



AGENDA

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos, CA 94070

October 5, 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 September 7, 2017
- b. Acceptance of Statement of Revenues and Expenses for August 2017
- c. Approval and Ratification of the Fiscal Year 2018 Transportation Authority Insurance Program

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. Program Report: Highway Program - 101 Corridor Managed Lanes
- b. Approval of Measure A Highway Program Funding Policy Revision
- c. Update on Measure A 2017 Highway Program Call For Projects
- d. Receive and File Measure A Semi-Annual Program Status Report
- e. Delegate the Executive Director the Authority to Assign New Measure A Funds on Projects to be Funded Under Either Measure
- f. Update on Legislative Program

12. Request from the Authority

13. Written Communications to the Authority

14. Date/Time of Next Regular Meeting: Thursday, November 2, 2017, 5 p.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, San Carlos Avenue, San Carlos, CA 94070

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

15. Report of Legal Counsel

- a. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Pacificans for a Scenic Coast v. California Department of Transportation, et al.; San Mateo County Superior Court Case No. CIV-523973
- b. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Pacificans for a Scenic Coast, et al. v. California Department of Transportation, et al.; U.S. District Court, Northern District of California Civil Case No. 3:15-cv-02090-VC

16. Adjourn

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. Communications to the Board of Directors can be e-mailed to 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; 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.

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

MINUTES OF SEPTEMBER 7, 2017

MEMBERS PRESENT: E. Beach, M. Freschet, C. Groom (Chair), K. Ibarra, C. Johnson, K. Matsumoto

MEMBERS ABSENT: D. Horsley

STAFF PRESENT: M. Beveridge, J. Cassman, A. Chan, C. Gumpal, J. Hartnett, J. Hurley, M. Martinez, J. Slavitt

Chair Carole Groom called the meeting to order at 5:02 p.m.

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

Included in the Reading File.

APPROVAL OF CONSENT CALENDAR

- 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

Motion/Second: Johnson/Freschet

Ayes: Beach, Freschet, Ibarra, Johnson, Matsumoto, Groom

Absent: Horsley

PUBLIC COMMENT

None.

CHAIRPERSON'S REPORT

No report.

SAN MATEO COUNTY TRANSIT DISTRICT LIASON REPORT – K. Matsumoto

Director Matsumoto reported the completion and approval of the negotiations with Amalgamated Transit Union (ATU) Local 1574.

JOINT POWERS BOARD REPORT – J. Hartnett

Mr. Jim Hartnett, General Manager/CEO, stated his Joint Powers Report is in the Board's Agenda Packet.

REPORT OF THE EXECUTIVE DIRECTOR – J. Hartnett

Mr. Jim Hartnett, Executive Director, stated his written report is in the Board's Agenda Packet.

APPROVE POLICY REVISIONS FOR MEASURE A HIGHWAY PROGRAM CALL FOR PROJECTS

Mr. Joel Slavit, Manager Programming and Monitoring, presented an outline and background of the Highway Capital Improvement Program (CIP). Within a 10 year shortfall (Fiscal Year (FY) 2016 -2025, the total project costs would amount to \$1,587 million; the total projected funding would amount to \$631million with a total shortfall of \$956 million. Mr. Slavit added the Key Congested Areas (KCA) is designated to receive 17.3 percent of revenue over the life of Measure A. Supplemental Roadway (SR) projects are designated to receive 10.2 percent of revenue over the life of Measure A. Highway projects not on the KCA list can only be funded as SR projects. Mr. Slavit presented a recommendation to continue funding calls prioritizing Pipeline projects, with a small set-aside (up to \$10 million) for planning and environmental work for other projects. The recommendation focuses on three points a) on completing projects already started, given constrained revenue sources; b) Pipeline projects with the greatest merit will be funded and c) provides a compromise between status quo and focusing funding to Pipeline projects in "hot spots" only.

Mr. Slavit outlined the proposed match requirement which will require a minimum funding match with future funding calls to better leverage Measure A investments. Options under consideration have a minimum of 10 percent match for all project phases, a minimum of 10 percent match prior to clearance and a minimum of 20 percent match for PS&E, Right of Way (ROW) and construction. New facilities (e.g. 101/Candlestick and 101/Produce) to include funding plan that shows match proportionate to the need generated from new development.

Mr. Slavit presented a recommendation that would require a minimum of 10 percent match prior to clearance, minimum 20 percent match for Planning Specifications and Engineering (PS&E), Right-of-Way (ROW) and construction. New facilities should provide match proportionate to the need generated from new development for PS&E, ROW and construction. The latter leverages constrained Measure A revenue. Sponsors can apply for other external funds in addition to using local funds as a match and new development pays its fair share to help mitigate for the needs it generates.

Next Steps:

- September 2017 - Action items recommended for policy revisions will be collected
- October 2017- Presentation on the release of the 2017 Highway Program Call for Projects
- November/December 2017 – Proposed reprogramming of inactive projects
- January 2018 – Information item on recommended project funding awards
- February 2018 – Action item for project funding awards

Director Cameron Johnson recommended some additional language to be included by legal for clarity because of the current flexibility in the context of the resolution. Legal Counsel Joan Cassman agreed. Ms. Cassman stated that it looks like there is another standard on new facilities and we should call that out in the resolution once the Board has determined what the context should be.

Chair Groom additionally requested to have some clarity on what kind of project and what kind of match, and hopes it would either be local, federal or state. She believes additional information will provide a better understanding of how much money the TA is looking for and how much money the TA would spend and believes the Project applicants would have a better idea as well.

Mr. Hartnett stated there might be confusion on what "match" means. He defined the word "match" meaning "any money that is not TA money."

PUBLIC COMMENT

Mr. Paul Krupka, San Mateo, is a professional engineer and an independent transportation consultant and a 30-year resident of San Mateo County. Mr. Krupka stated he is very appreciative of the Board and the Transportation Authority Measure A Program. Mr. Krupka is also the project manager for Redwood City -101 Woodside Road Project and he believes that the revisions are quite prudent and pragmatic. He stated he had some conversations with Joe Hurley and Joel Slavit about this and had some input which was very helpful with regard to the Redwood City project. Mr. Krupka thanked the Board and staff (especially, the Committee Members and April Chan). He feels that we all are taking good care of the county's money.

Director Beach expressed concerns about placing more artificial constraints on what we can do locally and make good intelligent decisions as far as the match funding is concern. She stated the Board should think about cities that may not have access to these matching funds. Smaller cities may have a really important project but they might not have a really huge general fund to contribute to it or they might not have enough visibility on their project that will get the attention of Regional Measure 3 (RM3) or Senate Bill 1 (SB1). Director Beach feels it might have some unintended consequences.

Director Ken Ibarra stated Director Beach brought some really good points and for 20 years he has seen projects where no one knew where the funding was coming from, he believes Measure A is a good source for funding. Director Ibarra added that they need to be as flexible and thanked Director Beach.

This item will come back to the Board next month.

PROGRAM REPORT: TRANSIT – DUMBARTON TRANSPORTATION CORRIDOR STUDY

Ms. Chan reported the Dumbarton Transportation Corridor Study is being led by SamTrans.

SamTrans partnered with the following entities:

- ACTC - They are providing the Dumbarton Express
- City of Newark
- City of Fremont
- City of Union City
- City of Menlo Park
- City of Redwood City
- City of East Palo Alto
- Caltrans - They are the owner of the car bridge Route 84
- MTC (Metropolitan Transportation Commission)
- Facebook – They are funding the study

Ms. Chan reported the environmental review process on the Dumbarton Rail Corridor was put on hold because the funding was not there to fully fund the project. As a result, SamTrans decided to take a fresh look since this Corridor has gotten more congested because increased employment and the West Bay has accumulated a significant amount of traffic coming from the East Bay. She stated funds for the rail corridor expanded the focus and the Study now includes Route 84 Highway.

Ms. Chan reported that when they started this study they wanted to be agnostic in terms of who will be taking the eventual lead of the projects. They recognize the highway bridge is owned by Caltrans and MTC has jurisdiction over it because of its toll facility. The rail bridge is purchased with TA funds, but it is owned by SamTrans and therefore they are conducting the study.

Ms. Chan reported on bus and approach improvements.

- Short-term (2020)
 - Expand Dumbarton Express bus on Highway Bridge – increase frequency
 - Approach improvements
- Impact
 - \$51 million capital, \$12 million in Operating and Maintenance Cost (O&M) and an increase of 13,700 daily Transbay riders (34 percent increase)

Ms. Chan stated in the short-term 2020, Facebook asked SamTrans to study an option to include a bike pedestrian multi-use path from Redwood City to East Palo Alto (Overpasses at Willow, Marsh, University, US-101). The initial preliminary cost would be \$60 million investment with approximately \$53,000 in Operating and Maintenance (O/M) cost.

Ms. Chan reported the following recommendations for 2020:

- Expand Dumbarton Express bus including new routes to Menlo Park/Redwood City and Mountain View/Sunnyvale - looking at what we can do in terms of increasing

the amount of the express buses that can come across the highway bridge and what we can do to make bus riding more competitive with the car and increasing the frequency of that Dumbarton express bus

- Make approach improvements - looking at more approach improvements both East and West Bay, connecting traffic and then going over a grade separation. The TA is also proposing a fly over that will connect directly onto the 101. In the longer term the Study is recommending even more Express buses because once these improvements have been made, it is going to make SamTrans more competitive.
- Impacts - \$51 million investment cost, \$12 million O&M, there will be a 34 percent increase in transit. The involved entities would include AC Transit, ACTC, MTC, Caltrans, cities, etc.
- Not recommending construction of the bike-pedestrian multi-use path due to the rail right-of-way (ROW) limitations.

Recommendations for express lanes on the highway bridge for the 2025 – 2035-time frame.

