based on their assessment at the start of the year and actual receipts two months in the rears.

Motion/Second: Matsumoto/Beach

Ayes: Beach, Freschet, Matsumoto, Horsley, Groom

Absent: Ibarra, Johnson

**INFORMATION ON STATEMENT OF REVENUES AND EXPENDITURES FOR JUNE 2017**

Received report that the Statement for June will be presented in November for acceptance.

Motion/Second: Horsley/Freschet

Ayes: Beach, Freschet, Matsumoto, Horsley, Groom

Absent: Ibarra, Johnson

**ESTABLISH THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2048 IN THE AMOUNT OF \$684,431,558 APPROVED BY RESOLUTION NO. 2017-13**

Motion/Second: Matsumoto/Freschet

Ayes: Beach, Freschet, Matsumoto, Horsley, Groom

Absent: Ibarra, Johnson

**CHAIRPERSON'S REPORT**

Director Don Horsley said he and Director Cameron Johnson met with staff for an update on the Capital Improvement Program Highway Program.

Director Horsley presented the following from the meeting:

- The Committee discussed external funding sources to leverage Measure A funds including SB1 And RM3
  - SB1 Congested Corridors Program: \$250 million available annually
  - SB1 provides additional STIP dollars; \$47.9 million of additional funding for San Mateo County over the 5 year period covering FY19 through FY 2023
  - Other SB1 programs may be available as well
  - Regional Measure 3: regional projects such as the 101 Manage Lanes project and the 101/92 Interchange are proposed for inclusion in the regional measure
- In light of the funding shortfall, the committee evaluated various options for options for future funding calls, including focusing on completing Measure A pipeline projects. In addition, setting aside a small amount to help fund the planning and environmental phases for other projects not already in the pipeline.
- Also discussed a proposed requirement that sponsors provide matching funds for future funding calls to better leverage Measure A investments.
- Staff is scheduled to come back to the Board with specific policy recommendations for information in September and to take action with the release of the net Highway Call for Projects in October.
- Staff also provided an update on status of 5 inactive highway projects. Staff sent letters to the sponsors requesting that they formally respond by the end of October to inform the TA as to whether they intend to proceed with their projects and if they do, to provide the status of the current project scope, schedule and budget, and how they intend to resolve any obstacles.

Director Matsumoto read the Resolution of Appreciation for Nancy McKenna, Assistant District Secretary, was presented at the SamTrans Board meeting on August 2, 2017. Ms. McKenna is retiring after 15 years of service on September 1, 2017.

**SAN MATEO COUNTY TRANSIT DISTRICT LIAISON REPORT – K. MATSUMOTO**

The July and August meeting reports are in the reading file.

**PENINSULA CORRIDOR JOINT POWERS BOARD (JPB) REPORT – J. HARTNETT**

The July and August meeting reports are in the reading file.

**REPORT OF THE EXECUTIVE DIRECTOR – J. HARTNETT**

Jim Hartnett, Executive Director, said his written report is in the reading file.

Director Maureen Freschet thanked the TA Board and staff for the allocation of funds for the 25<sup>th</sup> Avenue Grade Separation Project.

**PROGRAM REPORT: ALTERNATIVE CONGESTION RELIEF**

**Program Report: Alternative Congestion Relief**

John Ford, Executive Director, Commute.Org, presented this informational item. Key highlights include:

- Agency goal is to reduce single occupancy vehicles.
- The Board consists of 18 members appointed by their respective city councils.
- Fiscal Year (FY) 2017-2018 budget is \$3.93 million and twelve percent of funding comes from the TA.
- Shuttle operations total 58 percent of expenses.
- Commute alternatives reduce air pollution and traffic congestion, additional housing and work force density, competition for employees, tenants and residents.
- Mode shift equates to a behavior change.
- Work Plan Program areas are employer outreach and support, first and last mile shuttle program, commuter programs and public/private partnerships.
- Key initiatives this year include triennial commuter profile survey, guaranteed ride home program, transportation technology partnerships and STAR platform.
- Commute.org shuttles have 20 routes with 64 private partners. TA funds 50 to 75 percent and the consortium funds balance.
- Shuttle ridership in FY2016/2017 declined two percent.
- STAR platform was launched in September 2016 where people can record their trips.
- Upcoming infrastructure projects will have an impact as the private coach industry continues to evolve, app-based carpooling, ride hailing apps such as Lyft and Uber, shared-use mobility and autonomous vehicles.

Public Comment

Rich Hedges, San Mateo, said he is a huge fan of shuttles and the work the Mr. Ford has done is fantastic.

**ALLOCATION OF \$458,500 IN NEW MEASURE A ALTERNATIVE CONGESTION RELIEF FUNDS TO THE PENINSULA TRAFFIC CONGESTION RELIEF ALLIANCE TO SUPPORT THE COUNTYWIDE CONGESTION RELIEF PROGRAM FOR FISCAL YEAR 2018**

Approved by Resolution No. 2017-11  
Motion/Second: Horsley/Freschet  
Ayes: Beach, Freschet, Matsumoto, Horsley, Groom  
Absent: Ibarra, Johnson

**AUTHORIZE ACCEPTANCE OF THE QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND OUTLOOK FOR THE QUARTER ENDED JUNE 30, 2017**

Monique Spyke and Izac Chyou from PFM Asset Management provided the update. Over the fiscal year the portfolio earned \$2 million. During the quarter there were mixed readings on key economic data in the United States and fiscal policy initiatives were stalled. The portfolio continued to be diversified. The outlook is continued modest growth in the United States and future path of Fed tightening is less certain. The strategy going forward will be to manage the portfolio duration to closely match the benchmark duration, favor treasuries over agencies and continue to look for opportunities to diversify.

Motion/Second: Matsumoto/Beach  
Ayes: Beach, Freschet, Matsumoto, Horsley, Groom  
Absent: Ibarra, Johnson

**ALLOCATION OF \$9,577,753 IN NEW MEASURE A FUNDS TO THE SAN MATEO COUNTY TRANSIT DISTRICT FOR APPLICATION TOWARDS THE CALTRAIN PROGRAM CATEGORY AND THE PARATRANSIT PROGRAM CATEGORY**

Ladi Millard, Director, Budgets and Financial Analysis, said in the Tax Expenditure Plan Caltrain is allocated eight percent which equates to \$6.8 million and paratransit is allocated four percent.

Director Matsumoto requested a chart with the percentage and monies for Measure A on a quarterly basis.

Approved by Resolution No. 2017-12  
Motion/Second: Matsumoto/Horsley  
Ayes: Beach, Freschet, Matsumoto, Horsley, Groom  
Absent: Ibarra, Johnson

**PROGRAM REPORT: PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

Lin Guan, Deputy Director, Project Delivery, presented:

- Project is broken down into four segments.
- Construction will start in segments 2 and 4.
- Notice to Proceed was issued to the design build contractor Balfour Beatty on June 19.
- Notice to Proceed was issued to the Electric Multiple Unit contractor Stadler on June 1.

Stacy Cocke, Principal Planner, reported:

- Revenue service is expected in 2022.
- Total project is \$1.9 billion and is fully funded.
- Funding partner participation includes design-build contractor selection, vehicle contractor selection and risk refresh sessions.
- Extensive public outreach has been done with 37 community and stakeholder meetings.
- A full-time project outreach office has opened in San Mateo.
- There will be a community meeting for work being done in Millbrae and Burlingame on August 23 in Millbrae.

#### **UPDATE ON STATE AND FEDERAL LEGISLATIVE PROGRAM**

Brent Tietjen, Government and Community Relations Officer, said the State Legislature is currently on Summer Recess and will reconvene on August 21. Prior to adjourning, there was action on a number of bills that staff has been tracking. Assembly Bill 398 which extends the Cap and Trade Program to 2030 was signed by Governor Brown on July 25. He said the Legislature now has to finalize a Cap and Trade Expenditure Plan, which staff expects to be a large focus of their time when they reconvene. Mr. Tietjen said staff will be working with the delegation to ensure there is a continued commitment to public transit by maintaining the continuous appropriations to the Transit and Intercity Rail Capital Program and the Low Carbon Transit Operations Program.

He said Senate Bill 595, also known as Regional Measure 3, is currently in the Assembly Appropriations Committee and will be heard after the Legislature returns from Summer Recess. Mr. Tietjen said the bill was amended on July 19 to include a list of specific projects and programs for San Mateo County including the Highway 101/Route 92 Interchange and the Dumbarton Corridor improvements. He said SamTrans is supportive of the bill with these changes and will work with the delegation to take advantage of any opportunities to increase the funds that come to the County.

Mr. Tietjen said at the Federal level the Trump Administration has appointed an Infrastructure Advisory Council to advise on a path forward for infrastructure. He said the Transportation Housing Urban Development Appropriations Bill passed Senate Appropriations.

