



AGENDA

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

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

January 4, 2018 – Thursday

5:00 p.m.

1. Call to Order/Pledge of Allegiance
2. Swearing-in:
 - a. Don Horsley (Board of Supervisor Representative)
 - b. Emily Beach (Cities-at-Large Representative)
 - c. Rico Medina (Northern Representative)
3. Roll Call
4. Election of 2018 Officers
5. Report of the Citizens Advisory Committee
6. Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately
 - a. Approval of Minutes of December 7, 2017
 - b. Acceptance of Statement of Revenues and Expenses for November 2017
 - c. Receive Comprehensive Annual Financial Report
7. 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.
8. Chairperson's Report
9. San Mateo County Transit District Liaison Report – K. Matsumoto
10. Joint Powers Board Report – J. Hartnett
11. Report of the Executive Director – J. Hartnett
 - a. Get Us Moving San Mateo County
12. Finance
 - a. Delegation of Authority to the Executive Director to Execute Agreements With Values up to \$100,000
 - b. Reallocation of \$1 Million of Previously Allocated Measure A Funds from the 101 Auxiliary Lanes Project (Oyster Point- The San Francisco County Line) to the 101-280 Managed Lanes (I-380-5th and King Streets) Project

13. Program

- a. Highway Program: Call for Projects Update
- b. Adopt 2018 Legislative Program
- c. State and Federal Legislative Update

14. Request from the Authority

15. Written Communications to the Authority

16. Date/Time of Next Regular Meeting: Thursday, February 1, 2018, 5:00 p.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, San Carlos Avenue, San Carlos, CA 94070

17. 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

18. 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.

MINUTES OF DECEMBER 7, 2017

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

MEMBERS ABSENT: M. Freschet

STAFF PRESENT: J. Cassman, A. Chan, C. Fromson, C. Gumpal, J. Hartnett,
J. Hurley, M. Martinez, C. Mau, C. Mobley-Ritter, J. Slavitt

Chair Carole Groom called the meeting to order at 5:03 p.m. and led the Pledge of Allegiance.

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

Barbara Arietta, CAC Chair, reported on highlights of the meeting. The committee reviewed the 2018 meeting calendar and questions were raised regarding the ability to meet quorum requirements. She said staff will poll the members to explore other options.

She said the members asked if the San Mateo County and Menlo Park shuttles were in danger of not being funded in the future because of performance numbers and asked how decisions are made about whether running a shuttle or adding a new fixed bus service would be the best solution. Members also asked if there were any conflicts of interest with commute.org in reference to their participation with technical support, concerns about the security drivers in Menlo Park and door to door service was not doing well, she said the nominating committee members for 2018 are Essam El-Dardiry, Kate Bond and An Chen.

CONSENT CALENDAR

- a. Approval of Minutes of November 2, 2017
- b. Acceptance of Statement of Revenues and Expenses for October 2017

Motion/Second: Johnson/Horsley

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

Absent: Freschet

CHAIRPERSON'S REPORT

No report.

Resolution of Appreciation to Ken Ibarra.

Resolution No. 2017-22

Motion/Second: Groom/Beach

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

Absent: Freschet

SAN MATEO COUNTY TRANSIT DISTRICT LIAISON REPORT – K. MATSUMOTO

The written report is in the reading file.

Director Karyl Matsumoto noted that Director Charles Stone was elected to replace Director Rose Guilbault on the Peninsula Corridor Joint Powers Board (JPB). She said there was a robust discussion on the Dumbarton Corridor Study. The Study was approved; the resolution was amended to include language that directs staff to identify and pursue safe multi-modal travel options including a bicycle and pedestrian facility.

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

The written report is in the reading file.

REPORT OF THE EXECUTIVE DIRECTOR – J. HARTNETT

Jim Hartnett, Executive Director reported that Director Guilbault will be stepping down from the JPB Board but will continue service on the SamTrans Board. Director Charles Stone will be her replacement. He said the SamTrans Board approved the Dumbarton Transportation Corridor Study that documents how to improve mobility in the Dumbarton Corridor between Alameda, San Mateo and Santa Clara counties. The Study evaluated a variety of transportation alternatives on the Dumbarton Bridge (Highway 84) and its approaches, as well as examined how to rehabilitate and repurpose the Dumbarton rail bridge for transit purposes.

RECEIVE QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND OUTLOOK FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Izac Chyou, PFM Asset Management LLC, Senior Managing Consultant, reported on the type of investments, issuer, date of maturity, par and dollar amount invested in all securities, investments and money held by the local agency, including lending programs. He said he will continue to manage the portfolio duration to closely match the benchmark duration and seek opportunities to enhance portfolio yield, while focusing on safety and liquidity.

Motion/Second: Groom/Johnson

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

Absent: Freschet

AUTHORIZE PROGRAMMING AND ALLOCATION OF \$3.87 MILLION OF ADDITIONAL MEASURE A FUNDING FOR THE US 101/HOLLY INTERCHANGE RECONSTRUCTION PROJECT IN SAN CARLOS

Joe Hurley, Director, TA Program reported that there are significant changes projected for the uses of land adjacent to the US 101/Holly Street Interchange area in the City of San Carlos. The growth associated with the changes will draw a considerable amount of additional traffic to an already congested area, resulting in increased back-ups within the interchange, freeway and local streets.

The project will convert the existing interchange to a partial cloverleaf design, realign the on- and off-ramps to eliminate weaving problems, and reduce the number of pedestrian/bicyclist crossings which conflict with the free right-turn vehicular traffic

movements and add new signalized intersections and improved bicycle and pedestrian facilities to promote overall safety within the interchange area. He said the funding for this project will come from the Fiscal Year 2018 Streets and Highway category budget and prior years' savings from projects.

Public Comment

Rich Hedges, San Mateo, said he is in favor of this project and the Board should move forward with it.

Resolution No. 2017-23

Motion/Second: Horsley/Johnson

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

Absent: Freschet

PROGRAM REPORT: TRANSIT - SHUTTLES

Joel Slavit, Manger, Programming and Monitoring, said that four percent of the New Measure A sales tax revenue is available to support the Local Shuttle Program. The San Mateo County Transportation Authority's (TA) Local Shuttle Program provides operating funds for commuter shuttles connecting with transit stations, and for community-serving shuttles project sponsors are required to submit quarterly and annual progress reports, which the TA uses to track the performance of individual projects as well as the overall program.

JOINT SAN MATEO COUNTY TRANSPORTATION AUTHORITY (TA) AND CITY/COUNTY ASSOCIATION OF GOVERNMENTS (C/CAG) SAN MATEO COUNTY SHUTTLE PROGRAM CALL FOR PROJECT (CFP)

Mr. Slavit reported that the San Mateo County Shuttle Program provides matching funding for the operation of local shuttle services, the eligible costs include operations, marketing and administration of shuttles. He provided information on the eligibility requirements, process and schedule.

Director Emily Beach suggested outreach to community colleges that would benefit from shuttle service.

STATE AND FEDERAL LEGISLATIVE UPDATE

Casey Fromson, Director, Government and Community Affairs, provided a report on the tax reform and infrastructure plan. She said staff coordinates closely with the Federal and State advocates on a wide variety of issues that are considered in the Congress and State legislature.

2018 LEGISLATIVE PROGRAM

Ms. Fromson, reported that the 2018 Legislative Program establishes the principles that will guide the TA's legislative and regulatory advocacy efforts through the 2018 calendar year, including the second half of the State legislative session and the second session of the 115th Congress.

The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the TA to respond swiftly and effectively to unanticipated developments.

Adoption of the Program provides our legislative delegation and our transportation partners with a clear statement of the TA's priorities. Ms. Fromson will present the final 2018 Legislative Program for Board's adoption at the January 4, 2018 meeting.

CAPITAL PROJECTS QUARTERLY STATUS REPORT – 1ST QUARTER FISCAL YEAR 2018

Mr. Hurley said the quarterly report is in the agenda packet. He reported highlights of the report that includes the Woodside Road Interchange project that has gone from yellow stage to green because Redwood City was able to secure funding. He said the 101/Holly Interchange Reconstruction Project in San Carlos will update from red to green based on the Board approval today.

REQUEST FROM THE AUTHORITY

None.

REPORT OF LEGAL COUNSEL

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Recessed to closed session at 6:12 p.m.

Reconvened to open session at 6:27 p.m.

Joan Cassman, Legal Counsel, said the Board met in closed session and received an update on potential litigation. No action was taken.

DATE AND PLACE OF NEXT REGULAR MEETING

Thursday, January 4, 2018 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 6:27 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
NOVEMBER 30, 2017**

ACTION

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of November 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 November year-to-date, the Total Revenues (page 1, line 7) is \$0.9 million higher than prior year. This is primarily driven by higher Sales Tax revenue (page 1, line 1) and Interest Income (page 1, line 2).

Year to Date Expenses: As of November year-to-date, the Total Expenditures (page 1, line 26) are \$33.5 million higher than prior year. This is primarily driven by Measure A Categories (page 1, line 13) with \$22.4 million spent for Caltrain Electrification project, and \$9.5 million spent for 101 Interchange to Willow project.

Budget Amendment:

Per Resolution 2017-18, the San Mateo County Transportation Authority (TA) budget is increased by \$15,000 for Oversight Expenditures in order to complete the Benefit/Cost Analysis (BCA) for the US 101 Managed Lanes Project. Additional funding is provided by the City/County Association of Governments of San Mateo County (C/CAG).