- Mid-term (2025)
 - Convert #1 lane to toll lane in each direction
 - More approach improvements east and west bay (flyovers, grade separations, etc.)
 - Connect rail ROW to US 101 via flyover
- Long-term (2030)
 - Further enhanced Dumbarton Express bus
- Impact
 - \$849m capital, \$20m O/M in mid-term
 - \$82m capital, \$14m O/M in long-term
 - ~21,300 daily Transbay riders (147% increase)

Recommendations for the rail shuttle on rail bridge

- Mid-term (2025)
 - New double-tracked rail service from Redwood City (RWC) to Newark, not "interlined" at Caltrain
- Long-term (2030)
 - Further extend rail to Union City
- Impact
 - \$975m capital, \$23m O/M (for Rail Shuttle to Newark) in mid-term
 - Additional \$295m capital, \$32m O/M (to extend to Union City) in long-term
 - ~15,600 daily Transbay riders (81% increase)

Recommendations for 2025

- Improve the Highway Bridge and Approaches
 - One express lane in each direction

- More approach improvements east and west bay (flyovers, grade separations, etc.)
- Buses use ROW to US-101 flyover
- Rail service on the rail bridge
 - Rail Shuttle to Newark (double-tracked bridge)
- Impact
 - \$1.8b capital, \$44m O/M
 - Involved entities: Caltrain, UP, ACTC, MTC, Caltrans, STB, cities, etc.

Recommendations 2030

- Further enhanced Dumbarton Express bus service
- Extended rail service
 - Rail Shuttle from Newark to Union City
- Impact
 - \$377m capital (in addition to \$1.8b in 2025), \$46m O/M
 - Involved entities: Caltrain, UP, ACTC, MTC, Caltrans, STB, cities, etc.

Ms. Chan stated this will help increase the public transit ridership.

Rail commuter on rail bridge, double-track 2035

- Longer-term (2035 or beyond)
 - Interline with Caltrain
 - Better connect to ACE, Capitol Corridor
- Impact
 - \$327m additional capital, \$38m O/M
 - ~23,300 daily Transbay riders (270% increase) paired with express lanes on Highway Bridge
 - Involved entities: AC Transit, Caltrain, UP, ACE, Capitol Corridor, MTC, etc.

Ms. Chan described in terms of the rail bridge, SamTrans is recommending using a study that was completed several years back that included creating a shuttle rail service between Redwood City and Newark (every 15 minutes) and at some point, further extending service to Union City.

Ms. Chan stated the long term goal within the 2035-time frame is to make a seamless transition between the Dumbarton Rail Service and an Interline with Caltrain on the west bay, and connect an interline with Altamont Corridor Express (ACE) and Capitol Corridor on the East Bay.

Ms. Chan presented funding challenges and opportunities:

- Use existing local funding: Measure A (San Mateo County), BB (Alameda County)
- Seek state, regional funding: SB1, RM3, etc.
- Solicit private contributions
- Pursue federal, state grants and financing

- Explore value capture
- Identify project elements attractive for P3
- Consider other alternative packages or phasing based on available funding
- Partnerships: ACE, State, Caltrans, etc.

Ms. Chan reported SamTrans has expanded the public meetings/public outreach in the East Bay next week and at the end of September in Menlo Park in the Belhaven area. SamTrans has been conducting briefings at different city council meetings through the end of this month and expanded public comment from 30 days to 45 days. In the October-November time frame they will review and respond to public comments, incorporate changes to final recommendations, if appropriate and plan to take to the SamTrans Board for approval in November or December.

Director Matsumoto strongly requests adding the bike and pedestrian path.

Chair Groom concurred with Director Matsumoto's request. She believes if there is not a potential solution, the environment community will follow us with no end and we might end up constructing something that is not exactly right. Chair Groom believes we should provide a potential solution and/or an option for bicycles and pedestrians.

Director Beach echoes Chair Groom and Director Matsumoto's comments on the bike-pedestrian path. She conveyed everything they said makes great sense and the one thing she would like to add is we look at this project and she heard Ms. Chan say we must increase the public transit ridership. She added if we have a safe alternative Last Mile connection, this is the goal to inspire more people to take public transit connections.

CAPITAL PROJECTS QUARTERLY STATUS REPORT 4TH QUARTER FY 2017

Mr. Joe Hurley, Director TA, recognized Ms. Pam Kwan, TA Project Manager, who in her short time at SamTrans has done a significant amount of hard work on the preparation of this Quarterly Status Report.

Mr. Hurley presented on the Woodside Road Interchange Project. He stated the budget on this project for the design phase went to yellow. Because additional design cost was incurred above what the TA had allocated funding for. Mr. Hurley stated that on a positive note, since this reporting period, the City of Redwood City has secured an additional \$1.5 million therefore the design phase is fully funded. He reported that the Holly Interchange Project has gone to red because the City of San Carlos is working on opportunities to go ahead with the pedestrian overcrossing and are still trying to secure the necessary funding.

GENERAL COUNSEL REPORT

General Counsel Cassman said there have been recent developments in the Pacifican lawsuits and she anticipates a closed session for next month.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

None.

REQUEST FROM THE BOARD

Director Matsumoto said a City of South San Francisco shuttle has been replaced with a low floor which makes it easier for wheelchairs and now has enough room for two bikes in front. She said there is a stop request system to see where the shuttle is located.

Ms. Chan said there will be a shuttle workshop hosted by SamTrans at the end of this month.

DATE AND PLACE OF NEXT REGULAR MEETING

Thursday, October 5, 2017 at 5 p.m. in the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd floor, 1250 San Carlos Avenue, San Carlos CA 94070

The meeting adjourned at 6:30 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
AUGUST 31, 2017**

ACTION

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of August 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 August year-to-date, the Total Revenues (page 1, line 7) is \$0.5 million higher than prior year. This is primarily driven by higher Sales Tax revenue (page 1, line 1).

Year to Date Expenses: As of August year-to-date, the Total Expenditures (page 1, line 26) is \$0.2 million lower than prior year. This is primarily driven by Measure A Categories (page 1, line 13) as various projects are closed out or nearing completion in Fiscal Year 2018. This is partially offset by higher Staff Support costs (page 1, line 20) as we included unfunded California Public Employee's Retirement System (CalPERS) liability and Other Post-Employment Benefits (OPEB) liability in July.

Budget Amendment:

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

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

650-622-8055
650-508-7757

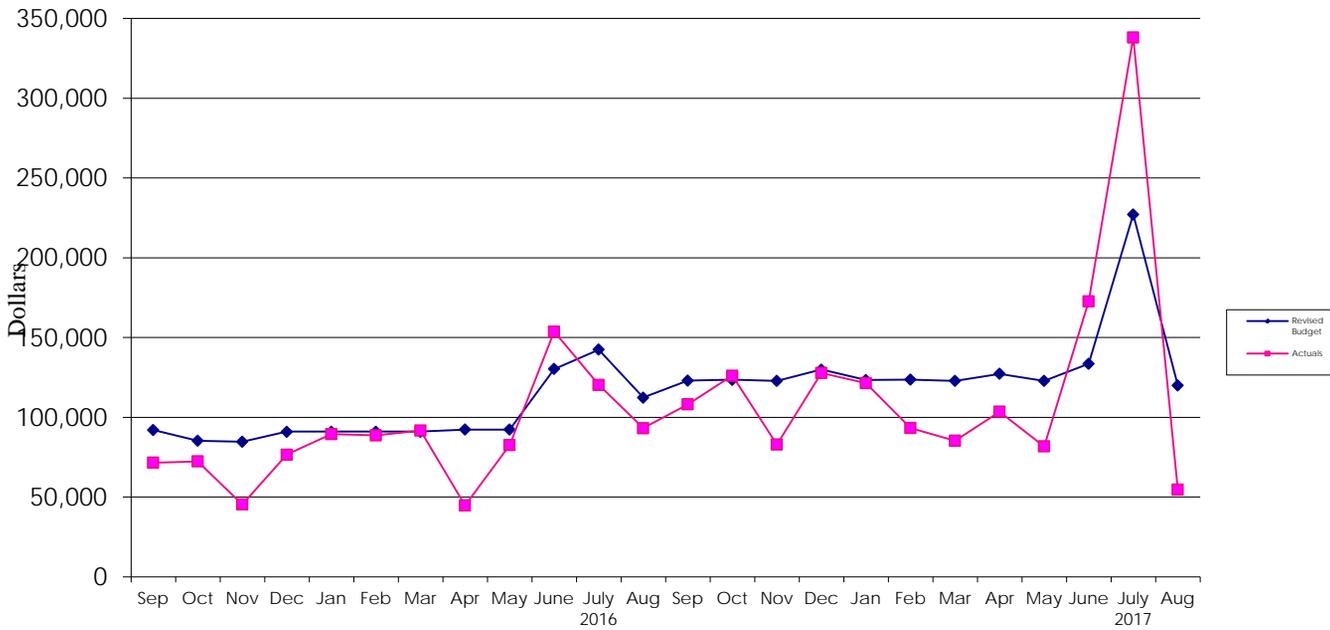
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
Fiscal Year 2018
August 2017

% OF YEAR ELAPSED: **16.7%**

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANC	BUDGET
REVENUES:					
1 Sales Tax	11,839,862	12,346,490	506,628	4.3%	84,660,000
2 Interest Income	1,098,282	1,049,780	(48,502)	-4.4%	3,700,000
3 Miscellaneous Income	0	1,500	1,500	0.0%	0
4 Rental Income	206,021	207,469	1,448	0.7%	792,930
5 Grant Proceeds	0	0	0	0.0%	0
6					
7 TOTAL REVENUE	13,144,165	13,605,239	461,074	3.5%	89,152,930
8					
9 EXPENDITURES:					
10					
11 Annual Allocations	4,321,550	4,506,469	184,919	4.3%	30,900,900
12					
13 Measure A Categories	701,933	56,344	(645,589)	-92.0%	52,912,500
14					
15 Dumbarton Maintenance of Way	2,502	6,921	4,419	176.6%	260,000
16					
17 Oversight	124,418	219,193	94,775	76.2%	1,185,000
18					
19 Administrative					
20 Staff Support	112,197	274,497	162,300	144.7%	867,563
21 Measure A Info-Others	20	-	(20)	-100.0%	15,000
22 Other Admin Expenses	101,312	118,235	16,923	16.7%	703,301
23					
24 Total Administrative	213,529	392,732	179,203	83.9%	1,585,864
25					
26 TOTAL EXPENDITURES	5,363,932	5,181,659	(182,273)	-3.4%	86,844,264
27					
28 EXCESS (DEFICIT)	7,780,233	8,423,580	643,347	8.3%	2,308,666
29					
30 BEGINNING FUND BALANCE	478,973,595	505,714,511			
31					
32 ENDING FUND BALANCE	486,753,828	514,138,091	643,347		2,308,666