#### **DATE AND PLACE OF NEXT REGULAR MEETING**

Thursday, September 7, 2017 at 5 p.m. in the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2<sup>nd</sup> floor, 1250 San Carlos Avenue, San Carlos CA 94070

The meeting adjourned at 6:20 p.m.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett  
Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENDITURES FOR THE PERIOD ENDING  
JULY 2017**

**ACTION**

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of July 2017 and supplemental information.

The statement columns have been designed to provide easy comparison of year to date prior to current actuals for the current fiscal year including dollar and percentage variances.

**SIGNIFICANCE**

**Year to Date Revenues:** As of July year-to-date, the Total Revenues (page 1, line 5) is \$0.2 million higher than prior year. This is primarily driven by higher Sales Tax (page 1, line 1) revenue.

**Year to Date Expenses:** As of July year-to-date, the Total Expenditures (page 1, line 24) is \$0.3 million higher than prior year. This is primarily driven by Staff Support (page 1, line 18) due to inclusion of unfunded CalPERS and Other Post-Employment Benefits liability (this expense, which was incurred in July, will not recur throughout the year).

**Budget Amendment:**

There are no budget amendments for the month of July 2017.

Prepared By: Dapri Hong, Analyst, FP&A  
Ray Galindo, Accountant

650-622-8055  
650-508-7757

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STATEMENT OF REVENUES AND EXPENDITURES**

**Fiscal Year 2018**

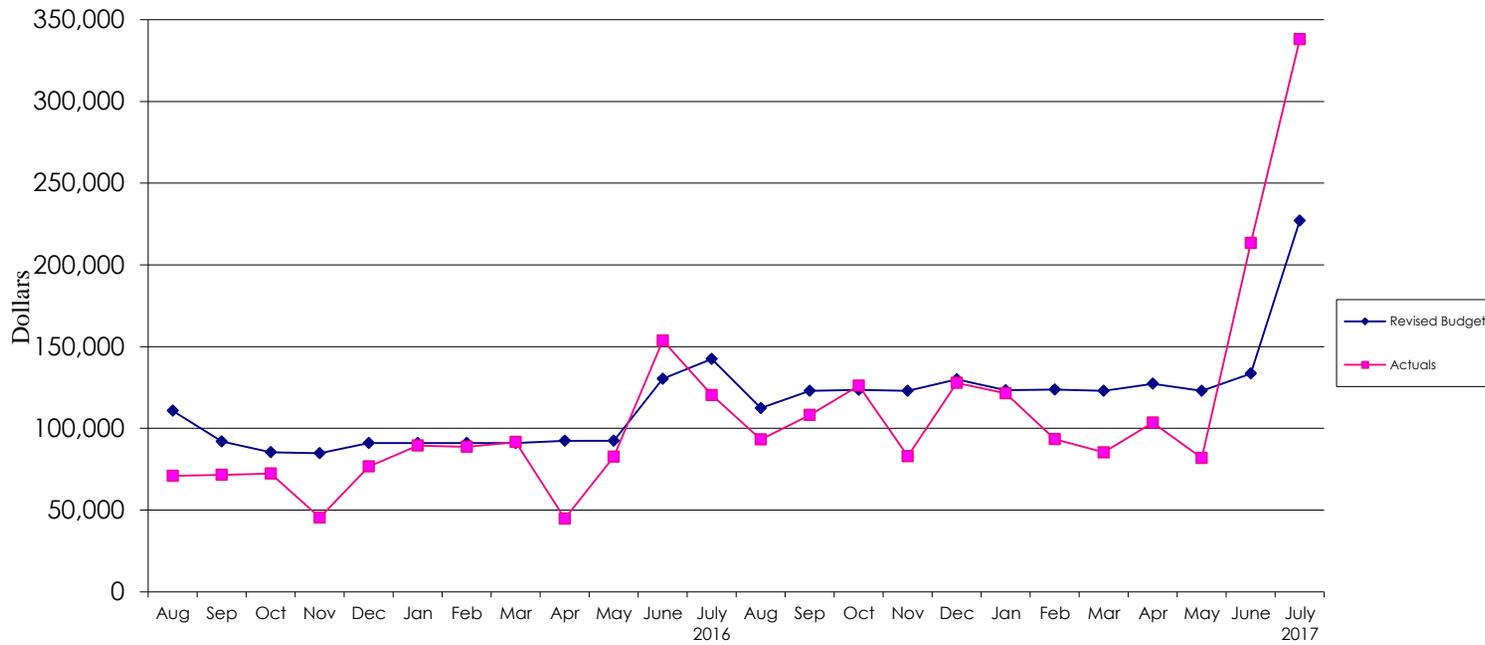
**July 2017**

**YEAR ELAPSED: 8.3%**

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET*
<b>REVENUES:</b>					
1 Sales Tax	5,919,931	6,173,245	253,314	4.3%	84,660,000
2 Interest Income	592,697	543,070	(49,627)	-8.4%	3,700,000
3 Rental Income	103,010	97,778	(5,233)	-5.1%	792,930
4					
5 <b>TOTAL REVENUE</b>	<b>6,615,638</b>	<b>6,814,093</b>	<b>198,454</b>	<b>3.0%</b>	<b>89,152,930</b>
<b>EXPENDITURES:</b>					
9 Annual Allocations	2,160,774	2,253,235	92,461	4.3%	30,900,900
11 Measure A Categories	160,996	50,493	(110,503)	-68.6%	52,912,500
13 Dumbarton Maintenance of Way	6,622	6,622	0	0.0%	260,000
15 Oversight	51,691	137,501	85,810	166.0%	1,185,000
17 Administrative					
18 Staff Support	67,444	286,436	218,992	324.7%	867,563
19 Measure A Info-Others	-	-	0	0.0%	15,000
20 Other Admin Expenses	52,917	51,648	(1,269)	-2.4%	703,301
22 Total Administrative	120,361	338,084	217,723	180.9%	1,585,864
24 <b>TOTAL EXPENDITURES</b>	<b>2,493,822</b>	<b>2,779,314 (1)</b>	<b>285,492</b>	<b>11.4%</b>	<b>86,844,264</b>
26 <b>EXCESS (DEFICIT)</b>	<b>4,121,816</b>	<b>4,034,779</b>	<b>(87,037)</b>	<b>-2.1%</b>	<b>2,308,667</b>

\* The TA Adopted Budget is the Board adopted budget effective June 1, 2017.

## SAN MATEO COUNTY TRANSPORTATION AUTHORITY ADMINISTRATIVE EXPENSES



**Current Year Data**

	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Dec '17	Jan '18	Feb '18	Mar '18	Apr '18	May '18	Jun '18
<b>MONTHLY EXPENSES</b>												
Revised Budget	227,128											
Actual	338,084											
<b>CUMULATIVE EXPENSES</b>												
Staff Projections	227,128											
Actual	338,084											
Variance-F(U)	(110,956)											
Variance %	-48.85%											



CAROLE GROOM, CHAIR  
DON HORSLEY, VICE CHAIR  
EMILY BEACH  
MAUREEN FRESCHET  
KEN IBARRA  
CAMERON JOHNSON  
KARYL MATSUMOTO

JIM HARTNETT  
EXECUTIVE DIRECTOR

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

CAPITAL PROJECT RESERVES

AS OF JULY 31, 2017

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET VALUE
County Pool #2	*	Liquid Cash	1.145%	\$ 323,900,748	\$ 323,900,748
Local Agency Investment Fund	**	Liquid Cash	1.051%	\$ 984,363	\$ 984,363
Investment Portfolio	***	Liquid Cash	1.652%	\$ 156,307,184	\$ 156,104,759
Other		Liquid Cash	0.000%	\$ 6,963,715	\$ 6,963,715
				<u>\$ 488,156,010</u>	<u>\$ 487,953,585</u>

Accrued Earnings for July 2017 \$ 558,722  
Cumulative Earnings FY2018 \$ 558,722

\* County Pool average yield for the month ending July 31, 2017 was 1.145%. As of July 2017, the total cost of the Total Pool was \$4,616,065,172 and the fair market value per San Mateo County Treasurer's Office was \$4,619,500,175.

\*\* The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value factor as reported by LAIF for quarter ending June 30th each year.