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

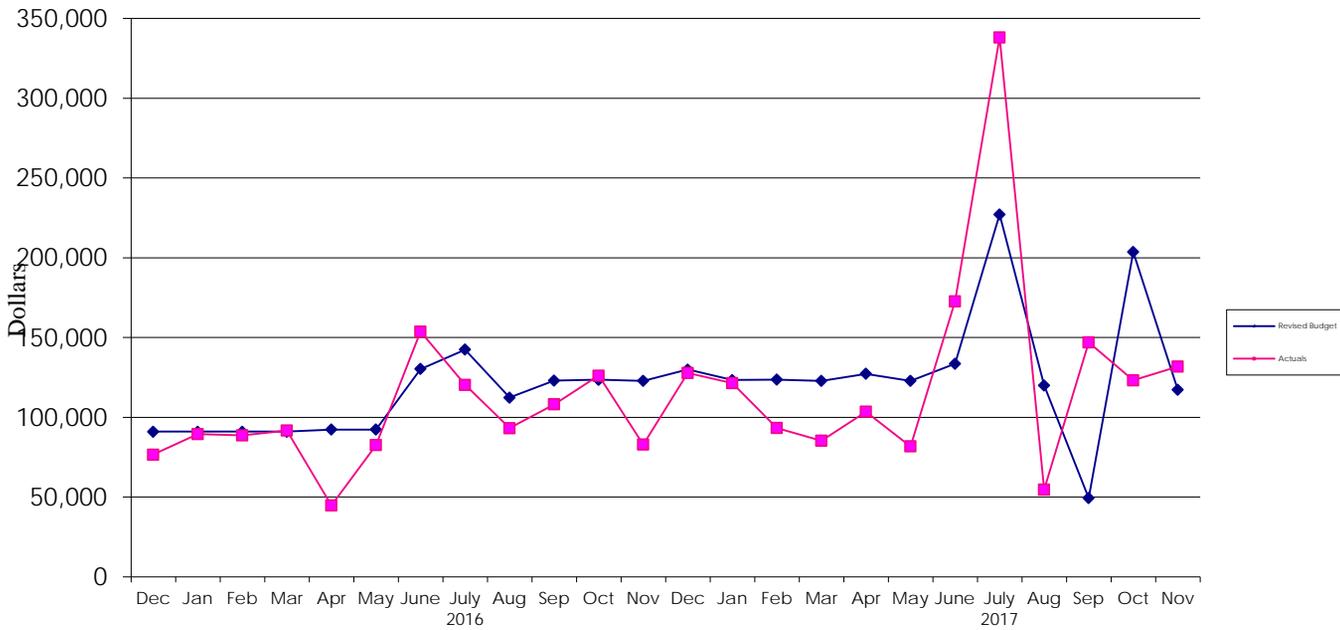
650-622-8055
650-508-7757

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

% OF YEAR ELAPSED: 41.0%

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET*
REVENUES:					
1 Sales Tax	31,437,390	31,967,441	530,051	1.7%	\$ 84,660,000
2 Interest Income	2,277,388	2,716,298	438,909	0.1%	3,700,000
3 Miscellaneous Income	0	1,500	1,500	0.0%	0
4 Rental Income	515,663	463,164	(52,498)	-10.2%	792,930
5					
6					
7 TOTAL REVENUE	34,230,441	35,148,403	917,962	2.7%	89,152,930
8					
9 EXPENDITURES:					
10					
11 Annual Allocations	11,474,647	11,668,116	193,469	1.7%	\$ 30,900,900
12					
13 Measure A Categories	11,043,732	43,763,367	32,719,635	296.3%	52,912,500
14					
15 Dumbarton Maintenance of Way	112,078	57,373	(54,705)	-48.8%	260,000
16					
17 Oversight	287,046	657,876	370,830	129.2%	1,200,000
18					
19 Administrative					
20 Staff Support	280,322	503,578	223,256	79.6%	867,563
21 Measure A Info-Others	20	49	29	145.0%	15,000
22 Other Admin Expenses	250,327	290,994	40,667	16.2%	703,301
23					
24 Total Administrative	530,669	794,621	263,952	49.7%	1,585,864
25					
26 TOTAL EXPENDITURES	23,448,172	56,941,353	33,493,181	142.8%	86,859,264
27					
28 EXCESS (DEFICIT)	10,782,269	(21,792,950)	(32,575,219)	-302.1%	2,293,666
29					
30 BEGINNING FUND BALANCE	479,742,406	500,394,731			398,162,346
31					
32 ENDING FUND BALANCE	\$ 500,394,731	\$ 478,601,781	(32,575,219)		\$ 400,456,012
33					
34					
35 * The TA Adopted Budget is the Board adopted budget effective June 1, 2017.					
36					
37					
38					
39					
40					
41					

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	49,331	203,568	117,181							
Actual	338,084	54,648	146,873	123,195	131,821							
CUMULATIVE EXPENSES												
Staff Projections	227,128	347,135	396,466	600,034	717,215							
Actual	338,084	392,732	539,605	662,800	794,621							
Variance-F(U)	(110,956)	(45,597)	(143,139)	(62,766)	(77,406)							
Variance %	-48.85%	-13.14%	-36.10%	-10.46%	-10.79%							



BOARD OF DIRECTORS 2017

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

JIM HARTNETT
EXECUTIVE DIRECTOR

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

CAPITAL PROJECT RESERVES

AS OF NOVEMBER 30, 2017

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET VALUE
County Pool #2	*	Liquid Cash	1.195%	\$ 299,229,226	\$ 299,229,226
Local Agency Investment Fund**		Liquid Cash	1.172%	\$ 987,027	\$ 987,027
Investment Portfolio	***	Liquid Cash	1.671%	\$ 155,146,554	\$ 153,962,252
Other		Liquid Cash	0.000%	\$ 5,983,131	\$ 5,983,131
				<u>\$ 461,345,938</u>	<u>\$ 460,161,636</u>

Accrued Earnings for November 2017 \$ 533,046
Cumulative Earnings FY2018 \$ 2,809,987

* County Pool average yield for the month ending November 30, 2017 was 1.195%. As of November 2017, the total cost of the Total Pool was \$4,682,390,641 and the fair market value per San Mateo County Treasurer's Office was \$4,676,530,736.

** 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
November 30, 2017**

DESCRIPTION	TOTAL INVESTMENT 11-30-17	INTEREST RECEIVABLE 10-31-17	PREPAID INT RECEIVABLE 10-31-17	INTEREST EARNED 11-30-17	INTEREST RECEIVED 11-30-17	ADJ.	INTEREST RECEIVABLE 11-30-17
LAIF	987,027.10	957.26	0.00	950.79	0.00		1,908.05
COUNTY POOL	299,229,226.23	330,828.16	0.00	296,522.98			627,351.14
BANK OF AMERICA	2,587,262.84	0.00	0.00				0.00
WELLS FARGO	18,161.00	0.00	0.00				0.00
US BANK (Cash on deposit)	3,377,707.00	0.00	0.00				0.00
INVESTMENT PORTFOLIO	153,962,252.09	511,153.81	0.00	235,571.92	190,281.11		556,444.62
		0.00					0.00
	<u>460,161,636.26</u>	<u>1,526,124.87</u>	<u>0.00</u>	<u>533,045.69</u>	<u>190,281.11</u>	<u>0.00</u>	<u>1,185,703.81</u>

NOVEMBER 2017 -- SUMMARY OF INTEREST & CAPITAL GAIN

Interest Earned Per Report	11/30/17	533,045.69
Add:		
Less:		
Management Fees		(10,339.13)
Amortized Premium/Discount		(52,704.89)
Capital Gain(Loss)		<u>(1,495.69)</u>
Total Interest & Capital Gain(Loss)		<u><u>468,505.98</u></u>

YEAR TO DATE -- SUMMARY

Interest Earned	2,809,986.93
Add:	
Less:	
Management Fees	(51,861.42)
Amortized Premium/Discount	52,704.89
Capital Gain(Loss)	<u>(93,688.97)</u>
Total Interest	<u><u>2,717,141.43</u></u>

Balance Per Ledger 11/30/17	
Amort Prem/Disc-acct 409104	52,704.89
Management/Bank Fees (530040)	(51,861.42)
Int Acct. 409100 - Co. Pool	1,618,797.08
Int Acct. 409100 - LAIF	4,572.29
Int Acct. 409101 - Portfolio Funds	1,186,617.56
Gain(Loss) Acct. 405210	<u>(93,688.97)</u>
	<u><u>2,717,141.43</u></u>