* 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
MONTHLY EXPENSES												
Revised Budget	227,128	120,007										
Actual	338,084	54,648										
CUMULATIVE EXPENSES												
Staff Projections	227,128	347,135										
Actual	338,084	392,732										
Variance-F(U)	(110,956)	(45,597)										
Variance %	-48.85%	-13.14%										



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 AUGUST 31, 2017

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET VALUE
County Pool #2	*	Liquid Cash	1.245%	\$ 326,461,776	\$ 326,461,776
Local Agency Investment Fund**		Liquid Cash	1.084%	\$ 984,363	\$ 984,363
Investment Portfolio	***	Liquid Cash	1.610%	\$ 157,777,605	\$ 157,872,319
Other		Liquid Cash	0.000%	\$ 363,581	\$ 363,581
				<u>\$ 485,587,326</u>	<u>\$ 485,682,039</u>

Accrued Earnings for August 2017 \$ 555,790
Cumulative Earnings FY2018 \$ 1,114,513

* County Pool average yield for the month ending August 31, 2017 was 1.245%. As of August 2017, the total cost of the Total Pool was \$4,478,929,703.39 and the fair market value per San Mateo County Treasurer's Office was \$4,486,427,516.89.

** 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
August 31, 2017**

DESCRIPTION	TOTAL INVESTMENT 08-31-17	INTEREST RECEIVABLE 07-31-17	PREPAID INT RECEIVABLE 07-31-17	INTEREST EARNED 08-31-17	INTEREST RECEIVED 08-31-17	ADJ.	INTEREST RECEIVABLE 08-31-17
LAIF	984,362.86	877.83	0.00	906.26	0.00		1,784.09
COUNTY POOL	326,461,776.15	309,674.51	0.00	343,504.18	0.00		653,178.69
BANK OF AMERICA	160,278.91	0.00	0.00				0.00
WELLS FARGO	0.00	0.00	0.00				0.00
US BANK (Cash on deposit)	203,302.36	0.00	0.00				0.00
INVESTMENT PORTFOLIO	157,872,319.21	483,104.30	0.00	211,379.95	275,388.95		419,095.30
		0.00					0.00
	<u>485,682,039.49</u>	<u>793,656.64</u>	<u>0.00</u>	<u>555,790.39</u>	<u>275,388.95</u>	<u>0.00</u>	<u>1,074,058.08</u>

AUGUST 2017 -- SUMMARY OF INTEREST & CAPITAL GAIN

Interest Earned Per Report	08/31/17	555,790.39
Add:		
Less:		
Management Fees		(10,368.54)
Amortized Premium/Discount		67,141.47
Capital Gain(Loss)		<u>(49,080.48)</u>
Total Interest & Capital Gain(Loss)		<u>563,482.84</u>

YEAR TO DATE -- SUMMARY

Interest Earned	1,114,512.73
Add:	
Less:	
Management Fees	(20,790.57)
Amortized Premium/Discount	948.96
Capital Gain(Loss)	<u>(64,732.81)</u>
Total Interest	<u>1,029,938.31</u>

Balance Per Ledger 08/31/17	
Amort Premium/Discount	948.96
Management/Bank Fees	(20,790.57)
Interest -County Pool	653,178.70
Interest- LAIF	1,784.09
Interest- Portfolio Funds	459,549.94
Gain(Loss)	<u>(64,732.81)</u>
	<u>1,029,938.31</u>

0.00

INVESTMENT PORTFOLIO
August 31, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	MARKET	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST	PREPAID	INTEREST	INTEREST	ADJ.	INTEREST	PAR
			PURCHASE PRICE	VALUE 8/31/2017					REC'VBLE 7/31/2017	INT REC'VBLE 7/31/2017	EARNED 8/31/2017	RECEIVED		REC'VBLE 8/31/2017	VALUE
SECURITIES MANAGED BY INVESTMENT ADVISOR:															
COMMERCIAL PAPERS															
BNP PARIBAS NY BRANCH	09659CC71	07-07-17	3,167,600.00	3,175,651.20	03-07-18	0.000%	0.00	31	0.00					0.00	3,200,000
CANADIAN IMPERIAL HLDNG	13607EXD6	01-19-2017	3,068,156.54	3,095,486.40	10-13-17	0.000%	0.00	31	0.00					0.00	3,100,000
BANK OF TOKYO MITSUBISHI	06538BXP3	04-21-17	2,979,033.33	2,994,555.00	0-23-17	0.000%	0.00	31	0.00					0.00	3,000,000
CREDIT AGRICOLE CIB NY	22533TYL4	05-23-17	2,980,240.83	2,991,576.00	11-20-17	0.000%	0.00	31	0.00					0.00	3,000,000
ING (US) FUNDING LLC	4497WOWM6	5-23-17	2,987,698.33	2,997,852.00	09-21-17	0.000%	0.00	31	0.00					0.00	3,000,000
															9.73%
CERTIFICATE OF DEPOSIT															
CANADIAN IMPERIAL BANK NY	13606A5Z7	12-05-16	3,097,582.00	3,107,753.10	11-30-18	1.760%	151.56	31	9,548.00		4,698.22			14,246.22	3,100,000
SVENSKA HANDELSBANKEN NY	86958JH88	01-12-17	3,100,000.00	3,088,833.80	01-10-19	1.890%	162.75	31	3,580.50		5,045.25			8,625.75	3,100,000
NORDEA BANK FINLAND NY	65558LWA6	12-05-16	3,100,000.00	3,107,753.10	11-30-18	1.760%	151.56	31	9,244.89		4,546.67			13,791.56	3,100,000
BANK OF NOVA SCOTIA HOUSTON	06417GUE6	04-06-17	3,100,000.00	3,095,043.10	04-05-19	1.910%	164.47	31	19,243.25		5,098.64			24,341.89	3,100,000
SUMITOMO MITSUI BANK NY	86563YVNO	05-04-17	3,100,000.00	3,111,873.00	05-03-19	2.050%	176.53	31	15,357.92		5,295.83			20,653.75	3,100,000
															9.86%
ASSET-BACKED SECURITY/COLLATERIZED MORTGAGE OBLIGATIONS															
CCCIT 2017-A2 A2	17305EGA7	01-26-17	2,649,492.53	2,657,425.83	01-17-21	1.740%	128.08	31	1,793.17		3,842.50			5,635.67	2,650,000
ALLYA 2017-1 A3	02007PAC7	01-31-17	704,938.38	705,611.16	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	2,201,520.86	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	781,827.07	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	2,489,415.60	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	3,108,870.34	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	1,608,518.24	04-07-22	1.920%	85.33	31	9,386.67		2,560.00			11,946.67	1,600,000
JOHN DEERE ABS	47788BAD6	07-18-17	999,926.80	1,003,642.90	10-15-21	1.820%	50.56	31	657.22		1,516.67			2,173.89	1,000,000
AMXCA 2017-4 A	02582JHG8	05-30-17	1,199,807.76	1,201,570.68	12-15-21	1.640%	54.67	31	880.00		1,640.00	1,640.00		880.00	1,200,000
															10.00%
SALE/PAYDOWN/MATURITY:															
FREDDIE MAC	3137EADP1	08-03-2017			03-07-18	0.875%	0.00	31	2,537.50		35.24	2,572.74		(0.00)	
FHLB	3130A9AE1	08-03-2017			10-01-18	0.875%	0.00	31	8,750.01		1,677.08	10,427.09		0.00	
CASH AND CASH EQUIVALENT															
	31846V534								311.26		119.18	311.26		119.18	
TOTAL			157,777,605.26	157,872,319.21					483,104.30	0.00	211,379.95	275,388.95	0.00	419,095.30	157,208,074.60
						Weighted Average Interest Rate		1.6100%							

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

Approved Budget		Receipts		Over/(Under) Budget/Projection	Current Projection
Date	Amount	Date	Amount		
FY2017:					
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	24,345,230	2,488,537	24,345,230
FY2017 Total	83,000,000	FY2017 Total	84,354,070	1,354,070	84,354,070
FY2018:					
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
FY2018 Total	84,660,000	FY2018 Total	0	0	84,660,000
	12,346,490	1st Quarter			
		2nd Quarter			
		3rd Quarter			
		4th Quarter			
	12,346,490	YTD Actual Per Statement of Revenue & Expenses			

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

8/31/2017

Cash -- Bank of America Checking Account	160,278.91
Cash -- Wells Fargo Lockbox Account	0.00
Cash - US Bank (on deposit)	203,302.36
LAIF	984,362.86
County Pool	326,461,776.15
Investment Portfolio	157,872,319.21
	<hr/>
Total	<u><u>485,682,039.49</u></u>