\*\*\* The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Authority has the ability to meet its expenditure requirements for the next six months.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY**  
**INTEREST ON INVESTMENTS**  
 July 31, 2017

DESCRIPTION	TOTAL INVESTMENT 07-31-17	INTEREST RECEIVABLE 06-30-17	PREPAID INT RECEIVABLE 06-30-17	INTEREST EARNED 07-31-17	INTEREST RECEIVED 07-31-17	ADJ.	INTEREST RECEIVABLE 07-31-17
LAIF	984,362.86	2,261.64	0.00	877.83	2,261.64		877.83
COUNTY POOL	323,900,748.15	863,684.18	0.00	309,674.51	863,684.18		309,674.51
BANK OF AMERICA	5,492,164.57	0.00	0.00				0.00
WELLS FARGO	0.00	0.00	0.00				0.00
US BANK (Cash on deposit)	1,471,550.40	0.00	0.00				0.00
INVESTMENT PORTFOLIO	156,104,758.88	682,817.38	3,521.74	248,169.99	451,404.81		483,104.30
		0.00					0.00
	<u>487,953,584.86</u>	<u>1,548,763.20</u>	<u>3,521.74</u>	<u>558,722.33</u>	<u>1,317,350.63</u>	<u>0.00</u>	<u>793,656.64</u>

**JULY 2017 -- SUMMARY OF INTEREST & CAPITAL GAIN**

Interest Earned Per Report	07/31/17	558,722.33
<b>Add:</b>		
<b>Less:</b>		
Management Fees		(10,422.03)
Amortized Premium/Discount		(66,192.51)
Capital Gain(Loss)		<u>(15,652.33)</u>
Total Interest & Capital Gain(Loss)		<u><u>466,455.46</u></u>

**YEAR TO DATE -- SUMMARY**

Interest Earned	558,722.34
<b>Add:</b>	
<b>Less:</b>	
Management Fees	(10,422.03)
Amortized Premium/Discount	(66,192.51)
Capital Gain(Loss)	<u>(15,652.33)</u>
Total Interest	<u><u>466,455.47</u></u>
Balance Per Ledger 07/31/17	
Amortization of Premium/Discount	(66,192.51)
Management/Bank Fees	(10,422.03)
Interest- County Pool	309,674.52
Interest - LAIF	877.83
Interest - Portfolio Funds	248,169.99
Gain(Loss)	<u>(15,652.33)</u>
	<u><u>466,455.47</u></u>

INVESTMENT PORTFOLIO

July 31, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	MARKET	MATURITY DATE	INT RATE	RATE/DAY	APPL. DAYS	INTEREST	PREPAID	INTEREST	INTEREST	INTEREST	ADJ.	INTEREST	PAR
			PURCHASE PRICE	VALUE 7/31/2017					REC'VBLE 6/30/2017	INT REC'VBLE 6/30/2017	EARNED 7/31/2017	RECEIVED	REC'VBLE 7/31/2017		VALUE	
<b>SECURITIES MANAGED BY INVESTMENT ADVISOR:</b>																
<b>U.S. TREASURY NOTES AND BONDS</b>																
US TREASURY NOTE	912828O78	01-05-17	3,136,500.00	3,166,124.80	04-30-21	1.375%	122.2222	31	7,413.04		3,706.53				11,119.57	3,200,000
US TREASURY NOTE	912828S18	03-23-15	119,845.31	119,812.56	04-30-19	1.250%	4.1667	31	252.72		126.36				379.08	120,000
US TREASURY NOTE	912828F62	09-09-15	602,414.06	601,593.60	10-31-19	1.500%	25.0000	31	1,524.59		762.30				2,286.89	600,000
US TREASURY NOTE	912828VF4	12-07-15	7,403,027.34	7,478,910.00	05-31-20	1.375%	286.4583	31	8,734.63		8,734.63				17,469.26	7,500,000
US TREASURY NOTE	912828VP2	05-18-16	6,667,435.54	6,541,203.00	07-31-20	2.000%	358.3333	31	53,809.39		11,041.15	64,500.00			350.54	6,450,000
US TREASURY NOTE	912828L32	06-29-16	1,832,906.25	1,791,561.60	08-31-20	1.375%	68.7500	31	8,363.32		2,107.83				10,471.15	1,800,000
US TREASURY NOTE	912828R77	03-17-17	3,409,082.03	3,460,079.00	05-31-21	1.375%	133.6806	31	4,076.16		4,076.16				8,152.32	3,500,000
US TREASURY NOTE	912828D72	04-05-17	1,813,921.88	1,819,688.40	08-31-21	2.000%	100.0000	31	9,566.33	3,521.74					13,088.07	1,800,000
US TREASURY NOTE	912828D72	06-29-17	3,942,503.91	3,942,658.20	08-31-21	2.000%	216.6667	31	25,646.74		13,218.50				38,865.24	3,900,000
US TREASURY NOTE	912828D72	07-11-17	2,716,347.66	2,729,532.60	08-31-21	2.000%	150.0000	31				(19,516.30)			19,516.30	2,700,000
																20.30%
<b>FEDERAL AGENCY COLLATERIZED MORTGAGE OBLIGATIONS</b>																
FNMA	3136ANJY4	04-30-15	884,177.67	874,469.02	04-01-18	1.550%	37.69	31	1,279.11		1,134.88	1,283.23			1,130.76	875,427
FNA 2014-M6 A2	3136AJ7G5	12-15-16	3,519,808.59	3,530,658.24	05-25-21	2.679%	256.74	31	7,700.72		7,700.72	7,700.72			7,700.72	3,450,000
FANNIE MAE	3136AQDQO	10-30-15	1,217,363.01	1,205,137.12	09-01-19	1.646%	55.11	31	1,746.64		1,653.26	2,971.58			428.32	1,205,293
																3.56%
<b>FEDERAL AGENCY NOTES AND BONDS</b>																
FHLMC	3137EAE1	07-20-16	4,638,747.00	4,602,421.20	07-19-19	0.875%	113.02	31	18,309.38		3,390.62	20,343.75			1,356.25	4,650,000
FNMA	3135GON33	08-02-16	3,194,624.00	3,165,488.00	08-02-19	0.875%	77.78	31	15,210.42		2,746.52	4,034.72			13,922.22	3,200,000
FHLB	3130A8QS5	07-15-16	3,180,540.80	3,128,262.40	07-14-21	1.125%	100.00	31	16,700.00		3,000.00	18,000.00			1,700.00	3,200,000
FREDDIE MAC	3137EADP1	08-08-16	725,935.25	723,636.28	03-07-18	0.875%	17.62	31	3,809.90		686.63	1,959.03			2,537.50	725,000
FHLB	3130A9AE1	08-26/16	2,997,960.00	2,983,440.00	10-01-18	0.875%	72.92	31	6,562.51		2,187.50				8,750.01	3,000,000
FHLB	313376BR5	08-11-16	765,165.00	754,020.75	12-14-18	1.750%	36.46	31	619.79		1,093.75				1,713.54	750,000
FHLB	3130A8Y72	08-04-16	798,464.00	791,480.80	08-05-19	0.875%	19.44	31	2,838.89		583.33				3,422.22	800,000
FNMA	3135GON82	08-19-16	822,177.68	808,976.85	08-17-21	1.250%	28.65	31	0.00						0.00	825,000
FNMA	3135GON82	08-19-16	2,664,166.25	2,623,046.15	08-17-21	1.250%	92.88	31	16,284.71		3,645.84				19,930.55	2,675,000
FNMA	3135GOP49	09-02-16	3,993,760.00	3,964,800.00	08-28-19	1.000%	111.11	31	13,666.66		3,333.34				17,000.00	4,000,000
FHLB	3130A9EP2	09-09-16	4,695,911.00	4,657,465.00	09-26-19	1.000%	130.56	31	12,402.78		3,916.66				16,319.44	4,700,000
FHLMC	3137EAE1	09-16-16	2,294,013.15	2,282,967.32	10-12-18	0.875%	55.78	31	4,406.72		1,673.44				6,080.16	2,295,000
FNMA	3135GOT29	02-28-17	2,653,300.80	2,652,836.18	02-28-20	1.500%	110.63	31	13,606.87		3,318.75				16,925.62	2,655,000
FHLB	3130AAXX1	03-10-17	3,955,801.20	3,966,371.89	03-18-19	1.375%	151.44	31	16,809.95		4,543.23				21,353.18	3,965,000
FHLMC	3137EAE1	04-20-17	2,690,766.00	2,687,812.20	04-20-20	1.375%	103.13	31	7,321.88		3,093.75				10,415.63	2,700,000
																25.81%
<b>CORPORATE NOTES</b>																
TOYOTA MOTOR	89236TDHS	10-18-16	1,149,425.00	1,144,991.75	10-18-19	1.550%	49.51	31	3,614.51		1,485.42				5,099.93	1,150,000
TOYOTA MOTOR CREDIT	89236TDM4	-01-09-17	1,999,300.00	2,003,836.00	01-09-19	1.700%	94.44	31	16,244.44		2,833.34	17,000.00			2,077.78	2,000,000
AMERICAN EXPRESS	0258MDEC9	10-31-16	2,799,321.80	2,788,881.20	10-30-19	1.700%	132.22	31	8,065.56		3,966.66				12,032.22	2,800,000
MORGAN STANLEY	6174467P8	11-10-16	3,516,187.50	3,440,061.45	07-24-20	5.500%	481.25	31	75,556.25		14,437.50	86,625.00			3,368.75	3,150,000
PFIZER INC	717081EB5	11-21-16	2,078,502.40	2,083,729.44	12-15-19	1.700%	98.22	31	1,571.56		2,946.66				4,518.22	2,080,000
JOHN DEERE	24422ESR1	11-22-16	2,325,764.75	2,316,134.35	12-15-17	1.550%	99.67	31	1,594.78		2,990.21				4,584.99	2,315,000
JOHN DEERE CAPITAL CC	24422ETM1	01-06-17	1,199,220.00	1,201,284.00	10-15-18	1.650%	55.00	31	4,180.00		1,650.00				5,830.00	1,200,000
JOHN DEERE CAPITAL CC	24422ETL3	03-15-17	681,979.15	698,558.21	01-06-22	2.650%	50.42	31	8,824.13		1,512.71	9,076.25			1,260.59	685,000
GOLDMAN SACHS	38141GGO1	11-28-16	3,035,092.50	3,029,499.00	07-27-21	5.250%	401.04	31	61,760.42		12,031.25	72,187.50			1,604.17	2,750,000
AMERICAN HONDA	02665WAH4	12-20-16	3,165,655.50	3,180,933.00	08-15-19	4.250%	371.88	31	26,775.00		5,906.25				32,681.25	3,150,000
CITIGROUP INC	172967LF6	01-10-17	1,574,370.00	1,589,653.80	01-10-20	2.450%	107.19	31	18,329.06		3,215.63	19,293.75			2,250.94	1,575,000