INVESTMENT PORTFOLIO
November 30, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	MARKET	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST REC'VBLE 10/31/2017	PREPAID INT REC'VBLE 10/31/2017	INTEREST	INTEREST RECEIVED	ADJ.	INTEREST	PAR VALUE
			PURCHASE PRICE	VALUE 11/30/2017							EARNED 11/30/2017			REC'VBLE 11/30/2017	
SECURITIES MANAGED BY INVESTMENT ADVISOR:															
U.S. TREASURY NOTES AND BONDS															
US TREASURY NOTE	912828Q78	01-05-17	3,136,500.00	3,134,873.60	04-30-21	1.375%	122.2222	31	121.55		3,646.41			3,767.96	3,200,000
US TREASURY NOTE	912828F62	09-09-15	602,414.06	596,671.80	10-31-19	1.500%	25.0000	31	49.45		741.76			791.21	600,000
US TREASURY NOTE	912828VF4	12-07-15	3,163,560.35	3,167,065.62	05-31-20	1.375%	122.4132	31	18,542.59		3,612.86	22,034.38		121.07	3,205,000
US TREASURY NOTE	912828VP2	08/01/2017	3,188,998.24	3,094,640.63	07-31-20	2.000%	171.3889	31	15,592.66		5,029.89			20,622.55	3,085,000
US TREASURY NOTE	912828L32	06-29-16	341,124.22	330,446.01	08-31-20	1.375%	12.7951	31	805.46		377.57			1,183.03	335,000
US TREASURY NOTE	912828R77	03-17-17	3,409,082.03	3,425,898.00	05-31-21	1.375%	133.6806	31	20,249.32		3,945.39	24,062.50		132.21	3,500,000
US TREASURY NOTE	912828D72	04-05-17	8,472,773.45	8,391,465.60	08-31-21	2.000%	466.6667	31	29,673.91		13,695.66			43,369.57	8,400,000
US TREASURY NOTE	912828T67	08-03-17	9,862,746.09	9,747,716.10	10-31-21	1.250%	348.9583	31	690.25		10,353.71			11,043.96	10,050,000
															20.93%
FEDERAL AGENCY COLLATERIZED MORTGAGE OBLIGATIONS															
FNMA	3136ANJY4	04-30-15	417,034.14	412,529.70	04-01-18	1.550%	17.78	31	588.77		533.34	588.77		533.34	412,907
FNA 2014-M6 A2	3136AJ7G5	12-15-16	3,519,808.59	3,488,569.28	05-25-21	2.679%	256.74	31	7,700.72		7,700.72	7,700.72		7,700.72	3,450,000
FANNIE MAE	3136AQDQ0	10-30-15	824,853.07	814,463.74	09-01-19	1.646%	37.34	31	950.71		1,120.21	1,538.49		532.43	816,675
															3.03%
FEDERAL AGENCY NOTES AND BONDS															
FHLMC	3137EAEB1	07-20-16	4,638,747.00	4,579,575.75	07-19-19	0.875%	113.02	31	11,528.13		3,390.62			14,918.75	4,650,000
FNMA	3135G0N33	08-02-16	3,194,624.00	3,150,793.60	08-02-19	0.875%	77.78	31	6,922.22		2,333.34			9,255.56	3,200,000
FHLB	3130A8OS5	07-15-16	3,180,540.80	3,098,297.60	07-14-21	1.125%	100.00	31	10,700.00		3,000.00			13,700.00	3,200,000
FHLB	3130A8Y72	08-04-16	798,464.00	787,512.00	08-05-19	0.875%	19.44	31	1,672.22		583.34			2,255.56	800,000
FNMA	3135G0N82	08-19-16	822,177.68	800,712.83	08-17-21	1.250%	28.65	31	0.00		0.00			0.00	825,000
FNMA	3135G0N82	08-19-16	2,664,166.25	2,596,250.68	08-17-21	1.250%	92.88	31	8,993.05		3,645.83			12,638.88	2,675,000
FNMA	3135G0P49	09-02-16	3,993,760.00	3,943,556.00	08-28-19	1.000%	111.11	31	6,999.99		3,333.33			10,333.32	4,000,000
FNMS	3135G0T60	08-01-2017	2,392,728.00	2,371,960.80	07-30-20	1.250%	83.33	31	9,000.00		3,000.00			12,000.00	2,400,000
FHLB	3130A9EP2	09-09-16	4,695,911.00	4,630,646.80	09-26-19	1.000%	130.56	31	4,569.44		3,916.67			8,486.11	4,700,000
FHLMC	3137EAEJ4	09-29-17	988,208.10	980,026.74	09-29-20	1.625%	44.69	31	1,430.00		1,340.63			2,770.63	990,000
FNMA	3135G0T29	02-28-17	2,653,300.80	2,631,545.73	02-28-20	1.500%	110.63	31	6,969.37		3,318.75			10,288.12	2,655,000
FHLB	3130AAXX1	03-10-17	3,955,801.20	3,944,663.52	03-18-19	1.375%	151.44	31	6,511.96		4,543.23			11,055.19	3,965,000
FHLB	3130ACE26	09-08-17	363,828.35	359,143.21	09-28-20	1.375%	13.94	31	460.05		418.23			878.28	365,000
FHLMC	3137EAEF2	04-20-17	2,690,766.00	2,667,816.00	04-20-20	1.375%	103.13	31	1,134.38		3,093.75			4,228.13	2,700,000
															24.00%
CORPORATE NOTES															
TOYOTA MOTOR	89236TDH5	10-18-16	1,149,425.00	1,140,737.90	10-18-19	1.550%	49.51	31	643.68		1,485.42			2,129.10	1,150,000
TOYOTA MOTOR CREDIT CORP	89236TDM4	-01-09-17	1,999,300.00	1,995,536.00	01-09-19	1.700%	94.44	31	10,577.78		2,833.33			13,411.11	2,000,000
AMERICAN EXPRESS	0258M0EC9	10-31-16	2,799,321.80	2,778,725.60	10-30-19	1.700%	132.22	31	132.22		3,966.67			4,098.89	2,800,000
MORGAN STANLEY	6174467P8	11-10-16	3,516,187.50	3,385,975.95	07-24-20	5.500%	481.25	31	46,681.25		14,437.50			61,118.75	3,150,000
PFIZER INC	717081EB5	11-21-16	2,078,502.40	2,068,272.96	12-15-19	1.700%	98.22	31	13,358.22		2,946.67			16,304.89	2,080,000
JOHN DEERE	24422ESR1	11-22-16	919,254.75	915,008.24	12-15-17	1.550%	39.40	31	5,357.83		1,181.88			6,539.71	915,000
JOHN DEERE CAPITAL CORP.	24422ETM1	01-06-17	1,199,220.00	1,197,237.60	10-15-18	1.650%	55.00	31	880.00		1,650.00			2,530.00	1,200,000
JOHN DEERE CAPITAL CORP.	24422ETL3	03-15-17	681,979.15	691,279.40	01-06-22	2.650%	50.42	31	5,798.72		1,512.70			7,311.42	685,000
CATERPILLAR FINL	14913Q2A6	09-07-17	1,099,076.00	1,089,008.80	09-04-20	1.850%	56.53	31	3,052.50		1,695.83			4,748.33	1,100,000
GOLDMAN SACHS	38141GGQ1	11-28-16	3,035,092.50	2,991,769.00	07-27-21	5.250%	401.04	31	37,697.92		12,031.25			49,729.17	2,750,000
AMERICAN HONDA	02665WAH4	12-20-16	3,165,655.50	3,156,722.10	08-15-19	2.250%	196.88	31	14,962.50		5,906.25			20,868.75	3,150,000
BANK OF AMERICA	06051GGS2	09-18-2017	965,000.00	959,262.11	10-01-21	2.328%	62.40	31	2,683.34		1,872.10			4,555.44	965,000
BANK OF AMERICA	06051GFW4	04-19-2016	579,462.00	576,465.10	04-19-21	2.625%	41.93	31	0.00		1,173.96	(586.98)		1,760.94	575,000
CITIGROUP INC	172967LF6	01-10-17	1,574,370.00	1,576,104.08	01-10-20	2.450%	107.19	31	11,897.81		3,215.63			15,113.44	1,575,000
MICROSOFT CORP	594918BV5	02-06-17	1,518,981.60	1,513,885.04	02-06-20	1.850%	78.11	31	6,639.44		2,343.34			8,982.78	1,520,000
BERKSHIRE HATHAWAY	084670BL1	12-23-16	3,167,829.00	3,153,055.50	08-14-19	2.100%	183.75	31	14,148.75		5,512.50			19,661.25	3,150,000
WALT DISNEY	25468PDP8	03-06-17	659,828.40	658,668.12	03-04-20	1.950%	35.75	31	2,037.75		1,072.50			3,110.25	660,000
APPLE INC BONDS	037833CS7	05-11-17	1,323,648.50	1,314,716.68	05-11-20	1.800%	66.25	31	11,262.50		1,987.50	11,925.00		1,325.00	1,325,000
JP MORGAN CHASE & CO	46625HJD3	05-26-17	1,622,730.00	1,603,051.50	01-24-22	4.500%	187.50	31	18,187.50		5,625.00			23,812.50	1,500,000