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

Unit	Ref	Name	Amount	Method	Description
SMCTA 000102		MATSUMOTO, KARYL M.	100.00	ACH	Board Member Compensation
SMCTA 000103		HORSLEY, DONALD	200.00	ACH	Board Member Compensation
SMCTA 000104		JOHNSON, CAMERON	100.00	ACH	Board Member Compensation
SMCTA 004480		ARRANGED4COMFORT	923.56	CHK	Office Furniture
SMCTA 004481		JACOBS ENGINEERING GROUP INC.	2,593.16	CHK	Consultants
SMCTA 004482		PAG WEST LLC	18,186.50	CHK	Real Estate (Tenant Lease)
SMCTA 004483		PUBLIC FINANCIAL MANAGEMENT, INC.	9,250.00	CHK	Investment Advisory Services
SMCTA 004484		SLAVIT, JOEL A	21.00	CHK	Business Meetings
SMCTA 004485		ROSS FINANCIAL	2,475.00	CHK	On-Call financial analysis services
SMCTA 004486		CITY OF PACIFICA	154,324.30	CHK	Capital Programs (1)
SMCTA 004487		KHOURI CONSULTING	3,859.00	CHK	Legislative Advocate
SMCTA 004488		SAN CARLOS, CITY OF	43,177.23	CHK	Capital Programs (2)
SMCTA 004489		SELF-HELP COUNTIES COALITION	4,400.00	CHK	FY18 membership dues
SMCTA 004490		SLAVIT, JOEL A	35.00	CHK	Business Meetings
SMCTA 004491		AMERICAN PLANNING ASSOCIATION	784.00	CHK	Membership Dues
SMCTA 004492		HANSON BRIDGETT LLP	21,822.00	CHK	Legal Services
SMCTA 004493		MENLO PARK, CITY OF	36,402.56	CHK	Capital Programs (2)
SMCTA 004494		MENLO PARK, CITY OF	38,338.29	CHK	Capital Programs (2)
SMCTA 004495		MENLO PARK, CITY OF	29,964.38	CHK	Capital Programs (2)
SMCTA 004496		URS CORPORATION	144,253.41	CHK	Consultants
SMCTA 004497		DEPARTMENT OF TRANSPORTATION	2,329,623.44	CHK	Capital Programs (3)
SMCTA 900099		PENINSULA CORRIDOR JOINT POWERS BOARD	2,893,956.88	WIR	Capital Programs (4)
SMCTA 900100		PENINSULA CORRIDOR JOINT POWERS BOARD	2,311,580.41	WIR	Capital Programs (5)
			8,046,370.12		

- (1) San Pedro Creek/Rte 1 Bridge R
- (2) FY17/FY18 Local Shuttles
- (3) 101 Interchange to Broadway \$410,345.27; 101 Interchange to Willow \$674,918.43; Marsh to SM/SC line \$1,876; 101 HOV Ln Whipple - San Bruno \$285,030.58; SR92 El Camino Real Ramp \$957,453.16
- (4) 25th Ave Grade Separation
- (5) Caltrain Electrification

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **APPROVAL AND RATIFICATION OF THE FISCAL YEAR 2018 TRANSPORTATION AUTHORITY INSURANCE PROGRAM**

ACTION

Staff proposes that the San Mateo County Transportation Authority (TA) approve and ratify the TA's Insurance Program obtained through the TA's insurance broker, Wells Fargo Insurance Services, for Fiscal Year (FY) 2018, at a total premium cost of \$355,605 inclusive of the following:

- Purchase \$11 million combined single limit bodily injury and property damage coverage under Primary and Excess Commercial General Liability policies; and
- Obtain Public Officials Liability insurance with policy limits of \$3,000,000; and
- Purchase property insurance for the Dumbarton Rail Bridge at a limit of \$5,000,000.

SIGNIFICANCE

The TA's insurance program includes Primary and Excess Commercial General Liability and Public Officials Liability coverage, as detailed in the chart below. The overall increase in insurance premiums for the TA is 4.02 percent and is largely due to an increase in payroll costs.

<u>Principal Program</u>	<u>Conditions</u>	<u>FY2017 Premium</u>	<u>FY2018 Premium</u>
Primary and Excess Commercial General Liability	\$11 million	\$193,570	\$212,547
Public Officials Liability	\$3 million limit	\$ 43,546	\$ 43,795
Dumbarton Rail Bridge	\$5 million limit	<u>\$ 104,490</u>	<u>\$ 99,263</u>
TOTAL		\$ 341,606	\$ 355,605

BUDGET IMPACT

Funds to underwrite the recommended excess liability and public officials' liability elements of the program are included in the FY2018 Budget. Funding for the Dumbarton Rail Bridge premium will be included in the mid-year budget amendment request.

BACKGROUND

Liability Program

Until several years ago, the TA's liability coverage was included under the San Mateo County Transit District's (District) insurance program and was subject to the District's \$1 million dollar retention (or deductible) applying to all claims. Being part of the District's program also required the TA to share policy limits with the District. As the TA's operations differ significantly from the District's and the TA was starting to see claims activity, it was recommended that the TA obtain its own insurance, which is available with a much lower retention.

The lower retention is in recognition that the TA is primarily a planning and funding entity and has no transit passenger operations. The policy obtained for the TA has only a \$50,000 retention/deductible. The recommended Primary and Excess Commercial General Liability program for the TA has a combined single limit for bodily injury and property damage of \$11 million. This figure is comprised of a \$1 million Primary Commercial General Liability insurance policy plus a \$10 million Excess Liability insurance policy. These limits are not shared with any other entity.

In past years under the District's program, the TA also had coverage under the District's Public Officials Liability insurance policy, which also had \$1 million retention. By obtaining its own Public Officials Liability insurance policy, the TA's retention is only \$50,000 and the dedicated limit for the TA is \$3 million.

In excess of the TA's own insurance policies the TA still remains a named insured, and is afforded coverage under, District's insurance program.

Dumbarton Rail Bridge

The TA continues to purchase property insurance on the Dumbarton Rail Bridge on an actual cash value basis (not replacement cost) with a \$5 million limit, including coverage for fire, debris removal and collisions with ships.

Summary

With its own insurance program the TA now takes advantage of much lower retentions and deductibles than when it was part of the District's program. In addition, coverage under the TA's insurance program is specifically designed to cover the TA's operations and is not shared with any other entity.

RESOLUTION NO. 2017-

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

*** * ***

**APPROVING AND RATIFYING THE INSURANCE PROGRAM FOR
FISCAL YEAR 2018**

WHEREAS, the Executive Director of the San Mateo County Transportation Authority (TA) has approved an insurance program for Fiscal Year (FY) 2018 with premiums totaling \$355,605; and

WHEREAS, in conjunction with the expiration of the TA's existing insurance program on June 30, 2017, TA staff renewed its insurance program for FY2018 based on the plan approved by the Executive Director, with the following significant elements:

1. Primary and Excess Commercial General Liability insurance with a total limit of \$11 million and \$50,000 retention for an annual premium of \$212,547;
2. Obtain Public Officials Liability insurance with a total policy limit of \$3 million and \$50,000 retention for an annual premium of \$43,795; and
3. Property insurance for the Dumbarton Rail Bridge with a total limit of \$5,000,000 and for an annual premium of \$99,263; and

WHEREAS, the TA also is a named insured and afforded coverage under the San Mateo County Transit District's insurance program, in excess of the TA's dedicated insurance policies; and

WHEREAS, staff recommends that the Board of Directors approve and ratify the renewal of the District's insurance program for FY2018, as delineated above.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the San Mateo County Transportation Authority hereby approves and ratifies the renewal of

the TA's insurance program for FY2018, including the types of coverage, limits and premiums recited above.

Regularly passed and adopted this 5th day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

TA Secretary



Memorandum

Date: September 28, 2017
To: TA Board of Directors
From: Jim Hartnett, Executive Director
Subject: October 5, 2017 TA Board Meeting Executive Director's Report

101/Broadway Interchange

On September 14, a ribbon cutting ceremony was held to commemorate the completion of the 101/Broadway Interchange Project in the City of Burlingame. Staff from Caltrans, Burlingame and the TA along with a number of elected officials gathered to celebrate this significant milestone. The \$91 million project was included in the original Measure A Program approved by the voters in 1988, and was funded with a combination of State and local funding including \$59 million of Measure A funding from the San Mateo County Transportation Authority.

25th Avenue Grade Separation

A groundbreaking ceremony for the start of construction of the 25th Avenue Grade Separation project took place in San Mateo on Tuesday, September 26. The project will separate the current at-grade crossing at 25th Avenue and add new grade separated crossings at 28th and 31st Avenues as well as construct a new Hillsdale Station. This project will result in improvements to local traffic flow and safety, and will transform the entire area by connecting to the development to the east of the tracks.

The total cost of the project is \$180 million, more than \$70 million of which TA funded for planning, design, and construction.

Shuttle Technical Assistance Workshop

On Wednesday, September 27, TA staff hosted a Shuttle Program Technical Assistance Workshop in conjunction with the City/County Association of Governments of San Mateo County (C/CAG), SamTrans, and Commute.Org. The workshop provided an overview of shuttle best-practices with respect to the planning and administration of shuttles, in order to assist potential shuttle sponsors in submitting more cost-effective and productive shuttle proposals.

The workshop was well attended by sponsors of new shuttles as well as sponsors of existing shuttles that do not currently meet established operating performance benchmarks. Technical assistance will be available for all sponsors who will be submitting applications for Measure A funding.

Bike and Pedestrian Program Call-for-Projects

Staff is proposing to issue the next cycle of Bike and Pedestrian Program Call-for-Projects shortly after the TA Board meeting in November. Staff will be presenting this item at the November TA Board Meeting.

**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: 101 CORRIDOR MANAGED LANES**

ACTION

No action is required. This item is being presented to the Board for information only.

SIGNIFICANCE

This presentation is part of a series of program reports presented to the Board. Each of the Transportation Authority's (TA) six program areas – Transit, Highways, Local Streets/Transportation, Grade Separations, Pedestrian & Bicycle, and Alternative Congestion Relief– will be featured individually throughout the year. This month features a report on the 101 Managed Lanes Corridor Project under the Highway Program category.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

On May 4, 2015, Caltrans approved a Project Initiation Document (PID) for a project that proposes to extend the existing High Occupancy Vehicle (HOV) lanes on the 101 Corridor in San Mateo County, fourteen and a half miles from Whipple Road to I-380.

On October 1, 2015, the TA Board authorized the allocation of \$8.5 million of Measure A funding for the Project Approval/Environmental Document (PA/ED) phase of the project.

Resulting from input of project stakeholders including both public agencies and private employers, the limits of the study expanded beyond what had been developed in the PID. Project limits have been extended seven miles south to a total length of 22 and a half miles to better coordinate with the work Santa Clara County is proposing on the 101 Corridor.