INVESTMENT PORTFOLIO

July 31, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	MARKET	MATURITY DATE	INT RATE	RATE/DAY	APPL. DAYS	INTEREST	PREPAID	INTEREST	INTEREST RECEIVED	ADJ.	INTEREST	PAR VALUE
			PURCHASE PRICE	VALUE 7/31/2017					REC'VBLE 6/30/2017	INT REC'VBLE 6/30/2017	EARNED 7/31/2017			REC'VBLE 7/31/2017	
<b>SECURITIES MANAGED BY INVESTMENT ADVISOR:</b>															
MICROSOFT CORP	594918BV5	02-06-17	1,518,981.60	1,526,596.80	02-06-20	1.850%	78.11	31	11,326.11		2,343.33			13,669.44	1,520,000
BERKSHIRE HATHAWAY	084670BL1	12-23-16	3,167,829.00	3,180,750.30	08-14-19	2.100%	183.75	31	25,173.75		5,512.50			30,686.25	3,150,000
WALT DISNEY	25468PDP8	03-06-17	659,828.40	662,919.84	03-04-20	1.950%	35.75	31	4,111.25		1,072.50			5,183.75	660,000
APPLE INC BONDS	037833CS7	05-11-17	1,323,648.50	1,328,213.13	05-11-20	1.800%	66.25	31	3,312.50		1,987.50			5,300.00	1,325,000
JP MORGAN CHASE & C	46625HJD3	05-26-17	1,622,730.00	1,631,842.50	01-24-22	4.500%	187.50	31	29,437.50		5,625.00	33,750.00		1,312.50	1,500,000
HOME DEPOT INC	437076B04	06-05-17	749,565.00	753,135.00	06-05-20	1.800%	37.50	31	975.00		1,125.00			2,100.00	750,000
															20.42%
<b>COMMERCIAL PAPERS</b>															
BNP PARIBAS NY BRANCH	09659CC71	07-07-17	3,167,600.00	3,171,267.20	03-07-18	0.000%	0.00	31						0.00	3,200,000
CANADIAN IMPERIAL HLC	13607EXD6	01-19-2017	3,068,156.54	3,092,265.50	10-13-17	0.000%	0.00	31	0.00					0.00	3,100,000
BANK OF TOKYO MITSUBI	06538BXP3	04-21-17	2,979,033.33	2,991,180.00	0-23-17	0.000%	0.00	31	0.00					0.00	3,000,000
CREDIT AGRICOLE CIB N	22533TYL4	05-23-17	2,980,240.83	2,987,643.00	11-20-17	0.000%	0.00	31	0.00					0.00	3,000,000
ING (US) FUNDING LLC	4497W0WM6	5-23-17	2,987,698.33	2,994,693.00	09-21-17	0.000%	0.00	31	0.00					0.00	3,000,000
															9.84%
<b>CERTIFICATE OF DEPOSIT</b>															
CANADIAN IMPERIAL BA	13606A5Z7	12-05-16	3,097,582.00	3,110,354.00	11-30-18	1.760%	151.56	31	4,849.78		4,698.22			9,548.00	3,100,000
SVENSKA HANDELSBANKE	86958JHB8	01-12-17	3,100,000.00	3,090,411.70	01-10-19	1.890%	162.75	31	27,667.50		5,045.25	29,132.25		3,580.50	3,100,000
NORDEA BANK FINLAND	16558LWA6	12-05-16	3,100,000.00	3,110,354.00	11-30-18	1.760%	151.56	31	4,698.22		4,546.67			9,244.89	3,100,000
BANK OF NOVA SCOTIA	F06417GUE6	04-06-17	3,100,000.00	3,097,464.20	04-05-19	1.910%	164.47	31	14,144.61		5,098.64			19,243.25	3,100,000
SUMITOMO MITSUI BANK	86563YVNO	05-04-17	3,100,000.00	3,110,121.50	05-03-19	2.050%	176.53	31	10,062.08		5,295.84			15,357.92	3,100,000
															9.97%
<b>ASSET-BACKED SECURITY/COLLATERIZED MORTGAGE OBLIGATIONS</b>															
CCCIT 2017-A2 A2	17305EGA7	01-26-17	2,649,492.53	2,654,734.23	01-17-21	1.740%	128.08	31	19,852.92		3,842.50	21,902.25		1,793.17	2,650,000
ALLYA 2017-1 A3	02007PAC7	01-31-17	704,938.38	704,519.61	06-15-21	1.700%	33.29	31	532.68		998.75	998.75		532.68	705,000
FORDO 2017-A A3	34531EAD8	01-25-17	2,199,991.86	2,199,697.94	06-25-21	1.670%	102.06	31	1,632.89		3,061.67	3,061.67		1,632.89	2,200,000
TAOT 2017-A A3	89238MAD0	03-07-17	779,908.19	781,265.63	02-15-21	1.730%	37.48	31	599.73		1,124.50	1,124.50		599.73	780,000
ALLYA 2017-2 A3	02007HAC5	03-29-17	2,484,707.02	2,486,454.22	08-15-21	1.780%	122.87	31	1,965.91		3,686.08	3,686.08		1,965.91	2,485,000
TAOT 2017-B A3	89190BAD0	05-17-17	3,099,762.23	3,101,544.42	07-15-21	1.760%	151.56	31	2,424.89		4,546.67	4,546.67		2,424.89	3,100,000
CCCIT 2017-A3 A3	17305EGB5	05-22-17	1,604,272.00	1,605,057.76	04-07-22	1.920%	85.33	31	6,826.67		2,560.00			9,386.67	1,600,000
JOHN DEERE ABS	4788BAD6	07-18-17	999,926.80	1,000,826.00	10-15-21	1.820%	50.56	31			657.22			657.22	1,000,000
AMXCA 2017-4 A	02582JHG8	05-30-17	1,199,807.76	1,199,432.04	12-15-21	1.640%	54.67	31	880.00		1,640.00	1,640.00		880.00	1,200,000
															10.11%
<b>SALE/PAYDOWN/MATURITY:</b>															
FHLMC	3137EADN6	08-30-16			01-12-18	0.750%	0.00	31	6,865.63		406.25	7,271.88		(0.00)	
BNP PARIBAS NY BRANCH	09659BUH1	10-20-16			07-17-17	0.000%	0.00	31	0.00		38,533.33	38,533.33		0.00	
<b>CASH AND CASH EQU 31846V534</b>															
									298.20		311.26	298.20		311.26	
<b>TOTAL</b>			<b>156,307,184.28</b>	<b>156,104,758.88</b>					<b>682,817.38</b>	<b>3,521.74</b>	<b>248,169.99</b>	<b>451,404.81</b>	<b>0.00</b>	<b>483,104.30</b>	<b>155,520,719.89</b>

SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
 1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS  
 FY2018  
 JULY 2017