INVESTMENT PORTFOLIO
November 30, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	MARKET	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST REC'VBLE 10/31/2017	PREPAID INT REC'VBLE 10/31/2017	INTEREST	INTEREST RECEIVED	ADJ.	INTEREST	PAR VALUE
			PURCHASE PRICE	VALUE 11/30/2017							EARNED 11/30/2017			REC'VBLE 11/30/2017	
SECURITIES MANAGED BY INVESTMENT ADVISOR:															
HOME DEPOT INC	437076BQ4	06-05-17	749,565.00	745,395.00	06-05-20	1.800%	37.50	31	5,475.00		1,125.00			6,600.00	750,000
PEPSICO INC	713448DX3	10-10-17	1,014,797.00	1,005,757.41	04-15-21	2.000%	56.39	31	1,184.17		1,691.66			2,875.83	1,015,000
WALMART STORES INC	931142EA7	10-20-17	1,547,752.50	1,539,827.35	12-15-20	1.900%	81.81	31	899.86		2,454.17			3,354.03	1,550,000
BRANCH BANKING & TRUST CORP	05531FAZ6	10-26-17	749,655.00	743,663.25	02-01-21	2.150%	44.79	31	223.96		1,343.75			1,567.71	750,000 23.48%
COMMERCIAL PAPERS															
BNP PARIBAS NY BRANCH	09659CC71	07-07-17	3,167,600.00	3,187,222.40	03-07-18	0.000%	0.00	31	0.00					0.00	3,200,000
BANK OF TOKYO MITSUBISHI	06538CGL9	10-24-17	2,963,236.67	2,967,462.00	07-20-18	0.000%	0.00	31	0.00					0.00	3,000,000
JP MORGAN	46640OQFJ5	5-23-17	3,062,937.78	3,071,600.90	09-21-17	0.000%	0.00	31	0.00					0.00	3,100,000
ING (US) FUNDING LLC	4497W1G26	10-13-17	3,063,902.22	3,069,982.70	07-02-18	0.000%	0.00	31	0.00					0.00	3,100,000 8.02%
CERTIFICATE OF DEPOSIT															
CANADIAN IMPERIAL BANK NY	13606A5Z7	12-05-16	3,097,582.00	3,105,375.40	11-30-18	1.760%	151.56	31	23,491.11		3,940.45	27,280.00		151.56	3,100,000
SVENSKA HANDELSBANKEN NY	86958JHB8	01-12-17	3,100,000.00	3,089,745.20	01-10-19	1.890%	162.75	31	18,553.50		4,882.50			23,436.00	3,100,000
BANK OF NOVA SCOTIA HOUSTON	06417GUE6	04-06-17	3,100,000.00	3,093,964.30	04-05-19	1.910%	164.47	31	4,440.75		4,934.17			9,374.92	3,100,000
SWEDBANK	87019U6D6	11-17-2017	3,100,000.00	3,098,078.00	11-16-20	2.270%	195.47	31			2,736.61			2,736.61	3,100,000
SUMITOMO MITSUI BANK NY	86563YVNO	05-04-17	3,100,000.00	3,092,429.80	05-03-19	2.050%	176.53	31	31,245.42		6,001.94	32,304.58		4,942.78	3,100,000 10.02%
ASSET-BACKED SECURITY/COLLATERIZED MORTGAGE OBLIGATIONS															
CCCIT 2017-A2 A2	17305EGA7	01-26-17	2,649,492.53	2,645,191.31	01-17-21	1.740%	128.08	31	13,320.67		3,842.50			17,163.17	2,650,000
ALLYA 2017-1 A3	02007PAC7	01-31-17	704,938.38	702,410.32	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	2,190,880.34	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	777,974.96	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	2,478,787.50	08-15-21	1.780%	122.87	31	1,965.90		3,686.08	3,686.08		1,965.90	2,485,000
TAOT 2017-B A3	89190BAD0	05-17-17	3,099,762.23	3,084,156.52	07-15-21	1.760%	151.56	31	2,424.89		4,546.67	4,546.67		2,424.89	3,100,000
HAROT 2017-3 A3	43814PAC4	09-29-2017	579,937.19	576,770.97	09-18-21	1.790%	28.84	31	374.91		865.17	865.17		374.91	580,000
CCCIT 2017-A3 A3	17305EGB5	05-22-17	1,604,272.00	1,594,051.20	04-07-22	1.920%	85.33	31	2,048.00		2,560.00			4,608.00	1,600,000
JOHN DEERE ABS	47788BAD6	07-18-17	999,926.80	994,072.80	10-15-21	1.820%	50.56	31	808.89		1,516.67	1,516.67		808.89	1,000,000
AMXCA 2017-4 A	02582JHG8	05-30-17	1,199,807.76	1,195,129.44	12-15-21	1.640%	54.67	31	880.00		1,640.00	1,640.00		880.00	1,200,000 10.54%
SALE/PAYDOWN/MATURITY:															
US TREASURY NOTE	912828S18	03-23-15			04-30-19	1.250%	0.0000	31	4.14		8.29	12.43		(0.00)	
NORDEA BANK FINLAND NY	65558LWA6	12-05-16			11-30-18	1.760%	0.00	31	22,884.89		3,031.11	25,916.00		0.00	
CREDIT AGRICOLE CIB NY	22533TYL4	05-23-17			11-20-17	0.000%	0.00	31	0.00		19,759.17	19,759.17		0.00	
CASH AND CASH EQUIVALENT	31846V534								306.54		695.82	306.54		695.82	
TOTAL			155,146,553.65	153,962,252.09					511,153.81	0.00	235,571.92	190,281.11	0.00	556,444.62	154,694,581.53

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
 1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS
 FY2018
 NOVEMBER 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	5,760,900	(412,345)	6,173,245
Aug. 17	6,173,245	Oct. 17	5,760,900	(412,345)	6,173,245
Sep. 17	9,148,973	Nov. 17	7,681,200	(1,467,773)	9,148,973
3 Months Total	21,495,463		19,203,000	(2,292,463)	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		19,203,000	(2,292,463)	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		19,203,000	(2,292,463)	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	19,203,000	(2,292,463)	84,660,000
	21,083,118	1st Quarter			
	10,884,323	2nd Quarter			
		3rd Quarter			
		4th Quarter			
	31,967,441	YTD Actual Per Statement of Revenue & Expenses			

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CASH AND INVESTMENTS AS OF NOVEMBER 30, 2017

11/30/2017

Cash -- Bank of America Checking Account	2,587,262.84
Cash -- Wells Fargo Lockbox Account	18,161.00
Cash - US Bank (on deposit)	3,377,707.00
LAIF	987,027.10
County Pool	299,229,226.23
Investment Portfolio	153,962,252.09
	<hr/>
Total	<u><u>460,161,636.26</u></u>

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CHECKS WRITTEN
NOVEMBER 2017

Unit	Ref	Name	Amount	Method	Description
SMCTA	000121	MATSUMOTO, KARYL M.	100.00	ACH	Board Member Compensation
SMCTA	000122	GROOM, CAROLE	100.00	ACH	Board Member Compensation
SMCTA	000123	HORSLEY, DONALD	100.00	ACH	Board Member Compensation
SMCTA	000124	JOHNSON, CAMERON	100.00	ACH	Board Member Compensation
SMCTA	000125	FRESCHET, MAUREEN ANN	100.00	ACH	Board Member Compensation
SMCTA	000126	IBARRA, KENNETH	100.00	ACH	Board Member Compensation
SMCTA	000127	BEACH, EMILY RANDOLPH	100.00	ACH	Board Member Compensation
SMCTA	004531	HALF MOON BAY, CITY OF	250,000.00	CHK	Capital Programs (1)
SMCTA	004532	PENINSULA TRAFFIC CONGESTION RELIEF	229,250.00	CHK	Capital Programs (2)
SMCTA	004533	PUBLIC FINANCIAL MANAGEMENT, INC.	9,250.00	CHK	Investment Advisory Services
SMCTA	004534	SAN MATEO COUNTY COMM COLLEGE DISTRICT	19,551.42	CHK	Capital Programs (3)
SMCTA	004535	SAN MATEO COUNTY COMM COLLEGE DISTRICT	27,097.69	CHK	Capital Programs (3)
SMCTA	004536	SAN MATEO COUNTY TAX COLLECTOR	3,689.48	CHK	Parcel tax
SMCTA	004537	SAN MATEO COUNTY TAX COLLECTOR	590.88	CHK	Parcel tax
SMCTA	004538	SAN MATEO COUNTY TAX COLLECTOR	460.06	CHK	Parcel tax
SMCTA	004539	DEPARTMENT OF TRANSPORTATION	4,562,747.10	CHK	Capital Programs (4)
SMCTA	004540	ATKINS NORTH AMERICA, INC	59,391.24	CHK	Consultants
SMCTA	004541	HANSON BRIDGETT LLP	9,158.00	CHK	Legal Services
SMCTA	004542	HOLLAND & KNIGHT LLP	7,000.00	CHK	Legislative Advocate
SMCTA	004543	KHOURI CONSULTING	3,859.00	CHK	Legislative Advocate
SMCTA	004544	DMJM HARRIS/MARK THOMAS JV	50,911.75	CHK	Consultants
SMCTA	004545	HURLEY, JOSEPH	1,037.49	CHK	Business Meetings
SMCTA	004546	KWAN, PAMELA	55.05	CHK	Business Meetings
SMCTA	004547	PENINSULA TRAFFIC CONGESTION RELIEF	333,866.73	CHK	Capital Programs (3)
SMCTA	004548	ATKINS NORTH AMERICA, INC	64,947.93	CHK	Consultants
SMCTA	004549	KHOURI CONSULTING	3,859.00	CHK	Legislative Advocate
SMCTA	004550	KWAN, PAMELA	550.00	CHK	2017 Focus on the Future Conference
SMCTA	004551	MARK THOMAS & COMPANY AND AECOM JV	26,812.77	CHK	Consultants
SMCTA	004552	ATKINS NORTH AMERICA, INC	88,081.86	CHK	Consultants
SMCTA	004553	DEPARTMENT OF TRANSPORTATION	4,053,209.28	CHK	Capital Programs (5)
SMCTA	900106	PENINSULA CORRIDOR JOINT POWERS BOARD	10,825,987.00	WIR	Capital Programs (6)
SMCTA	900107	SAN MATEO COUNTY TRANSIT DISTRICT	4,286,907.51	WIR	Caltrain, Redi-Wheels, Bank charges, postage, etc.
			<u>24,918,971.24</u>		

- (1) Call for Proj-Ped&Bike FY12/13
- (2) ACR Countywide TDM Program
- (3) FY17/FY18 Local Shuttles
- (4) SR92 El Camino Real Ramp \$1,380,310.86; 101 Interchange to Willow \$3,182,436.24
- (5) 101 Interchange to Broadway \$269,513.76; 101 Interchange to Willow \$1,949,821.24; Marsh to SM/SC line \$9,930.29; 101 HOV Ln Shipple - San Bruno \$121,140.98
SR92 El Camino Real Ramp \$1,702,803.01
- (6) Caltrain Electrification

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: San Mateo County Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

ACTION

Staff recommends the Board of Directors accept the San Mateo County Transportation Authority's (TA) Fiscal Year (FY) 2017 Comprehensive Annual Financial Report (CAFR).

The FY 2017 CAFR is available online at <http://www.smcta.com/Finance/CAFR.html>

SIGNIFICANCE

The CAFR is prepared in accordance with the guidelines set forth by the Government Accounting Standards Board and is organized into four sections – Introductory, Financial, Statistical and Single Audit.

- 1) The **Introductory** Section includes a Transmittal Letter and provides general information on the District's structure, personnel, economic outlook and finances.
- 2) The **Financial** Section includes audited financial statements which provide detailed financial information as well as comparative financial data. The Management Discussion & Analysis (MD&A) is also found in the Financial Section. Along with the Transmittal Letter, the MD&A is of most interest to those looking for a narrative annual review of the District's finances.
- 3) The **Statistical** Section provides a broad range of data covering key financial trends including revenue and debt capacity, economic and demographic data and operating information.
- 4) The **Single Audit** Section provides the Independent Auditor's Report on Internal controls and compliance, and the Schedule of Expenditures of Federal Awards and Findings and Recommendations from the Auditors.

Together, all sections of the CAFR provide the detail as well as the perspective with which to assess the TA's financial condition.

BUDGET IMPACT

There is no impact on the Budget.