A range of project alternatives, including express lanes, is being developed and analyzed on the ability of each alternative to meet the purpose and need of the project which are as follows:

- Reduce congestion in the corridor
- Encourage carpooling and transit use
- Improve travel time reliability
- Minimize operational degradation of the general purpose lanes
- Increase person throughput
- Apply technology and/or design features to help manage traffic

In June 2016, the TA took an action for the TA to become a Co-Sponsor with City/County Association of Governments of San Mateo County for the 101 ML Project. The Board also authorized an agreement with San Mateo County Economic Development Association, which has brought an additional \$3 million in private sources to fully fund the \$11.5 million environmental phase of the project.

Public outreach and engagement with project stakeholders began in October 2016 with a public scoping meeting. Since that time there have been a number of meetings with staff from local jurisdictions along the 101 corridor. There have been two Community Meetings, in May in San Mateo and in June in Redwood City.

The team was successful in securing an additional \$9.5 million of federal-earmarked funding to fund advanced design work that will expedite project delivery.

The current schedule proposes to release the draft environmental document this fall which reports the benefits and impacts that are anticipated to be realized with the implementation of the project. The public will have the opportunity to review and comment on the document and its supporting technical studies such as traffic, air quality, noise etc. The team will compile and respond to comments received during the public comment period and finalize the document in the fall of 2018.

This month's presentation will be presented via PowerPoint.

Prepared by: Joseph Hurley, Director, Transportation Authority 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: **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 are already in the Measure A funding pipeline 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 projects that are not already in the Measure A funding pipeline.
- 2) Further leverage Measure A investments by requiring a minimum 10 percent funding match with each phase of work for all projects. Eligible sources of matching funds may consist of federal, state, regional and/or local sources, including those from private development as well as a project sponsor's Measure A Local Streets and Transportation Program funds. A list of potential public funding sources that can serve as match is included as Exhibit A.
- 3) For new highway facilities (e.g. those consisting of roads and/or interchanges at locations where they currently don't exist) that are already in the Measure A funding pipeline, the required funding match may be greater than 10 percent for the final design, right of way and construction phases of work. The match requirement will be proportionate to the impacts from additional traffic generated from new land use development that is generating the need for the new facility. The match requirement will be evaluated on a case-by-case basis with the project sponsor.
- 4) To further promote timely use of funds, there must be substantial activity on a project within two years of receiving a funding award, including demonstrating expenditures on the project.

SIGNIFICANCE

At the San Mateo County Transportation Authority's (TA) September Board of Directors (Board) meeting, staff presented proposed funding policy revisions to the Measure A Highway Program Call For Projects (CFP) process. Based on input from the Board, staff has refined and updated the following revisions:

Minimum Matching Funds Requirement

The minimum matching funds requirement is now proposed to be 10 percent for each project phase of work, which replaces the previous proposal presented at the September TA meeting that would have required a 20 percent match for post environmental phases of work (right of way, final design and construction).

The revised proposed policy will still help to further leverage constrained Measure A funds, as there has been no matching fund requirement for past CFPs. Consistent with past CFPs, funding leverage will remain one of several criteria on which projects are evaluated and prioritized. Sponsors with projects that provide higher percentages of matching funds, beyond the minimum 10 percent, will score better under these criteria. Further information on the scoring criteria is provided in the highway CFP presentation, which is also included in the October meeting agenda for Board consideration.

Matching Funds for New Facilities

At the September TA Board meeting, staff proposed a match requirement for Board consideration and adoption with respect to new highway facilities. The Board requested further clarification on the proposal. Staff recommends that sponsors of new highway facilities provide matching funds for the final design, right of way and construction phases of work that are proportionate to the impacts from additional traffic generated from the new land use developments that are generating the need for the new highway facilities. Determination as to the amount of match required for these highway projects, beyond 10 percent, will be made on a case-by-case basis, in consultation with the highway project sponsor and taking into account information from the approved planning and environmental documents for the development projects.

Timely Use of Funds Policy

The TA's Short Range Highway Plan (SHRP) contains a policy guideline that states, "Projects must remain active to keep allocated funds. If there is no substantial activity on the project for five years or more, reallocation of funds to other active projects will be considered." In light of constrained funding resources to meet identified project costs, there is a need to better ensure that awarded funds be utilized in a timely manner. Staff is recommending that this established timely use of funds policy be reduced from five years or more to two years. A determination as to what constitutes substantial activity on a project will be made on a case by case basis, but will include demonstrating expenditures on the project.

BUDGET IMPACT

The proposed policy revisions have no impact on the budget at this time.

BACKGROUND

The 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 B. 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. Although costs vary depending on the scale and complexity of projects, it is projected that this set-aside could fund the planning and environmental phases of work of roughly three to five new highway projects that are not currently in the Measure A pipeline.

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.

Prepared by: Joel Slavitt, Manager of Programming and Monitoring

650-508-6476

EXHIBIT A: POTENTIAL EXTERNAL PUBLIC FUNDING SOURCES AVAILABLE FOR HIGHWAY PROJECTS IN SAN MATEO COUNTY

<i>Grant Program</i>	<i>Administrator</i>	<i>Eligible Projects</i>	<i>Match</i>	<i>Funding</i>	<i>Funding Call Status</i>	<i>Notes/Links</i>
State Transportation Improvement Program (STIP) (biennial cycles)	California Transportation Commission (CTC) Geographic area: California	Highway, transit & other facilities. Draft C/CAG recommendations proposed for the 2018 STIP include funding for the following Measure A pipeline projects: - US 101 Managed Lanes - US 101/Produce Ave. Interchange - US 101/SR 92 Interchange - US 101/Woodside Rd. Interchange	None required	Varies \$55M in new funding proposed for San Mateo County in 2018 STIP	C/CAG collaborated w/ the TA, Caltrans & cities on the prep. of the draft 2018 STIP, which provides new funding from FY2019 through FY2023	C/CAG approval : 10/12/17 MTC approval: 12/20/17 CTC adoption: 03/21/18 More info: http://www.catc.ca.gov/programs/stip.htm
Senate Bill 1 Solutions for Congested Corridors (biennial cycles)	California Transportation Commission (CTC) Geographic area: California	Projects that are part of a comprehensive corridor plan that reduce congestion in highly travelled corridors (state highways, local streets & roads, public transit & ped/bike facilities). Highway projects can include HOV/managed lanes & should mitigate VMT, greenhouse gas emissions & air pollution.	Minimum of 30% proposed. No match requirement proposed for projects nominated by Caltrans	\$250M annually Funding proposed only for construction unless using a design-build delivery method	Applications due: 02/16/18 Funding Awards: 05/16/18 1 st Call for Projects is proposed to program 4 years of funding from FY2018 through FY2021	Draft Guidelines to be presented at the 10/18/17 CTC meeting Final Program Guidelines to be adopted at the 12/6/17 CTC meeting More info: http://www.catc.ca.gov/programs/SB1.html

EXHIBIT A: POTENTIAL EXTERNAL PUBLIC FUNDING SOURCES AVAILABLE FOR HIGHWAY PROJECTS IN SAN MATEO COUNTY

<i>Grant Program</i>	<i>Administrator</i>	<i>Eligible Projects</i>	<i>Match</i>	<i>Funding</i>	<i>Funding Call Status</i>	<i>Notes/Links</i>
<p>Senate Bill 1 Local Partnership Program (LPP) biennial cycle for formulaic program; triennial cycle for competitive program</p>	<p>California Transportation Commission (CTC) Geographic area: California</p>	<p>Rehabilitation & maintenance, new construction & safety/ operational improvements for highways & local roads. Freeway soundwalls, public transit & ped/bike facilities are also eligible.</p>	<p>50% match required</p> <p>Match for formulaic program must be from voter approved transportation taxes or bridge tolls and fees</p> <p>Match for competitive program must be from: 1) voter approved transportation taxes or bridge tolls and fees; and 2) imposed fees (e.g. developer impact fees)</p>	<p>\$200M annually: \$100M by formula \$100M through a competitive program</p>	<p>1st Call for Projects: 10/20/17 Formulaic Program: Applications due: 12/15/17 Funding Awards: 01/31/18 Competitive Program: Applications due: 01/31/18 Funding awards: 05/16/18</p>	<p>Program Guidelines to be adopted at 10/18/17 CTC meeting CTC to adopt formula funding shares: 12/6/17 More info: http://www.catc.ca.gov/programs/SB1.html</p>
<p>Senate Bill 1 Trade Corridor Enhancement Program (biennial cycle)</p>	<p>California Transportation Commission (CTC) Geographic area: California</p>	<p>Corridor based freight projects</p>	<p>Minimum of 30% proposed. No match requirement proposed for projects nominated by Caltrans</p>	<p>\$300M annually</p>	<p>1st Call for Projects: 12-08-17 Applications due 02-16-18 Funding Awards: 05/16/18</p>	<p>Draft Guidelines to be presented at 10/18/17 CTC meeting. Final Program Guidelines to be adopted at the 12/06/17 CTC meeting. More info: http://www.catc.ca.gov/programs/SB1.html</p>

EXHIBIT A: POTENTIAL EXTERNAL PUBLIC FUNDING SOURCES AVAILABLE FOR HIGHWAY PROJECTS IN SAN MATEO COUNTY

<i>Grant Program</i>	<i>Administrator</i>	<i>Eligible Projects</i>	<i>Match</i>	<i>Funding</i>	<i>Funding Call Status</i>	<i>Notes/Links</i>
<p>Infrastructure For Rebuilding America (INFRA) Grants annual cycles through FY 2020; subject to appropriation</p>	<p>Federal Dept. of Transportation (DOT) Geographic area: United States</p>	<p>Highway and freight projects of national or regional significance including highway freight projects on the National Highway Freight Network and highway or bridge projects on the National Highway System. Can include railway-highway grade crossing or grade separation projects. Funds new projects, rehabilitation & operational improvements</p>	<p>Minimum of 40%, of which 20% must be from non-Federal sources</p>	<p>\$1.5B for FY 2017 & 2018</p>	<p>Current funding cycle: Applications accepted as of 08/01/17 Applications due 11/02/17</p>	<p>Replaces former FASTLANE grant program Minimum of 25% of funding for rural projects More info: https://www.transportation.gov/buildamerica/infra/infra-notice-funding-opportunity</p>