8/28/17 4:08 PM

Approved Budget		Receipts		Over/(Under)	Current																				
Date	Amount	Date	Amount	Budget/Projection	Projection																				
<b>FY2017:</b>																									
1st Quarter	19,338,441	1st Quarter	18,526,300	(812,141)	18,526,300																				
2nd Quarter	20,753,590	2nd Quarter	22,307,178	1,553,588	22,307,178																				
3rd Quarter	21,051,276	3rd Quarter	19,175,362	(1,875,914)	19,175,362																				
4th Quarter	21,856,693	4th Quarter			0																				
<b>FY2017 Total</b>	<b>83,000,000</b>	<b>FY2017 Total</b>	<b>60,008,840</b>	<b>(1,134,467)</b>	<b>60,008,840</b>																				
<b>FY2018:</b>																									
Jul. 17	6,173,245	Sep. 17			6,173,245																				
Aug. 17	6,173,245	Oct. 17			6,173,245																				
Sep. 17	9,148,973	Nov. 17			9,148,973																				
3 Months Total	21,495,463		0	0	21,495,463																				
Oct. 17	6,484,778	Dec. 17			6,484,778																				
Nov. 17	6,279,663	Jan. 18			6,279,663																				
Dec. 17	9,645,126	Feb. 18			9,645,126																				
6 Months Total	43,905,030		0	0	43,905,030																				
Jan. 18	5,525,697	Mar. 18			5,525,697																				
Feb. 18	5,504,678	Apr. 18			5,504,678																				
Mar. 18	7,882,317	May 18			7,882,317																				
9 Months Total	62,817,722		0	0	62,817,722																				
Apr. 18	6,117,920	Jun. 18			6,117,920																				
May 18	6,103,123	Jul. 18			6,103,123																				
Jun. 18	9,621,235	Aug. 18			9,621,235																				
<b>FY2018 Total</b>	<b>84,660,000</b>	<b>FY2018 Total</b>	<b>0</b>	<b>0</b>	<b>84,660,000</b>																				
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td style="width: 15%; text-align: right;">6,173,245</td> <td style="width: 65%;">1st Quarter</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td></td> <td>2nd Quarter</td> <td></td> </tr> <tr> <td></td> <td></td> <td>3rd Quarter</td> <td></td> </tr> <tr> <td></td> <td></td> <td>4th Quarter</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;"><u><b>6,173,245</b></u></td> <td colspan="2">YTD Actual Per Statement of Revenue &amp; Expenses</td> </tr> </table>							6,173,245	1st Quarter				2nd Quarter				3rd Quarter				4th Quarter			<u><b>6,173,245</b></u>	YTD Actual Per Statement of Revenue & Expenses	
	6,173,245	1st Quarter																							
		2nd Quarter																							
		3rd Quarter																							
		4th Quarter																							
	<u><b>6,173,245</b></u>	YTD Actual Per Statement of Revenue & Expenses																							

SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
CASH AND INVESTMENTS AS OF JULY 31, 2017

	<u>7/31/2017</u>
Cash -- Bank of America Checking Account	5,492,164.57
Cash -- Wells Fargo Lockbox Account	0.00
Cash - US Bank (on deposit)	1,471,550.40
LAIF	984,362.86
County Pool	323,900,748.15
Investment Portfolio	156,104,758.88
	<hr/>
Total	<u><u>487,953,584.86</u></u>

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
CHECKS WRITTEN  
JULY 2017**

Unit	Ref	Name	Amount	Method	Description
SMCTA	004471	CITY OF DALY CITY	8,873.40	CHK	Capital Programs (1)
SMCTA	004472	DALY CITY, CITY OF	33,968.60	CHK	Capital Programs (2)
SMCTA	004473	NWC PARTNERS, INC.	12,818.32	CHK	Consultants
SMCTA	004474	SAN MATEO, COUNTY OF	21,456.85	CHK	Capital Programs (3)
SMCTA	004475	ATKINS NORTH AMERICA, INC	75,635.83	CHK	Consultants
SMCTA	004476	DMJM HARRIS/MARK THOMAS JV	24,322.58	CHK	Consultants
SMCTA	004477	SACRAMENTO DESIGN BUILD, INC.	4,187.50	CHK	Consultants
SMCTA	004478	GOLDEN BAY ARBORIST	675.00	CHK	Side Pruning of trees
SMCTA	004479	HURLEY, JOSEPH	286.13	CHK	Business meetings
SMCTA	900097	DEPARTMENT OF TRANSPORTATION	1,783,307.31	WIR	Capital Programs (4)
SMCTA	900098	WELLS FARGO INSURANCE SERVICES USA, INC	354,852.54	WIR	Insurance-General,Umbrella
			<u>2,320,384.06</u>		

- (1) 2015 Call for Proj-Ped&Bike
- (2) FY17/FY18 Local Shuttles
- (3) Call for Proj-Ped&Bike FY14/15
- (4) 101 Interchange to Willow \$471,826.15; SR92 Ramp El Camino Real Ramp \$761,476.09;  
101 Interchange to Broadway \$548,129.07; Marsh to SM/SC line \$1,876

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett  
Executive Director

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **REAFFIRM THE SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
INVESTMENT POLICY AND REAUTHORIZE INVESTMENT OF MONIES WITH THE  
LOCAL AGENCY INVESTMENT FUND**

**ACTION**

Staff recommends the Board:

1. Reaffirm the San Mateo County Transportation Authority (TA) Statement of Investment Policy (Exhibit A) for the investment of TA funds and includes delegations of authority to invest such funds.
2. Reauthorize the investment of TA funds to be invested in Local Agency Investment Funds (LAIF) in compliance with LAIF requirements.

**SIGNIFICANCE**

The Executive Director or his designee serves as the TA's trustee for purposes of placing investments pursuant to the Investment Policy. The Board, in accordance with California Government Code Section 53646(a), may review the Investment Policies and also reauthorize the included delegations of authority on an annual basis at a public meeting.

**BUDGET IMPACT**

The reaffirmation of the Investment Policy and reauthorization of investment in LAIF will have no impact on the TA budget.

**BACKGROUND**

The TA's investments have always been in accordance with sound treasury management practices and complied with the objectives of safety, liquidity, and yield in that order of priority.

The policy for the investment of TA funds was presented and adopted by the Board on November 4, 1999. The Board has amended this policy from time to time, most recently on August 4, 2016, when the policy was revised to:

- Amend the Investment Policy benchmarks to reflect the TA's current portfolio and to be updated annually by the Executive Director or his designee, with advice from the TA's investment advisers;
- Update authorized investment descriptions to those used in California State Codes; and
- Update the authorized investments explicitly listed in policy to include bonds, notes, warrants, or other evidences of indebtedness of any local agency within this State.

Prepared by: Connie Mobley-Ritter, Director of Treasury

650-508-7765

Adopted November 1999	Reaffirmed May 2005	Amended May 2010	Amended August 2016
Amended April 2001	Reaffirmed May 2006	Reaffirmed June 2011	
Reaffirmed May 2002	Amended August 2007	Amended May 2012	
Amended May 2003	Reaffirmed August 2008	Reaffirmed May 2013	
Reaffirmed May 2004	Amended May 2009	Reaffirmed May 2014	

**EXHIBIT A**

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY**

**Statement of Investment Policy For The Investment of Transportation Authority Funds**

**I. PURPOSE**

This Statement of Investment Policy (Investment Policy) sets forth the investment guidelines for the prudent management of the general funds of the San Mateo County Transportation Authority (the Authority). It is the goal of this Investment Policy to establish investment objectives in accordance with the provisions of the *California Government Code, Section 53600 et seq.* (hereafter “Code”), and investment guidelines to ensure that the funds under its purview are prudently invested to preserve capital, provide necessary liquidity, and achieve a market-average rate of return over an economic cycle consistent with the Authority’s goals of preserving principal and minimizing the risk of diminishing the principal.

Investments may only be made as authorized by this Investment Policy, and subsequent revisions. This Statement of Investment Policy may be reviewed annually by the Authority’s Board of Directors at a public meeting. (*California Government Code Section 53646(a)*). Irrespective of these policy provisions, should the provisions of the *Code* be, or become, more restrictive than those contained herein, then such provisions will be considered immediately incorporated into this Statement of Investment Policy.

**II. OBJECTIVES**

The Authority’s cash management system is designed to monitor and forecast accurately expenditures and revenues, thus enabling the Authority to invest funds to the fullest extent possible. Idle funds of the Authority shall be invested in accordance with sound treasury management and in accordance with the provisions of the *Code Section* and this Investment Policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be applied in the context of managing an overall portfolio. Authority officials shall act in accordance with written procedures and the Investment Policy, and should report deviations from expectations in a timely fashion and take appropriate action to control adverse developments.