BACKGROUND

The Authority contracts with an independent auditor, Vavrinek, Trine, Day & Co. LLP (VTD) to conduct yearly audits of the Financial Statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. The introductory section and the statistical section presented in the CAFR are not required by California Government Code to be reported as part of the audited financial statements of the Authority. These sections are required when producing a CAFR which the Authority chooses to do in order to provide detailed information about the financial condition of the Authority in a form that is understandable to the our customers and constituents.

The CAFR is prepared and presented to the Government Finance Officers Association for their review, evaluation and to apply for the certificate of Achievement for Excellence in Financial Reporting. The Authority has received an award for every year that the report was submitted.

Prepared by: Jeannie Chen, Interim Manager, General Ledger

650-508-6259



Memorandum

Date: December 28, 2017
To: TA Board of Directors
From: Jim Hartnett, Executive Director
Subject: January 4, 2018 TA Board Meeting Executive Director's Report

State Route 92/State Route 82 Interchange Improvement Project

The SR92/SR82 Interchange Improvement project is forecast to be complete by the end of January 2018. It is anticipated that the project will be completed within budget.

- As of December 2017, the project has zero recordable accidents and no near misses; and
- Due to the limited spacing within the interchange, additional signs have been placed to address safety concern at locations with short freeway merging lanes.

US 101 Managed Lanes Project

As reported last month, the 101 Managed Lanes Draft Environmental Document (DED) was released for public circulation and comment on November 21. In addition to the two public meetings held in December 2017, Caltrans will hold an additional public meeting to present the DED and to receive comments. The additional meeting is currently scheduled for: Thursday, January 11, 2018, from 6:00pm – 8:00pm, at 450 Poplar Avenue in Millbrae.

Information regarding this meeting can be found here:

http://www.dot.ca.gov/d4/101managedlanes/docs/sanfran-chron-ad_4792x983_12.pdf

Comments on the project DED will be accepted through January 19, 2018.

Bike and Pedestrian Program Call-for-Projects

The Bike and Pedestrian Program Call-for-projects closed on December 15, 2017. A total of 17 applications requesting approximately \$8.8 Million in funding were received. This program has historically been oversubscribed and this continues to be the case for the current funding call. An informational item will be presented at the February 2018 meeting with draft funding recommendations.

Shuttle Program Call-for-Projects

The jointly funded Transportation Authority and C/CAG San Mateo County Shuttle Program Call-for-projects was officially released on December 18, 2017 and a public workshop regarding the program was held for potential project sponsors on the same day. Applications are due by February 9, 2018.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

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

SUBJECT: **DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR TO EXECUTE
AGREEMENTS WITH VALUES OF UP TO \$100,000**

ACTION

Staff recommends the Board delegate authority to the Executive Director, or his designee, to pursue and execute agreements, and related amendments, that authorize the San Mateo County Transportation Authority (TA) to accept, or bind the TA to provide, funds or in-kind services valued at up to \$100,000 per agreement. This delegation would apply to agreements for the receipt of grants and various other funding agreements, memoranda of understanding, interagency agreements and cooperative agreements. It would not apply to procurement contracts, real property transactions or agreements for the award of Measure A funds.

SIGNIFICANCE

The Board of Directors (Board) has granted a long-standing delegation of authority to the Executive Director for procurements below certain monetary thresholds and for a very limited number of real property agreements. However, this authority does not extend to other types of agreements. As a result, every agreement that is not related to a low-dollar-value procurement or limited number of real estate transactions must be brought to the Board for approval.

At present, the administrative burden of securing board approval for other low-dollar-value agreements, such as to obtain or provide funds or staff resources to other government agencies or non-profit project partners, outweighs the benefit of the subject agreements. Delegating authority to the Executive Director will reduce the administrative burden of entering into low-dollar value agreements, allowing staff to pursue additional intergovernmental cooperation, community partnerships and the like.

To streamline the approval process and reduce administrative burdens of these relatively low-dollar-value agreements, staff recommends expanding the TA's delegation of authority to allow the Executive Director, or his designee, to execute additional categories of agreements of up to \$100,000 (including any amendments). For contracts executed under the proposed delegation, amendments that would increase the total contract value to over \$100,000 would still require Board approval. The delegation of authority would not include

the commitment of Measure A funding, and the programming and allocation of Measure A funds would still require Board approval.

To ensure transparency and inform the Board of new agreements and amendments executed pursuant to the new delegation, a summary will be provided on a quarterly basis as part of the Board reading file.

BUDGET IMPACT

There is no budget impact associated with this action.

BACKGROUND

The TA enters into multiple agreements, memoranda of understanding, funding agreements and interagency agreements on an annual basis. These agreements are with a variety of agencies such as the City/County Association of Governments (C/CAG) and address activities like the preparation of the County-wide Transportation Plan. Similar delegations of authority have been adopted by the San Mateo County Transit District and the Peninsula Corridor Joint Powers Board.

Prepared By: Peter Skinner, Manager, Grants and Fund Programming 650-622-7818

RESOLUTION NO. 2018 –

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

* * *

DELEGATING AUTHORITY TO THE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS WITH
VALUES OF UP TO \$100,000

WHEREAS, the Board of Directors (Board) of the San Mateo County Transportation Authority (Authority) has authorized the Executive Director to execute low-dollar value procurement contracts and a very limited number of real property agreements; and

WHEREAS, the Authority desires to expand this policy and authorize the Executive Director to execute additional agreements valued at up to \$100,000 per agreement, including, but not limited to, agreements for the receipt of grants and various other funding agreements, memoranda of understanding, cooperative agreements, and interagency agreements, and amendments thereto when the total contract value remains at no more than \$100,000; and

WHEREAS, the Authority does not desire for this new delegation of authority to apply to agreements for the award of Measure A funds, which remain subject to programming and allocation by the Board of Directors; and

WHEREAS, the Authority also does not desire for this new delegation of authority to apply to new categories of procurement contracts or real property transactions; and

WHEREAS, the Board desires to be informed of any and all agreements and amendments entered into under this authority on a quarterly basis as part of the Board reading file.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby:

1. Authorizes the Executive Director, or his designee, to execute non-controversial agreements valued at up to \$100,000 per agreement, including, but not limited to, agreements for the receipt of grants and various other funding agreements, memoranda of understanding, cooperative agreements, and interagency agreements, and amendments thereto when the total contract value remains at no more than \$100,000; and

2. Limits this delegation of authority so that it does not apply to grants of Measure A funds, the programming and allocation of which remain subject to Board action, or to new categories of procurement or real property agreements; and

3. Directs the Executive Director, or his designee, to report to the Board on any and all contracts entered into under the authority granted by this Resolution on a quarterly basis as part of the Board reading file.

Regularly passed and adopted this 4th day of January, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Chair, San Mateo County Transportation Authority

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: **REALLOCATION OF \$1 MILLION OF PREVIOUSLY-ALLOCATED MEASURE A FUNDS FROM THE 101 AUXILIARY LANES PROJECT (OYSTER POINT-THE SAN FRANCISCO COUNTY LINE) TO THE 101-280 MANAGED LANES (I-380 TO 5TH AND KING STREETS) PROJECT**

ACTION

Staff recommends the Board of Directors:

1. Reallocate \$1 million of the \$8 million in Measure A funds that were previously allocated for the environmental phase of the 101 Auxiliary Lane Project (Oyster Point to San Francisco County Line) to fund a joint study with San Francisco County Transportation Authority (SFCTA) that will explore and develop a new project which extends the northern limit of the proposed 101 Managed Lanes from I-380 into San Francisco.
2. Authorize the Executive Director or his designee to execute and/or amend any agreement, and take any other action necessary, to re-allocate the subject funding.

SIGNIFICANCE

The San Mateo County Transportation Authority (TA) and the City/County of Association of Governments (C/CAG) are currently co-sponsors of the project that will modify the 101 Corridor in San Mateo County to include managed lanes from the Santa Clara County Line to I-380. A number of technical studies are being prepared, including performance assessment and a study of impacts, as part of the environmental phase of the project. The initial findings of these studies, coupled with the growing congestion problem on the corridor, have created the need to consider the extension of managed lanes north of I-380.

The TA and C/CAG have been collaborating with the SFCTA on strategies to extend managed lanes north of I-380 into San Francisco. This reallocation request would fund San Mateo County's share of a Project Initiation Document (PID) which would advance a project to extend the managed lanes into San Francisco.

BUDGET IMPACT

There is no impact to the budget. Funding for this action will come from the \$8 million of Measure A funding previously allocated for the environmental phase of the 101 Auxiliary Lane (Oyster Point to San Francisco County Line) Project.

BACKGROUND

At the request of C/CAG and as part of the 2012 Highway Program Call for Projects, the TA funded and prepared a Project Initiation Document (PID) for a project that would add auxiliary lanes to the US 101 between Oyster Point and the San Francisco County Line. This PID, which included range of project alternatives, was approved by Caltrans on June 9, 2015.

In October 2015, the TA Board of Directors authorized funding for the environmental phases of two projects on the 101 Corridor: 101 Auxiliary Lanes (Oyster Point to San Francisco County Line) and 101 Managed Lanes (Whipple to I-380). Further work on the auxiliary lanes did not advance because proposed project concepts developed for the managed lanes south of I-380 could influence and potentially change direction on the project approach; project concepts may need to include managed lanes within the limits of the proposed auxiliary lanes project.

To appropriately respond to this potential change of direction and help make the best investment of Measure A funding, additional project alternatives must be developed and evaluated. The TA, C/CAG and SFCTA propose to partner on this effort through the preparation of a PID. C/CAG concurs with the reallocation of these previously allocated funds.