EXHIBIT A: POTENTIAL EXTERNAL PUBLIC FUNDING SOURCES AVAILABLE FOR HIGHWAY PROJECTS IN SAN MATEO COUNTY

<i>Grant Program</i>	<i>Administrator</i>	<i>Eligible Projects</i>	<i>Match</i>	<i>Funding</i>	<i>Funding Call Status</i>	<i>Notes/Links</i>
Transportation Investment Generating Economic Recovery (TIGER) Program annual cycles through FY 2020; subject to appropriation	Federal Dept. of Transportation (DOT) Geographic area: United States	Capital projects that include, but are not limited to: 1) highway, bridge, or other road projects 2) public transportation projects 3) passenger and freight rail transportation projects 4) port infrastructure investments 5) intermodal projects	Minimum of 20% from non-Federal for projects located in urban areas	\$500 million for FY 2017	Current funding cycle: Applications accepted as of 09/17/17 Applications due 10/16/17	Grant awards may not be less than \$5 million or greater than \$25 million in urban areas. No more than \$50 million can be awarded to a single state Not less than \$100 million is to be used for projects in rural areas More info: https://www.transportation.gov/tiger

EXHIBIT A: POTENTIAL EXTERNAL PUBLIC FUNDING SOURCES AVAILABLE FOR HIGHWAY PROJECTS IN SAN MATEO COUNTY

<i>Grant Program</i>	<i>Administrator</i>	<i>Eligible Projects</i>	<i>Match</i>	<i>Funding</i>	<i>Funding Call Status</i>	<i>Notes/Links</i>
<p><u>Proposed</u> Regional Measure 3 (RM3) funding cycles: TBD</p>	<p>Metropolitan Transportation Commission (MTC) Geographic area: San Francisco Bay Area</p>	<p>Capital and operating transportation projects that are on one of the corridors that connect to or are directly on the seven Bay Area bridges under the administration of the Bay Area Toll Authority (BATA)</p>	<p>TBD</p>	<p>bridge toll surcharge could increase \$1 - \$3, creating new revenues from \$127M to \$381M annually</p>	<p>TBD. Subject to Governor signing authorizing legislation (Senate Bill 595) & the approval of Bay Area voters on the June or Nov. 2018 ballot</p>	<p><u>Proposed</u> programs and projects related to highways, that could raise funds over a 25 year period: - \$300M. for Bay Area Corridor Express Lanes (includes US 101) - \$130M for Dumbarton Corridor Improvements - \$50M for US 101/SR 92 Interchange Improvements - \$20M for Regional Express Bus</p>

EXHIBIT B: 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 ¹	East Palo Alto
US 101/Willow Road Interchange Improvements	Menlo Park
SR 1 Safety & Operational Improvements: Poplar to Wavecrest ¹	Half Moon Bay
SR 1 Safety & Operational Improvements: Main to Kehoe ¹	Half Moon Bay
SR 92 Safety & Operational Improvements: SR 1 to Pilarcitos Creek ¹	Half Moon Bay
US 101/Woodside Road Interchange	Redwood City
SR 92/ El Camino Real 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 ²	C/CAG-TA
SR 1 (Mid Coast) Congestion, Throughput and Safety Improvements	County of San Mateo
SR 1 Calera Parkway Project ¹	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**

*** * ***

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 Board of Directors (Board) 2017 meeting, and

WHEREAS, the 2011 Short-Range Highway Plan and the 2014 Measure A Strategic Plan 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;

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 Board meeting; and

WHEREAS, funding policy 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 these 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 the 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 funding match with each phase of work for all projects.
- 3) For new highway facilities (including those consisting of roads and/or interchanges at locations where they currently do not exist) the required funding match may be greater than 10 percent for the final design, right of way and construction phases of work, and will be proportionate to the

impacts from additional traffic generated from new land use development that is generating the need for the new highway facility. The match requirement will be evaluated on a case-by-case basis with the project sponsor.

- 4) To further promote timely use of funds, there must be substantial activity on a project within two years of receiving a funding award, including demonstrating expenditures on the project.

Regularly passed and adopted this 5th day of October, 2017 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

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: **MEASURE A 2017 HIGHWAY PROGRAM CALL FOR PROJECTS**

ACTION

No action is required. This item is being presented to the Board for information only.

SIGNIFICANCE

The 2017 Measure A Highway Call for Projects (CFP), planned for release after the October Transportation Authority (TA) Board meeting, will be the third Highway Program CFP since the reauthorization of Measure A. This CFP will incorporate the funding policy revisions that are also being presented to the Board for approval at the October TA Board meeting. A total of up to \$75 million will be made available to fund projects that are already in the Measure A funding pipeline that best meet the highway selection and evaluation criteria contained in the Measure A Strategic Plan 2014-2019. A small set aside, up to \$10 million through the remaining life of Measure A, will be made available to fund other eligible projects, not already in the Measure A pipeline.

A presentation will be made at the October 5, 2017 TA Board meeting that provides further information regarding the process and program evaluation criteria.

BUDGET IMPACT

There is no impact to the budget.

BACKGROUND

In accordance with the voter-approved Transportation Expenditure Plan (TEP), a total of 27.5 percent of the New Measure A sales tax receipts are dedicated to the Highway Program for capital projects that reduce congestion and improve throughput and safety. The Highway Program is comprised of two components: 1) Key Congested Areas (KCA) with 17.3 percent of the sales tax receipts, and 2) Supplemental Roadways (SR) with 10.2 percent of the sales tax receipts. The TEP contains a list of the candidate Key Congested Areas (KCA) highway projects and a partial list of candidate SR projects. Additional candidate SR projects may be submitted to the TA for consideration to account for changing needs during the 25 year life of the program. SR projects can include highway as well as other types of congestion reducing roadway projects in the County.

**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

Derek Hansel
Chief Financial Officer

SUBJECT: **MEASURE A SEMI-ANNUAL PROGRAM STATUS REPORT**

ACTION

Staff recommends the Board receive and file the semi-annual Measure A Program Status Report.

SIGNIFICANCE

The semi-annual program status report provides an overview of the eight program categories under the Original Measure A and six program categories under the New Measure A. Staff has performed an extensive review during the past year to true-up the financial information to ensure its accuracy. The formatting of the report has also been revised to improve transparency and better report on the current status of available funding for new programming and allocation within each of the program categories.

For both the Original Measure A and the New Measure A reports, we now provide the following information: a) Funds collected to-date; b) amount of funds programmed; and c) amount remaining for programming and allocation. The following additional changes are specific to each of the measures:

Original Measure A Program Status

Rental income, in the amount of \$18.7 million, that was previously reported under the Caltrain, Dumbarton and Grade Separation program categories has been removed. These funds have been used and will continue to be made available for maintenance of way, program management and/or further programming expenses. Original Measure A sales tax revenue can only be used for the projects explicitly listed in the 1988 Transportation Expenditure Plan. There are no prescribed restrictions on the use of rental income, which from this point forward will be tracked separately.

New Measure A Program Status

- Columns labeled "Funds Collected to Date" and "Available Funding" have been added
- The column that was previously included, labeled "Total Estimated Revenue (2009-2033)" has been removed

The sales tax projections for each of the program categories previously provided, under Total Estimated Revenue (2009-2033), were in 2004 dollars from the Transportation Expenditure Plan (TEP), and are outdated and no longer provide a reasonable estimate of projected revenue. The sales tax revenue that has been collected since the inception of the New Measure has been significantly higher than the TEP projections.

BUDGET IMPACT

There is no impact to the budget.

BACKGROUND

While this report has historically been presented semi-annually, roughly three months after the end of every calendar and fiscal year, it has been a year since the last report was published due to the true-up efforts that have now been completed. This report complements the Capital Project Quarterly Status Report the Board currently receives that focuses on progress of specific capital projects within the Measure A programs.

Prepared by: Joel Slavitt, Manager, Programming and Monitoring	650-508-6476
Rima Lobo, Director of Finance	650-508-6274
Ladi Millard, Director of Budgets and Financial Analysis	650-508-7755



SAN MATEO COUNTY
Transportation
Authority

Measure A

Program Status Report

Semi-Annual Report

(As of June 30, 2017)

Original Measure A Program Status (1989-2008)

Semi-Annual Program Status Report (As of June 30, 2017)

Program	Exp. Plan %	General Status	In Thousands of \$ (\$1,000)		
			Total Funds Collected (1989-2008) ⁴	Programmed Funds ⁵	Available Funding ⁶
1. Caltrain ^{1,2,3}	N/A	- \$38,827,600 of Measure A funds were redirected from the South San Francisco (SSF) Caltrain Station project to the Peninsula Corridor Electrification Project (PCEP) as part of a fund exchange redirecting an equivalent amount of FTA funding to the (SSF) Caltrain Station project (Resolution 2017-08)	\$ 323,094	\$ 318,241	\$ 4,853
2. Paratransit	N/A	- Program completed	56,113	56,113	-
3. Dumbarton Rail	N/A	- SamTrans was in the process of leading an effort to re-examine alternatives as part of a new separate, non- Measure a funded Dumbarton Transportation Corridor Study	18,316	18,316	-
4. Highway	N/A	- \$5.49 M of programmed funds were allocated for the PS&E phase of the US 101/Woodside Interchange Project (Resolution 2017-02)	360,452	356,958	3,494
5. Local Streets and Roads	20%	- Program completed	203,264	203,264	-
6. Caltrain Grade Separation	N/A	- Project Study Report for the Broadway Grade Separation was completed - Project Study Report for the South Linden Avenue-Scott Street Grade Separation was in progress	235,799	226,236	9,563
7. Bicycle Transportation	N/A	- Program completed	120	120	-
8. Transportation System Management	N/A	- Program completed	7,121	7,121	-
Total:			\$ 1,204,279	\$ 1,186,369	\$ 17,910

Footnotes

1 TA Board redirected \$2.5 million from the Highway Program to the Caltrain Program (December 2008, TA Resolution 2008-23).

2 TA Board redirected \$50 million from the Grade Separation program to the Caltrain Program (December 1998, TA Resolution 1998-34).

3 Programmed funds for the Caltrain category include an \$80 million funding commitment for the Peninsula Corridor Electrification Project.