The Authority's primary objective with respect to its invested funds is to safeguard the principal of the funds. The second objective is to meet the liquidity needs of the Authority. The third objective is to achieve a return on its invested funds.

### **III. BENCHMARKS**

Investment performance will be compared to the performance benchmark selected by the Authority annually, which approximates the Authority's portfolio and the specific restrictions on the Authority's portfolio in accordance with applicable current legislation by the State of California

### **IV. POLICY**

At all times, the Authority shall invest its funds in accordance with the rules and restrictions established by the law of the State of California (including *Government Code Section 53600 et seq.*). In addition, the Authority shall conduct its investments under the "prudent investor standard": "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." (*California Government Code Section 53600.3*).

The Executive Director of the Authority, or his designee, shall serve as the Authority's trustee for purposes of placing investments pursuant to this Investment Policy. The Board of Directors may review and specifically reauthorize this delegation of authority on an annual basis.

1. **Criteria for Selecting Investments.** Criteria for selecting investments and the order of priority are:
  - a. **Safety.** The safety and risk associated with an investment refer to the potential loss of principal, interest or a combination of these amounts. The Authority shall invest only in those investments that are considered safe. Investments in instruments and with institutions permitted under Section 6, Allowable Investment Instruments and Section 7, Local Agency Investment Fund & San Mateo County Investment Fund, are deemed to constitute safe investments within the meaning of this Investment Policy.
  - b. **Liquidity.** An adequate percentage of the portfolio, in the approximate amount of six months' operating expenses, should be maintained in liquid short-term investments which can convert to cash if necessary to meet disbursement requirements. For purposes of this Investment Policy, fixed income securities maturing in one year or more are considered investment term and fixed income securities maturing in less than one year are considered short-term cash equivalents.

- c. **Return on Investment.** The Authority’s investment portfolio shall be designed with the objective of attaining the safety and liquidity objectives first, and then attaining a market rate of return throughout the budgetary and economic cycles consistent with the portfolio’s benchmark as described in Section III. This benchmark takes into account the Authority’s investment risk constraints and the cash flow characteristics of the portfolio.
2. **Diversification.** The Authority will limit its investments to securities as defined by *California Government Code Section 53601 (k)*. The portfolio should consist of a mix of various types of securities, issuers, and durations from among the allowable investment instruments described in Sections 5, 6 and 7 so as to minimize the risk of loss and maximize the rate of return when prudent to do so.
3. **Safekeeping and Custody.** All security transactions, including collateral for repurchase agreements will be executed on a Delivery versus Pay Basis (DVP). The assets of the Authority shall be held in safekeeping by the Authority’s safekeeping agent, or secured through third party custody and safekeeping procedures. A due bill or other substitution will not be acceptable.
4. **Investment Maturities and Average Life.** The specific security guidelines including maximum maturities and qualified Fixed Income instruments can be found in Section 10 “Summary of Instruments & Limitations” of this Investment Policy.

The maximum dollar weighted average maturity of the fund is five years. This policy limitation leaves open the flexibility to take advantage of interest rate fluctuations as well as yield curve differences to maximize the return on investment. The imposed maximum dollar weighted five year average maturity limits the market risk to levels appropriate for an intermediate income fund. For the purposes of calculating the “average life” of the fund, callable and asset backed securities will be run to their stated final maturity.

5. **Deposit of Funds.** As far as possible, all money belonging to or in the custody of the Authority including money paid to the Authority to pay the principal, interest or penalties of bonds, shall be deposited for safekeeping in state or national banks, savings associations or federal associations, credit unions or federally insured industrial loan companies in California (as defined by *California Government Code Section 53630*). Pursuant to *California Government Code Sections 53635, 53637 and 53638*, the money shall be deposited in any authorized depository with the objective of realizing maximum return, consistent with prudent financial management.
6. **Allowable Investment Instruments.** The Authority also may invest in any investment instrument as authorized by the *California Government Code*, as it may be amended from time to time, and subject to any conditions set forth in the *California Government Code*. These investment instruments include, but are not limited to:

- a. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- b. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government sponsored enterprises.
- c. Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances shall not exceed 180 days' maturity or 40 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 30 percent of the agency's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this section. This subdivision does not preclude a municipal utility district from investing moneys in its treasury in a manner authorized by the Municipal Utility District Act (*California Public Utilities Code Section 11501, et seq.*).
- d. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO).
- e. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by *California Financial Code Section 5102*), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested pursuant to *California Government Code Section 53601*.
- f. Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements as defined in *California Government Code Section 53601(j)*.
- g. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency's moneys that may be invested pursuant to *California Government Code Section 53601(k)*.

- h. Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by *California Government Code Section 53601(l)*.
  - i. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency's surplus moneys that may be invested pursuant to this *California Government Code Section 53600*.
  - j. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by department, board, agency, or authority of the local agency.
  - k. Collateral is defined in this Investment Policy to mean property (as securities) pledged by a borrower to protect the interest of the lender. For purposes of this Investment Policy, the following investments are considered to have collateral backing: Certificates of Deposit protected by either the FDIC or pledged securities in conformance with California Codes and this Investment Policy; or Bankers' Acceptances (protected by an irrevocable time draft or bill of exchange) whereby the accepting bank incurs an irrevocable primary obligation thus guaranteeing payment on the draft or bill. A secondary obligation rests with the issuing company; Commercial Paper (protected by an unsecured promissory note from the issuer who must be rated A1/P1/F1 or better) thereby guaranteeing that the earning power and/or liquidity had been established to fulfill the obligation to pay; and, asset backed securities which are rated AAA by both Moody's and Standard & Poors.
7. **Local Agency Investment Fund & San Mateo County Investment Fund.** The Board of Directors also authorizes the Authority to invest in the Local Agency Investment Fund (LAIF) pursuant to *California Government Code Section 16429.1* and in the San Mateo County Investment Fund (SMCIF).
8. **Prohibited Investments.** The Authority shall not invest any funds in inverse floaters, range notes or mortgage derived interest-only strips. The Authority shall not invest any funds in any security that could result in zero interest accrual if held to maturity; however, the Authority may hold this prohibited instrument until its maturity date. The limitation does not apply to investments in shares of beneficial interest issued by diversified management companies as set forth in *California Government Code Section*

53601.6.

9. **Portfolio Transactions.** The Authority’s investment advisors are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Investment advisors are to obtain three independent bids from SEC licensed brokerage institutions, licensed by the state as a broker-dealer, as defined in *California Government Code Section 53601.5*, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each portfolio transaction. The investment advisors, at their sole discretion and authority, will choose which broker dealers or brokerage firms from which to solicit bids and final selection is to be made based on the best interests of the Authority. Investment advisors may incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time.
10. **Summary of Instruments & Limitations.** Subject to the limitations set forth in *California Government Code Sections 53600 et seq.* which may be amended from time to time, the Executive Director or his designee may invest in the following instruments, subject to the limits of flexibility described above:

<u>Instrument</u>	<u>Rating</u>	<u>Limitations</u>		
		<u>% Of Fund</u>	<u>% Of Fund Per Issuer</u>	<u>Maturity</u>
(a) U.S. Treasury Obligations		100	100	15 years
(b) Obligations of U.S. Agencies or Government Sponsored Enterprises		100	100	15 years
(c) Bankers Acceptances	A1/P1/F1			
Domestic (\$500 million minimum assets)		15	5	180 days
Foreign (\$500 million minimum assets)		15	5	180 days
(d) Commercial Paper (\$500 million minimum assets)	A1/ P1/F1 Additional	15 10	10 10	270 days 31 days*
*Additional 10% (for a total of 25%) if the dollar weighted average maturity of the entire amount does not exceed 31 days				
(e) Negotiable Certificates of Deposit		10	5	5 years

<u>Instrument</u>	<u>Rating</u>	<u>Limitations</u>		
		<u>% Of Fund</u>	<u>% Of Fund Per Issuer</u>	<u>Maturity</u>
(f) Repurchase Agreements Secured by U.S. Treasury or Agency Obligation Max 5 yr. maturity (102% collateral)		100	50	1 year
Reverse Repurchase Agreements & Security Lending		20	20	92 days
(g) Medium Term Notes	A	30	10	5 years
(h) Shares of beneficial interest issued by diversified management companies		10	5	30 days
(i) A mortgage pass through security No Inverse Floaters No Range Notes No Interest Only Strips Derived from a Pool of Mortgages	AA	20	5	5 Years
(j) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state (j)		50	50	10 years
Local Agency Investment Fund (LAIF)				Up to the current limit.
San Mateo County Investment Fund				Up to the current limit.