Prepared by: Joseph Hurley, Director Transportation Authority Program 650-508-7942

RESOLUTION NO. 2018 –
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA

* * *

**REALLOCATION OF \$1 MILLION OF PREVIOUSLY-ALLOCATED MEASURE A FUNDS
ASSOCIATED WITH THE 101 AUXILIARY LANES PROJECT (OYSTER POINT TO SAN FRANCISCO
COUNTY LINE) TO THE 101-280 MANAGED LANES (I-380 TO 5TH AND KING STREETS) PROJECT**

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, at the request of the City and County Association of Governments of San Mateo County (C/CAG) and as part of the 2012 Highway Program Call for Projects, the TA allocated \$1million of funding (Resolution 2012-17) and prepared a Project Initiation Document (PID) for an 101 Auxiliary Lanes (Oyster Point to San Francisco County Line) Project that was approved by Caltrans June 2015; and

WHEREAS, at the request of C/CAG and as part of the 2015 Highway Program Call for Projects, the TA Board programmed and allocated \$8 million for the environmental phase of the 101 Auxiliary Lanes Project (Resolution 2015-19); and

WHEREAS, work on the auxiliary lanes did not advance because the proposed project concepts developed for managed lanes south of I-380 could influence and potentially change the direction of the project approach; and

WHEREAS, the environmental work and associated studies exploring operational improvements on US 101 co-sponsored by the TA and C/CAG, coupled with the growing congestion problem on the corridor, have created the need to consider the extension of managed lanes north of I-380, which was not included in the scope of the approved PID; and

WHEREAS, the TA and C/CAG have been collaborating with San Francisco County Transportation Authority (SFCTA) on strategies to extended the managed lanes north of I-380; and

WHEREAS, the TA, C/CAG and SFCTA propose to partner on this effort through the preparation of a PID; and

WHEREAS, the C/CAG Board of Directors concurs with the current efforts and reallocation of the subject Measure A funding; and

WHEREAS, this reallocation would fund the San Mateo County's share of a PID which would advance a project to extend the managed lanes into San Francisco.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby reallocates \$1 million of Measure A funding previously allocated for the environmental phase of the 101 Auxiliary Lanes Project (Oyster Point to San Francisco County Line) to the PID phase of the 101-280 Managed Lanes (I-380 to 5th and King Streets) Project; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute any necessary documents or agreements, and to take any additional actions necessary, to give effect to this resolution.

Regularly passed and adopted this 4th day of January, 2018 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 Transportation Authority

SUBJECT: **HIGHWAY PROGRAM: CALL FOR PROJECTS UPDATE**

ACTION

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

SIGNIFICANCE

On October 9, 2017, the San Mateo County Transportation Authority (TA) formally released a Highway Call for Projects (CFP), announcing the availability of up to \$75 million in Measure A funds for projects ready to start work within one year of receiving a funding award. Final Board action for the 2017 CFP is tentatively scheduled to take place February 2018, which means sponsors of eligible projects need to demonstrate that the requested phase of work should commence no later than February 2019.

Seven applications were received from eight jurisdictions at the close of the CFP, which occurred on November 20, 2017 and a total of \$46.7 million has been requested. While the 2017 Highway CFP was undersubscribed, many of the projects identified in the Measure A Highway Capital Improvement Program (CIP) were either: 1) not ready to proceed with the next unfunded phase of work by February 2019, 2) still ongoing with prior Measure A funded phases of work, or 3) proceeding with requests for pre-construction phases work that are less costly than construction.

The TA Project Selection Committee met on December 12, 2017 to evaluate and score the submitted applications. The TA Project Selection Committee was composed of staff from the TA, Caltrans and the Santa Clara Valley Transportation Authority. Staff will present an informational item at the January 4, 2018 meeting on the proposed recommendations.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

The Measure A Highway CIP included an order of magnitude funding shortfall close to \$1 billion over the 10 year period from Fiscal Years 2016 to 2025, as funding needs were projected to exceed projected revenue sources.

In order to best ensure the delivery of projects in light of the long term projected shortfall, staff, in conjunction with input from the Highway CIP Ad Hoc subcommittee and Board, developed the following new funding policies, effective for the 2017 Highway CFP:

- The priority is to continue funding projects of greatest merit in the Measure A pipeline to complete work already started
- A set-aside, up to \$10 million, through the remaining life of Measure A for planning and environmental work will be available for projects not already in the Measure A funding pipeline
- A minimum 10 percent funding match is required for each phase of work
- The minimum funding match may be greater than 10 percent for new highway facilities, proportionate to the traffic impacts expected to be generated from the new development
- To further promote timely use of funds, there must be substantial activity on a project within 2 years of the funding award or the funds may be made available for other projects

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 composed 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 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.

Prepared By: Joel Slavit, Manager of Programming and Monitoring

650-508-6476

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **2018 LEGISLATIVE PROGRAM**

ACTION

Staff recommends the Board adopt the attached Legislative Program to guide the Transportation Authority's policy advocacy efforts over the course of the 2018 calendar year.

SIGNIFICANCE

The 2018 Legislative Program (Program) establishes the principles that will guide the San Mateo County Transportation Authority's (TA) legislative and regulatory advocacy efforts through the 2018 calendar year, including the second half of the State legislative session and the second session of the 115th Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the TA to respond swiftly and effectively to unanticipated developments. Adoption of the Program provides our legislative delegation and our transportation partners with a clear statement of the TA's priorities.

The 2018 Program is organized to guide the TA's actions and positions in support of three primary objectives:

1. Maintain and enhance funding opportunities to support the TA's programs, projects, and services.
2. Seek a regulatory environment that streamlines project delivery and maximizes the TA's ability to meet public transportation service demands.
3. Reinforce and expand programs that build and incentivize public transportation ridership.

The Program is structured to apply these core objectives to a series of issues detailed in the 2018 Legislative Program.

Should other issues surface that require the TA's attention, actions will be guided by the three policy objectives listed above.

If needed, potential action on issues that are unrelated to these policy goals will be brought to the TA's Board of Directors for consideration.

Advocacy Process

Staff will indicate on each monthly legislative update recommended positions for pending bills. Once the board has an opportunity to review the recommended position, staff will communicate the position to the relevant entity (such as the bill author, agency, or coalition). In rare circumstances, should a position on a bill be needed in advance of a board meeting, staff will confer with the Board Chair. If legislation falls outside of the scope of the Board's adopted Legislative Program, Board approval will be required prior to the agency taking a position.

The TA and its legislative consultants will employ a variety of engagement tools to support the 2016 Legislative Program, including:

1. Direct Engagement

Engage policymakers directly and sponsor legislation, submit correspondence and provide public testimony that communicates and advances the TA's legislative priorities and positions.

2. Coalition-based Engagement

Engage local and regional stakeholders to build awareness about specific issues and participate in local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2016 Program.

3. Media Engagement

Build public awareness and communicate legislative priorities by issuing press releases, organizing media events, and through the use of social media and other electronic media.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff actively monitors legislative and regulatory activity and will seek Board positions on selected bills as appropriate to further the TA's legislative objectives and to provide support for our advocacy efforts. Staff will supply updated reports summarizing relevant legislative and regulatory activities, allowing the Board to track legislative developments and providing opportunities to take appropriate action on pending legislation.

Prepared By: Casey Fromson, Director, Government and Community Affairs 650-508-9435

San Mateo County Transportation Authority

2018 Legislative Program

Purpose

Legislative and regulatory actions have the potential to significantly benefit San Mateo County Transportation Authority programs and services. They also have potential to present serious challenges that threaten the Agency's ability to meet the county's most critical transportation demands.

The 2018 Legislative Program establishes the principles that will guide the Agency's legislative and regulatory advocacy efforts through the 2018 calendar year, including the second half of the 2017-18 State legislative session and 115th Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the Agency to respond swiftly and effectively to unanticipated developments.

Objectives

The 2018 Legislative Program is organized to guide the Agency's actions and positions in support of three primary objectives:

- Maintain and enhance funding opportunities to support the Agency's programs and services.
- Seek a regulatory environment that streamlines project delivery and maximizes the Agency's ability to meet transportation service demands.
- Reinforce and expand programs that build and incentivize public transportation ridership and improve quality transportation choices.

Issues

The Legislative Program is structured to apply these core objectives to a series of State and Federal issues falling in these categories:

- Budget and Transportation Funding Opportunities
- Transportation Projects - Funding Requests and Needs
- Regulatory and Administrative Issues

Within these categories are a detailed list of specific legislative initiatives and corresponding set of policy strategies.

Should other issues surface that require the Board's attention, actions will be guided by the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to the Board for consideration.

Advocacy Process

Staff will indicate on each monthly legislative update recommended positions for pending bills. Once the board has an opportunity to review the recommended position, staff will communicate the position to the relevant entity (such as the bill author, agency, or coalition). In rare circumstances, should a position on a bill be needed in advance of a board meeting, staff will confer with the Board Chair. If legislation falls outside of the scope of the Board's adopted Legislative Program, Board approval will be required prior to the agency taking a position.

Public Engagement Strategies

Staff, led by the Communications Division and its legislative consultants, will employ a variety of public engagement strategies to support the 2018 Legislative Program, including:

- Direct Engagement
Engage policymakers directly and sponsor legislation, submit correspondence and provide public testimony that communicates and advances the Agency's legislative priorities and positions.

- Coalition-based Engagement
Engage local and regional stakeholders to build awareness about specific issues and participate in local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2018 Legislative Program.

- Media Engagement
Build public awareness and communicate the Agency's legislative priorities by issuing press releases, organizing media events, and through the use of social media.