4 Collection of sales taxes ended on December 31, 2008 for Original Measure A projects. Collected funds include interest but do not include rental income, which is now tracked separately.

As of June 30, 2017, total rental income was as follows: \$13.863 mil. from the Caltrain Program Category, \$3.754 mil. from the Dumbarton Program Category and \$1.090 from the Grade Separation Program Category.

5 Programmed funds represent all prior commitments.

6 Available funding represents amount available for TA Board to make new funding commitments.

New Measure A Program Status (2009-2033)

Semi-Annual Program Status Report (As of June 30, 2017)

Program	Exp. Plan %	Implementation Process ¹	General Status	In Thousands of \$ (\$1,000)		
				Funds Collected to date ²	Programmed Funds ³	Available Funding ⁴
1. Transit						
<i>Caltrain</i>	16%	Plan-Based	- \$38,827,600 of programmed and allocated Measure A funds were redirected from the South San Francisco (SSF) Caltrain Station project to the Peninsula Corridor Electrification Project (PCEP) as part of a fund exchange redirecting an equivalent amount of FTA funding to the (SSF) Caltrain Station project (Resolution 2017-08)	\$ 98,095	\$ 89,297	\$ 8,798
<i>Local Shuttle</i>	4%	Competitive	- \$78,563 programmed and allocated for the operation of the Coastside Beach Shuttle (Resolution 2016-24)	24,524	23,789	735
<i>Accessible Services</i>	4%	Agreement-Based	- Annual distribution to SamTrans for paratransit service	24,524	24,524	-
<i>San Mateo County Ferry Service</i>	2%	Agreement-Based	- 50% of ferry program funds reserved for Redwood City ferry project	12,262	8,091	4,171
<i>San Mateo County/SFO BART Extension</i>	2%	Agreement-Based	- Annual distribution to BART for BART to SFO segment expenses	12,262	12,262	-
<i>Dumbarton Rail Corridor</i>	2%	Agreement-Based	- SamTrans was in the process of leading an effort to re-examine alternatives for a new separate, non-Measure A funded Dumbarton Transportation Corridor Study	12,262	-	12,262
2. Highway	27.5%	Competitive	- \$5.9M programmed and allocated to advance funding to maintain the construction schedule of the Route 92/El Camino Real Interchange Project, in lieu of the availability of State Transportation Improvement Program STIP funds (Resolution 2016-17), however, STIP funds subsequently became available and the advance of Measure A funds was no longer needed - \$10.4M programmed and allocated to advance funding to maintain construction schedule of the Highway 101/Willow Road Interchange Project in lieu of the availability of STIP funds (Resolution 2016-18) - \$7.5M programmed and allocated to the US 101/Broadway Interchange Project for construction (Resolution 2017-03) - \$250,000 previously programmed to the SR 1 Calera Parkway Project was allocated for an adaptive signal system (Resolution 2017-06) - \$1.25M previously programmed to the SR 1 Mid-Coast Congestion and Safety Improvement Project was reprogrammed and allocated for work specifically at the Gray Whale Cove location (Resolution 2017-07)	168,600	140,683	27,917
3. Local Streets/ Transportation	22.5%	Agreement-Based	- Monthly distribution to cities for local transportation improvements	137,946	137,946	-
4. Grade Separation ⁵	15%	Competitive	- \$65.3 million programmed and allocated for the right of way (ROW) and construction phases of 25th Avenue Grade Separation Project (Resolution 2016-25) - \$3.85 million programmed and allocated for the preliminary engineering/ environmental (PE/ENV) phase of the Broadway Grade Separation Project	91,964	123,335	(31,371)
5. Ped and Bike	3%	Competitive	- Projects with allocated funds from prior funding calls in progress	18,393	15,887	2,506
6. Alternative Congestion Relief	1%	Plan-Based	- \$445,000 programmed and allocated to Commute.org in support of its TDM programs	6,131	3,501	2,630
Total:				\$ 606,963	\$ 579,315	\$ 27,648

Footnotes

1 Based on TA Board adopted Strategic Plan 2014-2019.

2 Collection of funds began on January 1, 2009. The totals represent unaudited actuals through June 30, 2017.

3 Programmed funds represent all prior commitments.

4 Available funding represents amount collected that is available for the TA Board to make new funding commitments.

5 Programmed Grade Separation Program funds exceed funds collected to date. The TA may need to borrow from other Measure A programs if projected sales tax revenue does not meet cash flow needs.

**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: **AUTHORIZATION TO EXPEND ORIGINAL MEASURE A FUNDS FOR PROJECTS AWARDED NEW OR UNSPECIFIED MEASURE A FUNDS THAT ARE ELIGIBLE FOR FUNDING UNDER BOTH MEASURES**

ACTION

Staff proposes that the Board delegate authority to the Executive Director, or his designee, to expend Original (1988) and/or New (2004) Measure A funds on Caltrain, Highway and Grade Separation projects that (1) have been awarded funds by the Board of Directors (Board) with or without reference to a specific Measure A funding source and (2) are eligible to receive funding under both the Original and New Measure A Transportation Expenditure Plans (Expenditure Plans).

SIGNIFICANCE

Although the collection of sales tax receipts from the Original Measure A ended in 2008, some projects funded by the San Mateo County Transportation Authority (TA) through the Original Measure A Caltrain, Highway and Grade Separation Programs are still active or recently have been completed. As these projects are completed, some have cost savings, which funds become available for the Board to commit to other Original Measure A-listed projects.

While Original Measure A funds were being held for pending projects, the Board allocated New and unspecified Measure A funds to other projects that are eligible for funds under both the Original and New Measures. Staff requests that the Executive Director, or his designee, be authorized to available funds under either Measure for projects that were allocated New or unspecified Measure A funds, but that are eligible for funding under both Measures.

The proposed recommendation provides the benefits of simplifying the funding process and allowing the TA to close-out the Original Measure by expediting the drawdown of remaining Original Measure A program category funding balances. Staff's actions would remain subject to the percentages set forth in each TEP and all Board programming and allocation decisions aside from specification of the New or Original Measure A as a funding source.

BUDGET IMPACT

This proposed action will have no impact on the budget.

BACKGROUND

In 1988, San Mateo County voters approved the Original Measure A, a 20 year half-cent sales tax to help fund transportation projects and programs throughout the County. In 2004, the County voters reauthorized this measure for an additional 25 years (2009-2033). The reauthorized measure has been referred to as New Measure A to differentiate the two measures. Each of these measures has its own TEP that sets the requirements and funding available for the programs and projects that are contained therein.

Prepared by: Joel Slavitt, Manager of Programming and Monitoring

650-508-6476

RESOLUTION NO. 2017-

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

*** * ***

AUTHORIZING THE EXECUTIVE DIRECTOR, OR HIS DESIGNEE, TO EXPEND ORIGINAL MEASURE A FUNDS FOR PROJECTS THAT HAVE BEEN AWARDED NEW MEASURE A OR UNSPECIFIED MEASURE A FUNDS, AND THAT ARE ELIGIBLE TO BE FUNDED UNDER BOTH THE ORIGINAL AND NEW MEASURES

WHEREAS, on June 7, 1988, the voters of San Mateo County approved a ballot measure known as "Measure A" (Original Measure A), which increased the local sales tax in San Mateo County by ½ percent with the new tax revenue to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan (Expenditure Plan) presented to the voters; and

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

WHEREAS, the Expenditure Plans for both measures each have their own requirements for the programs and projects contained within them; and

WHEREAS, staff has requested that the executive director, or his designee, be authorized to expend Original and/or New Measure A funds for projects that (a) have been awarded funding by the Board with or without reference to a specific Measure A funding source, and (b) are eligible to receive funding under both Measures, to allow for the most expedient expenditure of remaining Original Measure A funds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby authorizes the executive director, or his designee, to expend Original and/or New Measure A funds for Caltrain, Highway and Grade

Separation projects that (1) have been awarded funding by the Board with or without reference to a specific Measure A funding source, and (2) are eligible to receive funding from both the Original Measure A and New Measure A.

Regularly passed and adopted this 5th day of October, 2017, by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

ACTION

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

SIGNIFICANCE

Staff will provide regular updates to the Board in accordance with the approved Legislative Program.

STATE ISSUES

On September 15, the legislature adjourned after concluding its business for the first year of the 2017-18 Session.

Bills Of Interest

AB 1613 (Mullin)

This bill would allow SamTrans to use the .5 percent sales tax exemption from the 2 percent local sales tax cap created by SB 705 (Hill), a bill sponsored by San Mateo County Transportation Authority (SMCTA) in 2015, to pursue a transportation measure. The bill requires the expenditure plan to be developed in concurrence with the County and allows either SamTrans or SMCTA to administer the proceeds of measure, if adopted by voters.

SB 595 (Beall)

This bill would authorize the placement of a third Regional Measure 3 (RM3) to be placed on the ballot in all nine counties of the San Francisco Bay Area that, if approved by a majority of the voters, would increase tolls on the seven state-owned toll bridges by up to \$3 and allocate proceeds for various projects and programs detailed in the expenditure plan defined in the bill. The expenditure plan contains specific projects that benefit San Mateo, as well as other competitive programs (\$300 million for express lanes, which the 101 managed

lanes project qualifies for and \$20 million regional express buses that provide countywide and regional priorities.

We coordinated with City/County Association of Governments of San Mateo County (C/CAG) to insert language into the bill that would allow for SMCTA to be a party to any agreement for the Santa Clara Valley Transportation Authority to operate High-Occupancy Toll lanes (as provided under existing law) within San Mateo County and ensure that proceeds generated within the county, including those that are bonded against, are retained within the county for investment consistent with expenditure plans adopted by SMCTA and C/CAG. Finally, we coordinated with the Metropolitan Transportation Commission (MTC) to ensure that SMCTA and San Mateo County Transit District (SamTrans) were eligible project sponsors for the Dumbarton Transportation Center.