11. **Oversight.**

- a. On a monthly basis the Investment Advisor shall submit an investment report which provides a market review, the Advisor's outlook for the market and strategy for investing Authority funds. The report will also compare the portfolio against the benchmark established by the Investment Policy in terms of duration and yield.
- b. Quarterly, the Executive Director shall submit an investment report to the Board of Directors within 30 days of the end of the quarter. The report shall include the following information:
  1. type of investment, issuer, date of maturity, par and dollar amount

invested in all securities, investments and money held by the Authority;

2. description of any of the Authority's funds, investments or programs that are under the management of contracted parties, including lending programs;
  3. for all securities held by the Authority or under management by any outside party that is not a local agency or the State of California LAIF, a current market value as of the date of the report and the source of this valuation;
  4. statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and
  5. statement that the Authority has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.
- c. Annually, the Executive Director shall perform, or cause to be performed, an independent audit of the Authority's assets as reported for the investment program's activities. It is to be conducted in such a way as to determine compliance with the Authority's Investment Policy and the State Codes. Such independent auditors will express an opinion whether the statement of assets is presented fairly and in accordance with generally accepted accounting principles.
- d. If the Authority places all of its investments in the LAIF, FDIC-insured accounts in a bank or savings and loan association, or the SMCIF (or any combination of these three), the Executive Director can simply submit, on at least a quarterly basis, the most recent statements from these institutions to meet the requirements of items 1-3 above, with a supplemental report addressing items 4 and 5 above. (*California Government Code Section 53646(b)-(e)*).

RESOLUTION NO. 2017 –

BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STATE OF CALIFORNIA

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**REAFFIRMING THE INVESTMENT POLICY FOR THE INVESTMENT OF  
TRANSPORTATION AUTHORITY FUNDS**

**WHEREAS**, in accordance with applicable State law, the San Mateo County Transportation Authority (TA) is required to adopt an investment policy; and

**WHEREAS**, in November 1999, the TA adopted a Statement of Investment Policy for the Investment of General Funds; and

**WHEREAS**, the TA may annually render a statement of said Investment Policy to the Board for review and approval pursuant to Section 53646 of the State of California Government Code; and

**WHEREAS**, the TA has amended its Statement of Investment Policy over the years, most recently in August 2016; and

**WHEREAS**, in presenting the Statement of Investment Policy to the Board, the Executive Director recommends reaffirmation of the Statement of Investment Policy for the investment of TA funds; and

**WHEREAS**, staff recommends reappointment of the Executive Director, or his designee, as trustee for purposes of placing investments pursuant to the aforementioned policy.

**NOW, THEREFORE BE IT RESOLVED** that the Board of Directors of the San Mateo County Transportation Authority takes the following actions:

- 1) Approves and reaffirms the Statement of Investment Policy for the investment of

San Mateo County Transportation Authority funds, attached hereto as Exhibit A;  
and

- 2) Appoints its Executive Director, or his designee, as the trustee for purposes of placing investments pursuant to said policy.

Regularly passed and adopted this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transportation Authority

ATTEST:

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Authority Secretary

RESOLUTION NO. 2017 –

BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STATE OF CALIFORNIA

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**AUTHORIZING INVESTMENT OF SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
FUNDS IN THE LOCAL AGENCY INVESTMENT FUND**

**WHEREAS**, pursuant to Government Code Section 16429.1, a Local Agency Investment Fund (LAIF) was created in the State Treasury for the deposit of local agency monies for purposes of investment by the State Treasurer; and

**WHEREAS**, staff recommends that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Government Code Section 16429.1 is in the best interests of the San Mateo County Transportation Authority (TA).

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transportation Authority does hereby authorize the deposit and withdrawal of San Mateo County Transportation Authority's funds in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Government Code Section 16429.1, for the purpose of investment; and

**BE IT FURTHER RESOLVED** that the Executive Director (or his designee) shall be authorized to order the deposit or withdrawal of TA monies in the LAIF.

Regularly passed and adopted this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transportation Authority

ATTEST:

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Authority Secretary



BOARD OF DIRECTORS 2017

CAROLE GROOM, CHAIR  
DON HORSLEY, VICE CHAIR  
EMILY BEACH  
MAUREEN FRESCHET  
KEN IBARRA  
CAMERON JOHNSON  
KARYL MATSUMOTO

JIM HARTNETT  
EXECUTIVE DIRECTOR

TA BOD ITEM # 10  
SEPTEMBER 7, 2017

## Memorandum

**Date:** August 30, 2017  
**To:** TA Board of Directors  
**From:** Jim Hartnett, Executive Director  
**Subject:** September 7, 2017 TA Board Meeting Executive Director's Report

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### Peninsula Corridor Electrification Project (PCEP)

Caltrain hosted a community meeting on August 23 in Burlingame. The meeting provided a forum to communicate near-term construction activities in Burlingame and Millbrae associated with the PCEP. Upcoming work includes utility relocation, the inspection of signal and communication equipment, and the installation of foundations for overhead contact system poles. Work is scheduled to begin within the next three months.

The meeting was well attended (56 attendees, including San Mateo County Supervisor Pine and Millbrae Councilmembers Wayne Lee and Ann Schneider from Millbrae). Concerns and questions from the community included: <Method and magnitude of tree removal required for the project, number and height of the poles and the coordination with the proposed grade separation project at Broadway Avenue in Burlingame.

The community can keep apprised of construction activities and updates through the Caltrain website by signing up at:  
[http://www.caltrain.com/projectsplans/CaltrainModernization/Modernization/PeninsulaCorridorElectrificationProject/Weekly\\_Installation\\_Activity\\_Updates.html](http://www.caltrain.com/projectsplans/CaltrainModernization/Modernization/PeninsulaCorridorElectrificationProject/Weekly_Installation_Activity_Updates.html)

Additional community meetings will be hosted at a different location as construction progresses. The next meeting will be:  
September 13, 2017 - 7:15 p.m.  
Caltrain Electrification Public Outreach Office  
2121 S. El Camino Real  
Building A  
San Mateo, CA 94403

### **101/Broadway Interchange**

The 101/Broadway Interchange Project in Burlingame is the product of a collaborative State and local effort that replaces a nearly 60-year-old interchange and results in much needed operational and safety improvements for pedestrians, bicyclists and motorists. The \$91 million project was funded with a combination of State and local funding which included \$59 million of Measure A funding from the San Mateo County Transportation Authority (TA). A ribbon-cutting ceremony will be held on September 14 at 11 am, just east of the Interchange, to celebrate the completion of this project. The specific location and directions to the event will be sent to the Board in advance.

### **101 Managed Lanes**

All technical studies associated with the 101 Managed Lanes Project have been completed. The draft environmental document and project report are currently going through an internal circulation. Staff is targeting to provide a project update to the Board in October, prior to the public release of the environmental document.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett  
Executive Director

FROM: April Chan  
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **MEASURE A HIGHWAY PROGRAM FUNDING POLICY REVISIONS**

**ACTION**

Staff proposes that the Board approve the following funding policy revisions for Measure A Highway Program Calls for Projects (CFP):

- 1) Prioritize projects that have already received Measure A funding for prior work to enable sponsors to complete work already started, but also set aside up to \$10 million, through the remaining life of Measure A, to assist with the planning and environmental phases of work for other projects not in the Measure A funding project delivery process.
- 2) Leverage Measure A investments by requiring a minimum 10 percent match for work through completion of the environmental phase and a minimum 20 percent match for the final design, right of way and construction phases of work.

**SIGNIFICANCE**

The San Mateo County Transportation Authority (TA) has held two Measure A Highway Program CFPs since the implementation of the New Measure A Program, one in 2012 and one in 2015. Staff is planning to release the third Highway Program CFP after the TA's October 2017 meeting to fund projects that best meet the Highway Program selection and evaluation criteria contained in the Measure A Strategic Plan 2014-19. The proposed policy revisions, which have been developed in conjunction with the Highway Capital Improvement Program (CIP) ad hoc advisory committee, will improve the TA's ability to fund, manage and deliver highway projects in consideration of the significant needs of the Highway Program and the constrained revenue sources available to fulfill those needs. A current list of highway projects that have been awarded Measure A funds that are moving through the project delivery process is attached as Exhibit A.

The proposed set-aside of up to \$10 million for projects that have not previously received Measure A funding represents roughly 2 percent of the projected available Highway Program revenue of almost \$500 million through the remaining life of the Measure, assuming an annual revenue escalation rate of 2.5 percent.

A presentation will be made at the September 7, 2017 meeting that provides further information regarding the context for the proposed policy revisions and next steps.

### **BUDGET IMPACT**

While the proposed minimum funding match requirement has the potential to better leverage Measure A investment decisions as part of the CFP process, the proposed policy revisions have no impact on the budget.