State and Regional

Funding Opportunities and Challenges

<i>Issue / Background</i>	<i>Strategy</i>
<p>General Funding The State recently enacted SB 1, which provides \$5.2 billion to maintain local streets and roads and highways, ease traffic congestion, and provide mobility options through investments in public transportation and bicycle and pedestrian programs.</p> <p>Complimentary to SB 1 is ACA 5 which, if passed by voters in June 2018, will protect new and existing sources of transit funding from future diversions by the Legislature.</p> <p>In 2014, the Legislature called for, via SB 1077, a pilot program to study a road charge model as an alternative to the gas tax. The nine-month pilot began in July 2016, with over 5,000 participating vehicles statewide. The California State Transportation Agency (CalSTA) will report findings from the Legislature to the CTC and the Legislature by June 30, 2018.</p>	<ul style="list-style-type: none"> • Protect against the elimination or diversion of any State or regional funds that support the agency’s transportation needs. • Support State funding allocation requests for investments that benefit the agency’s transportation programs and services. • Work with statewide transit coalitions to identify and advance opportunities for funding that would support the agency’s transportation priorities. • Monitor recommendations of the Road Usage Charge (RUC) Technical advisory Committee and implementation of a RUC program by the California State Transportation Agency (CalSTA). • Monitor efforts to implement a mileage-based user fee as a potential revenue source.
<p>Formula Funding After years of diversion to support the State’s General Fund, funding for the State Transit Assistance (STA) program has remained stable over the last few budget cycles thanks to successful legal, legislative and political efforts on behalf of the transportation community. Still, more revenue is needed in</p>	<ul style="list-style-type: none"> • Support the full funding of the STA program at levels called for in the 2011 reenactment of the 2010 gas-tax swap legislation. • Advocate for the regularly scheduled issuance of State infrastructure bonds that support the Agency’s services and programs. • Support full and timely allocation of the Agency’s STIP share. • Support legislation clarifying elements of the STA program recently changed in AB 1113 (Bloom).

<p>order to meet the demand of increased ridership, reduce highway congestion – especially on Highway 101 – and adhere to the State’s mandate of reducing greenhouse gas emissions, and creating livable communities.</p>	
<p>Cap-and-Trade Revenues In 2012, the State began implementing the cap-and-trade market-based compliance system approved as a part of the California Global Warming Solutions Act of 2006 (AB 32). Since the program began selling allowances, the program has generated billions of dollars. In 2014, legislation was enacted creating a long-term funding plan for cap-and-trade which dedicates 60 percent of cap-and-trade revenues to transportation. The remaining 40 percent is subject to annual appropriation through the state budget process. In 2017, the legislature extended the program from 2020 to 2030.</p> <p>The programs require a certain percentage of funds be expended in state defined “disadvantaged communities” (as defined by CalEnviroScreen). This can prove difficult in jurisdictions with a small number of disadvantaged communities.</p>	<ul style="list-style-type: none"> • Work with the Administration and like-minded coalitions to secure the appropriation of additional cap-and-trade revenues to support the Agency’s transportation needs. • Support legislation and regional action that makes a broad array of the Agency’s emissions-reducing transportation projects, programs and services eligible for investment. • Protect existing cap-and-trade appropriations for transit operations, capital projects and sustainable communities strategy implementation. • Work to direct additional revenues to transit-eligible programs, including efforts to secure funding from the remaining discretionary funds and revenues dedicated to the high-speed-rail project. • Support efforts to revise the State’s definition on “disadvantaged communities” to encompass a larger proportion of disadvantaged communities on the Peninsula.
<p>Voter Threshold Legislation has been considered in recent years that provide a framework for lowering the thresholds for the State or a city, county, special JPB or regional public agency to impose a special tax.</p>	<ul style="list-style-type: none"> • Support efforts to amend the State Constitution to reduce the voter threshold required for the State or a city, county, special district or regional transportation agency to impose a special tax for transportation projects or programs.

<p>Other State or Local Funding Options Local and regional governments continue to seek methods for funding new infrastructure, facility needs, sustainability initiatives, and projects that will support ridership growth through a variety of methods such as managed lanes and local ballot measures.</p>	<ul style="list-style-type: none"> • Advocate for legislation that would create new local funding tools to support transportation infrastructure and services. • Support innovative local and regional funding options that will provide financial support for the agency. • Support legislation that works to ensure revenues generated through managed lane projects remain in the County of origin. • Advocate for funding sources that would assist transit agencies in obtaining funds for sustainability initiatives including water conservation, waste reduction, long-term resource efficiency of facilities and equipment, and greenhouse gas reductions. • Support funding for workforce housing to attract and retain quality personnel. • Support efforts that allow for public private partnerships that benefit the implementation of capital projects, efficient operation of transit services, or enhanced access to a broad range of mobility options that reduce traffic congestion.
<p>Transportation Projects</p>	
<p>General As the Bay Area’s population continues to grow, the region’s transportation infrastructure is being negatively impacted. Highways, local streets and roads are becoming heavily congested, Caltrain is nearing its capacity limits, and the demand for housing with easy access to public transit is increasing.</p>	<ul style="list-style-type: none"> • Work with partners in the region to bring business, community, and transportation stakeholders together to enhance, support and advocate for transportation and mobility in the Bay Area.
<p>Caltrain Modernization (CalMod) Program In 2012, the State Legislature appropriated \$705m in Prop 1A high-speed rail funds to modernize the Caltrain corridor and lay the foundation for future high-speed rail service. Under a multi-party regional funding agreement (that includes TA funds), this investment will be used to match a variety of local, regional, state and federal</p>	<ul style="list-style-type: none"> • Advocate for the sale and allocation of Proposition 1A bonds to meet the commitments specified in SB 1029 with respect to the Caltrain corridor. • Support the allocation of cap-and-trade funding to advance implementation of the CalMod Program. • Work with state, local and regional partners to advance policies and actions that will help secure funding needed to fulfill local and regional commitments to the CalMod Program. • Work to address regulatory challenges that limit the implementation of solutions that will maximize Caltrain capacity and service benefits. • Support the allocation of cap-and-trade or other state / regional funding to advance

<p>funding sources to electrify the corridor, install an advanced signaling system and replace Caltrain’s aging diesel trains with electric trains that will dramatically improve service between San Francisco and San Jose.</p> <p>Other Projects Beyond the CalMod Program, Caltrain has identified capital projects such as a fully electrified 8-car EMU fleet with longer platforms that will provide additional capacity and service benefits to Caltrain commuters. The capital needs also include but are not limited to grade separations and station upgrades.</p> <p>In 2016, a new round of HSR Blended System planning, outreach and environmental clearance work kicked-off in the corridor. While this project is not being led by the JPB, the agency owns the right-of-way and has a significant interest in the process and success of the project that will “blended” with Caltrain service.</p>	<p>implementation of Caltrain projects.</p> <ul style="list-style-type: none"> • Work to address regulatory actions or policies that negatively impact future capacity or service improvements. • Consistent with existing agreements between JPB and CHSRA, support efforts to plan, engage stakeholders, and implement the Blended System project on the Caltrain corridor.
<p>101 Managed Lanes The project may include removing or replacing existing auxiliary lanes between interchanges; reconstructing ramp connections to US 101; and installing electronic toll collection infrastructure on US 101 between Whipple Road to the I-380 interchange in San Mateo County</p>	<ul style="list-style-type: none"> • Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases. • Support policies that will allow for effective public private partnerships.

<p>Transit Oriented Development / First and Last Mile First and last mile projects, as well as transit oriented development projects are an important part of the broad transit ecosystem that will help support robust ridership in the corridor.</p>	<ul style="list-style-type: none"> • Support efforts to provide commuters with easy and convenient options to travel to and from major transit centers to their final destination. • Support the development of new and innovative first and last mile options. • Support increased funding opportunities for first and last mile projects. • Advocate for policies that promote transit-oriented developments in ways that with compliment transit services. • Support the State’s GHG reduction goals by supporting transit oriented developments. • Support state funding incentives and streamlining processes for transit oriented development.
<p>Transportation Demand Management (TDM) TDM is the application of strategies and policies to reduce travel demand of single-occupancy vehicles or to redistribute this demand in space or time.</p>	<ul style="list-style-type: none"> • Support efforts that provide more TDM tools and funding opportunities • Support policies that encourage use of TDM
<p>Regulatory and Administrative Issues</p>	
<p>General Every year a variety of legislation or regulatory action is pursued that would affect regulations governing transportation-related service operations, administration, planning and project delivery. In addition, opportunities exist to reform or update existing regulations that are outdated, or can be improved to address potential burdens on transportation agencies without affecting regulatory goals.</p>	<ul style="list-style-type: none"> • Support opportunities to remove barriers to, and improve the ability to conduct, safe, efficient transportation operations, administration, planning and project delivery efforts, including alternative project delivery methods that provide flexibility to the agency. • Oppose efforts to impose unjustified and burdensome regulations or restrictions on the Agency’s ability to conduct efficient transportation operations, administration, planning and project delivery efforts.
<p>California Environmental Quality Act (CEQA) Several regional and statewide transportation organizations continue working to modernize CEQA and minimize unnecessary delays during the environmental review process.</p>	<ul style="list-style-type: none"> • Closely monitor efforts to modernize CEQA. Without compromising CEQA’s effectiveness as an environmental protection policy, support proposals that advantage transportation projects, such as transit expansion, pedestrian / bicycle improvements, and transit oriented development.

<p>Sustainable Communities Strategies Implementation In conjunction with AB 32 and SB 32 implementation, the Sustainable Communities and Climate Protection Act (SB 375) requires regions to develop Sustainable Communities Strategies (SCS) with integrated housing, land-use and transportation policies that will accommodate population growth and reduce regional greenhouse gas emissions by specific amounts. In 2013, regional authorities in the Bay Area approved Plan Bay Area, which includes the region's SCS.</p>	<ul style="list-style-type: none">• Advocate for policies that provide adequate and equitable funding to support increased demand and dependence on JPB's transportation services associated with the implementation of SB 375 and Plan Bay Area.
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Federal

Funding Opportunities and Challenges

<i>Issue / Background</i>	<i>Strategy</i>
<p>Federal Appropriations Every year, Congress adopts several appropriations bills that cover 12 major issue areas, including the Transportation, Housing and Urban Development bill. These measures provide the authority for federal agencies to spend money during the upcoming fiscal year for the programs they administer.</p> <p>In September 2017, Congress passed a continuing resolution (CR) to keep federal agencies funded at the same level as the previous fiscal year, through December 8, 2017. Congress will have to pass a CR or omnibus appropriations bill to fund the government for the fiscal year 2018.</p>	<ul style="list-style-type: none"> • Partner with local, regional, State and national coalitions to advocate appropriation of the maximum authorized amount for programs that benefit the agency's transportation services and needs. • Work with local and regional coalitions to support requests for funding from discretionary programs. • Communicate frequently with the agency's federal delegation and key appropriators on the needs or concerns of pending appropriation bills.
<p>Tax and Finance Congress also considers legislation that governs tax and finance issues that impact transit agencies. In 2018, Congress is expected to take action on a significant tax overhaul measure.</p>	<ul style="list-style-type: none"> • Support efforts to ensure tax provisions that benefit the agency's priorities are included in any tax or finance proposal. • Protect against the elimination or diversion of any tax policies that support the agency's transportation needs.