SB 797 (Hill)

SB 797 would allow an exemption of .125 percent from the 2 percent local sales tax cap for Caltrain, subject to a 2/3 vote approval of the Caltrain Board, and approval from the Board of Supervisors from the Counties of San Francisco, San Mateo, and Santa Clara, as well as the San Francisco County Transportation Authority, Santa Clara Valley Transportation Authority, and SamTrans, prior to placing the item before voters.

SB 1 Implementation

With the enactment of SB 1 (Beall), Chapter 5, Statutes of 2017, also known as the Road Maintenance and Accountability Act, SMCTA will have an opportunity to access much needed funding to address our multi-modal priorities. The California Transportation Commission (CTC) is in the process of conducting workshops prior to adopting guidelines for various programs in SB 1. We have been participating in the workshops in order to help influence and maximize SMCTA's ability to acquire funding from the various pots.

State and Local Partnership Program (SLPP)

SB 1 creates this new \$200 million per year program. Guidelines for the SLPP must be adopted on or before January 1, 2018. Funding from this program is for counties that have sought and received voter approval of taxes or that have imposed fees, including uniform developer fees (toll revenues will not be factored in as they were under the 2009 SLPP established under Prop 1B, because the CTC is not provided with that flexibility per the language in SB 1, meaning possibly lower shares for the North). Funds are appropriated "for allocation to each eligible county and city in the county for road maintenance and rehabilitation purposes" but the Governor's budget trailer bill seeks to provide flexibility for usage for other purposes.

In 2008, the legislature through AB 268, defined the purpose and intent of the program, the eligibility of applicants, projects, and matching funds, and provided that 95 percent of program funds would be distributed by formula to match voter-approved transportation taxes and fees, with the remaining 5 percent available for competitive grants to match uniform developer fees.

Without any legislative direction this time around, the CTC is inclined to adopt a 50/50 split between competitive grants and formula-based shares. It is uncertain how much revenue SMCTA would receive from its formula share, given that there are five more self-help counties (Merced, Monterey, Napa, Santa Cruz, and Stanislaus), multiple measures that have been approved by counties (such as Los Angeles), and the absence of tolls being factored into the equation for the North.

In addition, the CTC is considering allowing cities within a county that has a sales tax measure to receive an allocation, which would further dilute the prospects of receiving a meaningful formulaic distribution to deliver projects of consequence. The proliferation of recipients would also impact the competitive grant portion of the program.

The CTC is expected to finalize guidelines at its' October 18-19, 2017 meeting. Applications will be due in March 2018, with program allocations being made available in June 2018.

Solutions for Congested Corridors

SB 1 creates this new \$250 million per year program beginning in FY 2017-18. CTC responsibilities include developing guidelines, holding public hearings, reviewing corridor plans, scoring project nominations, programming projects, allocating funds to projects, monitoring program delivery, and reporting to the Legislature. The initial launch of program allocations may be adopted over a three-year period (\$750 million).

While Highway 101 and Caltrain are cited in the legislative declarations and findings of SB 1 as an example of where resources from the program should be dedicated, the CTC is sympathetic to medium to smaller-sized metropolitan planning organizations and their assessment of how they construe traffic (tourism, goods movement) in those areas. Furthermore, despite the emphasis on multi-modal solutions, applicants may be allowed to submit projects that focus only on one-mode as long as they have a multi-modal "corridor plan" (undefined at this point) or a local expenditure plan that contains multi-modal elements. As a result, we may encounter additional competition from this program, but we do have a compelling case to make particularly with our partnership with Caltrans to help improve the Corridor. Caltrans is eligible to

propose projects up to half the amount of the program (\$125 million annually), and SB 1 encourages that coordination, which further helps our cause.

The CTC will adopt guidelines at its' December 6-7 meeting. Applications will be due in February 2018, with allocations being made in May 2018.

Cap and Trade

On July 17, the legislature approved AB 398 (Garcia, E), extending the Cap and Trade program from 2020 to 2030, and AB 617 (Garcia, C), which makes additional reporting requirements and penalties for non-compliance with Cap and Trade. The key to passage of AB 398 was making concessions to industry by ensuring price certainty for carbon credit purchases, sales tax exemptions to manufacturers for purchase of equipment, and the repeal of a fire prevention fee imposed on residents in rural areas. The legislature still has the daunting task of deciding upon the allocation of revenues from the program. Program allocations are expected to be a main focus of the remainder of Session, which ends on September 15.

On September 11, two bills, AB 134 (Assembly Committee on Budget) and SB 119 (Senate Committee on Budget and Fiscal Review), were amended for purposes of dividing up \$1.5 billion in Cap and Trade proceeds. Currently, 60 percent of the proceeds are continuously appropriated. The remaining 40 percent is subject to annual appropriation by the legislature. The following are highlights of the spending bills:

Governor Brown signed AB 134 into law on September 16, 2017.

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SMCTA Bill Matrix – September

Measure	Status	Bill Summary	Position
<p>AB 467 Mullin (D)</p> <p>Local transportation authorities: transactions and use taxes</p>	<p>9/18/17</p> <p>Governor's Desk</p>	<p>Existing law provides for the authority to adopt a transportation expenditure plan for the proceeds of the tax, and requires the entire adopted transportation expenditure plan to be included in the voter information guide sent to voters.</p> <p>This bill would authorize a local transportation authority to instruct county elections officials to replace the adopted county transportation expenditure plan printed in the sample ballot and voter information guide with a notification that directs voters to view the expenditure plan on the transportation authority's Internet Web site.</p> <p>This bill is sponsored by the California State Association of Governments (CSAC) and is intended to save counties money, particularly in the event that a measure fails and production costs remain the obligation of the transportation agency. Last amended on 8/23/17</p>	<p>Monitor</p>
<p>AB 1282 Mullin (D)</p> <p>Transportation: task force: permit processing</p>	<p>9/1/17</p> <p>Governor's Desk</p>	<p>This bill would require, by April 1, 2018, the Secretary of Transportation, in consultation with the Natural Resources Secretary, to establish a Transportation Permitting Task Force consisting of representatives from the California State Transportation Agency, California Transportation Commission, Caltrans, California Environmental Protection Agency, California Coastal Commission, Department of Fish and Wildlife to develop a process for early engagement for all parties in the development of transportation projects. Last amended on 6/29/17</p>	<p>Monitor</p>
<p>AB 1613 Mullin</p> <p>San Mateo County Transit District: retail transactions and use tax</p>	<p>9/11/17</p> <p>Chapters by the Secretary of State, Chapter 231, Statutes of 2017</p>	<p>In 2015, the San Mateo county Transportation Authority sponsored SB 705 (Hill), which provided a .5% exemption from the current 2% local sales tax cap for the County to place a local transportation sales tax measure on the ballot, if approved by the board before January 1, 2021.</p> <p>This bill would allow SamTrans to use that capacity instead to place a measure on the ballot by January 1, 2026. In addition, the bill would authorize SamTrans in concurrence with the County to develop an expenditure plan. The bill also allows for SamTrans to administer the expenditure plan or to transfer proceeds of the tax to the San Mateo County Transportation Authority for administration by that authority consistent with the expenditure plan. Last amended on 7/5/17</p>	<p>Support</p>

SMCTA Bill Matrix – September

Measure	Status	Bill Summary	Position
<p>SB 595 Beall (D)</p> <p>MTC: toll bridge revenues</p>	<p>9/21/17</p> <p>Governor's Desk</p>	<p>Existing law creates the Metropolitan Transportation Commission (MTC) as a regional agency in the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates the Bay Area Toll Authority (BATA) as a separate entity governed by the same governing board as the MTC and makes the BATA responsible for the programming, administration, and allocation of toll revenues from the state-owned toll bridges in the San Francisco Bay area. Existing law authorizes the BATA to increase the toll rates for certain purposes, including to meet its bond obligations, provide funding for certain costs associated with the bay area state-owned toll bridges, including for the seismic retrofit of those bridges, and provide funding to meet the requirements of certain voter-approved regional measures. Existing law provided for submission of 2 regional measures to the voters of 7 bay area counties in 1988 and 2004 relative to specified increases in bridge auto tolls on the bay area state-owned toll bridges, subject to approval by a majority of the voters.</p> <p>This bill would authorize the placement of a third regional measure (RM3) to be placed on the ballot in all nine counties of the San Francisco Bay Area that, if approved by a majority of the voters, would increase tolls on the seven state-owned toll bridges by up to \$3 and allocate proceeds for various projects and programs detailed in the expenditure plan defined in the bill. The bill contains an expenditure plan that if approved by voters would result in the following investments for San Mateo County: \$325 million for the Caltrain Transbay Extension; \$100 million for San Jose Diridon Station; \$130 million for Dumbarton Transportation Corridor; \$50 million for Highway 101/SR 92 Interchange. San Mateo can also compete for funding for the 101 Managed Lanes project from the \$300 million Corridor Express Lanes pot and \$20 million for regional express buses. The bill also contains language allowing the Santa Clara VTA, with consent from C/CAG and the TA, to operate an expanded HOT lane network through the entirety of San Mateo County, with proceeds remaining within the county. Last amended on 9/8/17</p>	<p>Support</p>
<p>SB 797 Hill (D)</p> <p>Caltrain: sales and use tax</p>	<p>9/15/17</p> <p>Governor's Desk</p>	<p>This bill would authorize the Caltrain Board, by a resolution approved by $\frac{2}{3}$ of the board to levy a tax pursuant to the Transactions and Use Tax Law at a rate not to exceed 0.125%, with net revenues from the tax to be used by the board for operating and capital purposes of the Caltrain rail service, subject to $\frac{2}{3}$ voter approval of a regional measure submitted by the board to voters of the Counties of San Francisco, San Mateo, and Santa Clara. The bill would authorize the board to exceed the 2% limit described above to impose the retail transactions and use tax.</p> <p>The measure can only be submitted to the voters upon approval by the boards of supervisors of the Counties of San Francisco, San Mateo, and Santa Clara, consistent with each county's applicable procedures, and approval by the San Francisco Municipal Transportation Agency, the San Mateo County Transit District, and the Santa Clara Valley Transportation Authority by a majority vote of each transportation entity's governing board.</p> <p>Last amended on 8/24/17</p>	<p>Support</p>