### **BACKGROUND**

In accordance with the voter-approved Transportation Expenditure Plan, a total of 27.5 percent of the New Measure A sales tax revenues are dedicated to the Highway Program for capital projects that reduce congestion and improve throughput and safety. Both the Short-Range Highway Plan 2011-2021 and the Measure A Strategic Plan 2014-2019 acknowledge that the Highway Program is oversubscribed and called for the development of a Highway CIP to better manage funding needs with projected revenues. At the TA's August 2015 Board meeting, staff presented the initial findings from a financially unconstrained 10-year Highway CIP Fiscal Year (FY) 2016 - FY2025, which was subsequently updated and presented for acceptance at the TA's February 2017 meeting.

The Highway CIP reflected high-level project costs, weighed against the amount of potential funding projected to be available, based on a snapshot in time. Policy options were presented for further consideration given the long-term funding shortfall of the Highway Program.

Prepared by: Joel Slavit, Manager of Programming and Monitoring

650-508-6476

**EXHIBIT A: MEASURE A FUNDED HIGHWAY PROJECTS THAT ARE MOVING THROUGH THE PROJECT DELIVERY PROCESS**

**Key Congested Area (KCA) Projects**

<i>Project Name</i>	<i>Sponsor</i>
US 101 Broadway Interchange Improvements	Burlingame
US 101/SR 92 Interchange Area Improvements	C/CAG
SR 92 Delaware Interchange Improvements	C/CAG
US 101/University Avenue Interchange Improvements <sup>1</sup>	East Palo Alto
US 101/Willow Road Interchange Improvements	Menlo Park
SR 1 Safety & Operational Improvements: Poplar to Wavecrest <sup>1</sup>	Half Moon Bay
SR 1 Safety & Operational Improvements: Main to Kehoe <sup>1</sup>	Half Moon Bay
SR 92 Safety & Operational Improvements: SR 1 to Pilarcitos Creek <sup>1</sup>	Half Moon Bay
US 101/Woodside Road Interchange	Redwood City
US 101/ SR 82 Interchange Project	San Mateo
US 101/Peninsula Avenue Interchange	San Mateo

**Supplemental Roadway (SR) Projects**

<i>Project Name</i>	<i>Sponsor</i>
US 101/Candlestick Point Interchange	Brisbane
US 101 Auxiliary Lane Project	C/CAG
US 101 Managed Lanes Project <sup>2</sup>	C/CAG-TA
SR 1 (Mid Coast) Congestion, Throughput and Safety Improvements	County of San Mateo
SR 1 Calera Parkway Project <sup>1</sup>	Pacifica
I-380 Congestion Improvements	San Bruno-South San Francisco
SR 35 Widening: I-280 to Sneath Lane	San Bruno-South San Francisco
US 101/Holly Street Interchange Improvements	San Carlos
US 101/Produce Avenue Interchange	South San Francisco

Footnotes

- 1) These projects are on an inactive list & may be subject to reprogramming
- 2) The US 101 Managed Lanes Project was formerly referred to as the US 101 HOV Lane Project

RESOLUTION NO. 2017 –

BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STATE OF CALIFORNIA

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**APPROVING POLICY REVISIONS FOR THE MEASURE A HIGHWAY PROGRAM**

**WHEREAS**, on June 7, 1988, the voters of San Mateo County approved a ballot measure known as “Measure A,” which increased the local sales tax in San Mateo County by one-half percent with the new tax revenue to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan (TEP) presented to the voters; and

**WHEREAS**, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the San Mateo County Transportation Authority (TA) of the New Measure A half-cent transactions and use tax for an additional 25 years to implement the 2004 TEP beginning January 1, 2009; and

**WHEREAS**, the 2004 TEP designates 27.5 percent of the New Measure A revenues to fund the Highway Program; and

**WHEREAS**, the TA has held two Measure A Highway Program Call for Projects (CFP) under the New Measure A Program, both of which have been open to any new highway and roadway improvements that met the eligibility criteria, without a minimum match requirement; and

**WHEREAS**, the TA is planning to release a third CFP after the TA’s October 2017 Board meeting; and

**WHEREAS**, the Short-Range Highway Plan 2011-2021 and the Measure A Strategic Plan 2014-2019 acknowledge that the Highway Program is oversubscribed and called for the development of a Highway Capital Improvement Program (CIP) to better manage funding needs with projected revenues; and

**WHEREAS**, at the TA’s August 2015 Board meeting, staff presented the initial findings from a financially unconstrained 10-year Highway CIP Fiscal Year (FY) 2016 -

FY2025, which was subsequently updated and presented for acceptance at the TA's February 2017 meeting; and

**WHEREAS**, policy funding revisions have been developed in coordination with the Highway CIP ad hoc advisory committee to improve the TA's ability to fund, manage and deliver highway projects in consideration of the significant needs of the Highway Program and the constrained revenue sources available to meet those needs.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transportation Authority approves the following funding policy revisions for Measure A Highway Program Calls for Projects:

1. Prioritize projects that have already received Measure A funding for prior work to enable sponsors to complete work already started, but also set aside up to \$10 million, through the remaining life of Measure A, to assist with the planning and environmental phases of work for other projects not in the Measure A funding pipeline.
2. Leverage Measure A investments by requiring a minimum 10 percent match for work through completion of the environmental phase and a minimum 20 percent match for the final design, right of way and construction phases of work.

Regularly passed and adopted this 7<sup>th</sup> day of September, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transportation Authority

ATTEST:

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Authority Secretary

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett  
Executive Director

FROM: April Chan  
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **PROGRAM REPORT: TRANSIT – DUMBARTON CORRIDOR**

**ACTION**

This report is for information only. No Board action is required.

**SIGNIFICANCE**

This presentation is part of a series of program reports presented to the Board. Each of the San Mateo County Transportation Authority's (TA) six program areas – Transit, Highways, Local Streets/Transportation, Grade Separations, Pedestrian and Bicycle, and Alternative Congestion Relief Programs – will be featured individually throughout the year. This month features a report on the Transit Program, with specific emphasis on the Dumbarton Corridor.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

The San Mateo County Transit District (District) has recently completed a draft of the Dumbarton Transportation Corridor Study, which documents how to improve mobility and reduce congestion in the Dumbarton Corridor between Alameda, San Mateo and Santa Clara counties. The study has evaluated a variety of transportation alternatives on the Dumbarton Bridge (Highway 84) and its approaches, and has examined how to rehabilitate and repurpose the Dumbarton rail bridge for transit purposes.

The study recommends both operational and infrastructure improvements which could be phased over time on Highway 84 and the Dumbarton rail bridge. As such, the study identifies short-, medium- and long-term transportation alternatives that contribute to the ultimate vision for a multi-modal corridor.

The District has worked collaboratively with project partners including Facebook, the TA, Alameda County Transportation Commission (ACTC), and AC Transit. The cities along the corridor have also been engaged as major stakeholders in the project.

The Study commenced in late February 2016. A previous informational presentation was made to the Board in October of 2016. At the September 7, 2017 Board meeting, staff will provide an update, detailing the comparative analysis of alternatives and the recommended alternatives and phasing. Staff will also detail results of stakeholder and public outreach meetings scheduled for mid-August.

While the TA financed the purchase of portions of the Dumbarton rail corridor in 1994 and 2001, the District is the owner of record. The TA, along with the Metropolitan Transportation Commission, ACTC, and Santa Clara Valley Transportation Authority, previously funded an environmental review process to evaluate new rail service on the Dumbarton rail bridge. Due to insufficient funding for proposed improvements, the environmental review process was put on hold in 2014.

In light of current jobs-housing imbalance and continued growth in the corridor, SamTrans and Facebook forged a partnership to comprehensively study what can be done to alleviate congestion in this vital east-west corridor. In January 2016, the SamTrans Board approved the execution of a funding agreement with Facebook to receive \$1 million to complete the Study. In March 2017, the SamTrans Board approved an amendment to add another \$200,000 from Facebook to supplement the original budget.

Prepared by: Joseph M. Hurley, Director, TA Program

650-508-7942

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY  
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett  
Executive Director

FROM: April Chan  
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **CAPITAL PROJECTS QUARTERLY STATUS REPORT  
4th QUARTER FISCAL YEAR 2017**

**ACTION**

No action required. The attached [Capital Projects Quarterly Status Report](#) is submitted to the Board for information only.

**SIGNIFICANCE**

The Capital Projects Quarterly Status Report is submitted to keep the Board informed as to the scope, budget and progress of current ongoing capital projects.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

Staff prepares the Capital Projects Quarterly Status Report for the Board on a quarterly basis. The report is a summary of the scope, budget and progress of capital projects. It is being presented to the Board for informational purposes and is intended to better inform the Board of the status capital projects.

Prepared by: Gordon Hail, Senior Project Controls Engineer  
Joseph M. Hurley, Director, TA Program

650-508-7795  
650-508-7942