Transportation Projects	
<p>General Support the efforts of partnering agencies to obtain federal funding for transit projects in San Mateo County.</p>	<ul style="list-style-type: none"> • Work with federal delegation members, as well as local, regional, and state coalitions to support the federal funding requests for our partner transit agencies on projects that provide complimentary services for the agency.
<p>Caltrain Modernization Program The current Peninsula Corridor Electrification Project (PCEP) funding plan includes funding from several federal funding sources including the Federal Transit Administration (FTA) Core Capacity Program.</p> <p>Other Projects Beyond the CalMod Program, Caltrain has identified capital projects such as a fully electrified 8-car EMU fleet with longer platforms that will provide additional capacity and service benefits to Caltrain commuters. The capital needs also include but are not limited to grade separations, station upgrades, and supporting regional projects that will increase Caltrain ridership.</p>	<ul style="list-style-type: none"> • Advocate for the PCEP Core Capacity funding to be included in the Fiscal Year (FY)18 THUD Appropriations Conference Report. Advocate for the PCEP to be included in the FY19 President’s budget request and in the FY19 THUD Appropriations bills. • Work with federal delegation members, as well as local, regional, and state coalitions to support the PCEP requests for funding. • Support the allocation of federal funding to advance implementation of Caltrain projects.
<p>101 Managed Lanes The project may include removing or replacing existing auxiliary lanes between interchanges; reconstructing ramp connections to US 101; and installing electronic toll collection infrastructure on US 101 between Whipple Road to the I-380 interchange in San Mateo County</p>	<ul style="list-style-type: none"> • Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases. • Support policies that will allow for effective public private partnerships.

Regulatory and Administrative Issues	
<p>FAST Act and other Regulations Under FAST Act, the United States Department of Transportation (USDOT) will issue guidance and conduct rulemaking to implement various regulatory changes.</p> <p>USDOT will also issue guidance, new rulemaking, and take action in response to Executive Orders on a variety of issues outside the scope of the FAST Act.</p>	<ul style="list-style-type: none"> • Monitor and review guidance and rulemaking proposals affecting FAST Act implementation and other transportation issues. • Collaborate with local, regional, state and national transportation advocacy groups to coordinate comments and advocacy efforts that support regulations that maximize benefits for transportation programs, services and users.
<p>Infrastructure Proposal President Trump and USDOT have been working to draft an infrastructure proposal to fund transportation projects.</p>	<ul style="list-style-type: none"> • Monitor closely and take action as needed on new Administration policies that may have a significant impact on transit / transportation projects and programs. • Advocate for funding for the agency's projects and needs in the President's and congressional infrastructure proposals.

**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

The 2017 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board.

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SMCTA Federal Update December 2017

CONGRESS

Congress Anticipated to Move on Final Tax Bill: House and Senate Republicans have reached consensus on the tax reform legislation, *The Tax Cuts and Jobs Act*, H.R. 1. On December 15, the tax conferees filed [the conference report in the House](#). The Senate passed the bill early on December 20 in a 51-48 party line vote, after a procedural hurdle that delayed the vote by a day. The House had originally passed the bill in the evening of December 19, but several provisions in the plan violated Senate budget reconciliation rules. Senate Democrats stripped the problematic provisions, removing an excise tax on endowments of the smallest private universities; 529 savings accounts for home-schooling expenses; and the bill's shorthand title. After the House votes on the bill again (sometime on December 20), it will be sent to the White House for the President's signature.

The final agreement has retained more provisions from the Senate's version of the bill, though House Ways and Means Committee Chairman Kevin Brady (R-TX) said the final bill marked a mix between House and Senate plans. Democrats argue that the bill would be a break for corporations and wealthy individuals.

The transportation provisions in the conference report include:

- Retention of private activity bonds;
- Preserving the electric vehicle tax credit;
- Elimination of the bicycle commuter credit;
- Repealing the ability of employers to deduct the costs of parking and mass transit benefits provided to employees as a business expense;
- Repealing new advance refunding tax exempt municipal bonds; and
- Clarification that aircraft management services are not subject to the 7.5 percent commercial ticket tax.

FY 2018 Appropriations and Disaster Relief Update: On December 7, the House and Senate passed a two-week continuing resolution (CR), funding the government until Friday, December 22. The House passed the CR by a vote of 235 to 193, and the Senate passed it by a vote of 81 to 14.

Before Congress can pass a fiscal year 2018 appropriations bill for an entire year, they need to agree to change the dollar amounts of the caps on discretionary spending. If the caps are not

adjusted, any enacted full-year appropriations will be automatically reduced via another round of budget sequestration to get back down to the cap levels.

Republicans want to significantly increase defense spending (a \$70 billion increase), but to garner Democrats' support (needed in the Senate as 60 votes are required for passage), an increase in non-defense spending is necessary as well.

On December 13, House Republicans introduced a third [CR](#), to extend current government funding – which is set to expire on Friday, December 22. The CR includes \$663 billion for the Department of Defense for fiscal year 2018 and would fund the rest of the federal agencies (including the Department of Transportation) at current funding levels. until January 19, 2018; a five-year extension of the expired Children's Health Insurance Program (CHIP); and \$2.1 billion for the Veterans Choice program. Democrats have criticized the CHIP reauthorization provision, as it is offset by increasing Medicare premiums for higher-income beneficiaries, and shortens the grace period for individuals to pay their premiums through a tax credit.

The Senate is unlikely to pass the House bill given that it does not address increasing non-defense spending and the offsets for CHIP. The Senate is expected to amend the House CR through a substitute amendment and send it back to the House before they adjourn for the session. The Senate may also add an extension of the Foreign Intelligence Surveillance Act (FISA), which is set to expire this year.

On December 18,, the House Appropriations Committee [introduced a \\$81 billion disaster aid package](#) to fund hurricane and wildfire recovery, which may be combined with the third CR. The funding is split among Texas, Florida, Puerto Rico, the U.S. Virgin Islands, and states impacted by wildfires. The bill includes money for the Federal Emergency Management Agency (FEMA) and Community Development Block Grant (CDBG) programs, reconstruction projects from the Army Corps of Engineers, education programs, highway rebuilding, small business loans, and military construction projects. House Appropriations Committee Chairman Rodney Frelinghuysen (R-NJ) said the bill represents the largest ever disaster aid funding effort, and was a crucial part of the government's response to the several natural disasters that impacted the country over the year. The bill is also nearly double the Administration's \$44 billion aid request. The funding is broken down as follows:

- **Community Development Block Grants:** \$26.1 billion
- **FEMA:** \$27.6 billion
 - Includes Disaster Relief Fund (DRF) funding
 - A provision allowing transfer of up to \$4 billion to the Disaster Assistance Direct Loan Program Account for Community Disaster Loans
 - A provision providing up to 90% federal cost share for disasters declared in 2017 for wildfires
 - \$60 million for FEMA's readiness for future disasters
- **Army Corps of Engineers:** \$12.1 billion
- **Department of Agriculture:** \$3.8 billion
- **Hurricane Education Recovery:** \$2.9 billion

- **Reparations for Army, Navy, Marine Corps, Air Force, Reserve, National Guard, Coast Guard, and medical military facilities:** \$1.5 billion
- **Current damages to federal highways from designated disasters:** \$1.4 billion
 - Funds are provided directly to states and localities for repairs
 - Includes \$269 million to help communities restore hurricane-damaged mass transit systems
- **Economic Development Grants:** \$600 million
 - Projects may include technical assistance, planning, and infrastructure projects to aid economic recovery in hurricane and wildfire disaster areas.

Senate AV Bill Stalled: The Senate bill on autonomous vehicles (AV), [S. 1885 The AV START Act](#), lacks the necessary support to advance under unanimous consent. On December 1, Sens. Richard Blumenthal (D-CT) and Ed Markey (D-MA), said that they would hold up the bill to urge inclusion of measures on consumer protections and safety. During markup of the bill in October, Sen. Blumenthal had introduced an amendment—which was later withdrawn—that sought to establish a provision requiring autonomous vehicles (AVs) to allow human drivers to take control. Sen. Gary Peters (D-MI), a bill sponsor who opposed Blumenthal’s amendment, said requiring human control would “undercut the entire purpose” of driverless cars. However, Sens. Blumenthal and Markey have said they will continue discussions with bill sponsors, Sens. Peters and Senate Commerce Committee Chairman John Thune (R-SD). The Senate Commerce Committee and leadership are expected to work though the holds next year to pass the bill and conference it with the House legislation.

ADMINISTRATION

White House May Release Infrastructure Principles in January: The White House indicated on December 7th that President Trump intends to send Congress detailed infrastructure principles in January, potentially around the State of the Union address scheduled for January 30. The document would outline a \$1 trillion plan, in which a \$200 billion federal share would be split into four themes: funding for states and localities that take on a greater amount of financial burden for infrastructure building and upkeep; block grants for rural areas; existing federal loan programs; and money for projects deemed “transformational.” It is anticipated that the plan will incentivize state and local governments to take on a greater share of costs for infrastructure projects, both through their own funding and through private-sector financing.

FHWA Nominee Withdraws from Consideration: On December 11, Paul Trombino, previously nominated by the President to head the Federal Highway Administration (FHWA), removed himself from consideration due to family concerns. Senate Environment and Public Works (EPW) Committee had approved Trombino’s nomination, and he was predicted to easily move through full Senate confirmation. A new nominee has not been named.