



AGENDA

BOARD OF DIRECTORS MEETING

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

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

and via teleconference at:

TELECONFERENCE LOCATION:

Members of the public also may attend the meeting via teleconference at
99 Pacific Street, Suite 555F, Monterey, CA 93940

November 1, 2018 – Thursday

5:00 pm

- 1) Call to Order/Pledge of Allegiance
- 2) Roll Call
- 3) Report of the Citizens Advisory Committee
- 4) Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately
 - a) Approval of Minutes of the Board of Directors Meeting of October 4, 2018 MOTION
 - b) Acceptance of Statement of Revenues and Expenditures for Fiscal Year Ending June 30, 2018 (Unaudited) MOTION
 - c) Acceptance of Statement of Revenues and Expenditures for September 2018 MOTION
 - d) Acceptance of Measure A Semi-Annual Program Status Report MOTION
 - e) Approval of the 2019 Board of Directors Meeting Calendar MOTION
- 5) Public Comment For Items Not on the Agenda
Public comment by each individual speaker shall be limited two (2) minutes. Items raised that require a response will be deferred for staff reply.
- 6) Report of the Chair
- 7) San Mateo County Transit District Liaison Report

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

San Mateo County Transportation Authority Meeting
Agenda for November 1, 2018

8) Joint Powers Board Report

9) Report of the Executive Director

10) Finance

a) Acceptance of Quarterly Investment Report for the Period Ending September 30, 2018 MOTION

11) Program

a) 25th Avenue Grade Separation Project INFORMATIONAL

b) Caltrain Business Plan INFORMATIONAL

c) State and Federal Legislative Update INFORMATIONAL

12) Requests from the Authority

13) Written Communications to the Authority

14) Date/Time of Next Regular Meeting: Thursday, December 6, 2018, 5:00 p.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, San Carlos Avenue, San Carlos, CA 94070

15) Report of Legal Counsel

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

16) Adjourn

INFORMATION FOR THE PUBLIC

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

If you have questions on the agenda, please contact the Authority Secretary at 650-508-6279. 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 650-508-6279, or TTY 650-508-6448.

Availability of Public Records

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

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

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CA 94070
MINUTES OF OCTOBER 4, 2018**

MEMBERS PRESENT: D. Horsley (Chair), E. Beach, K. Matsumoto, R. Medina

MEMBERS ABSENT: M. Freschet, C. Groom, C. Johnson (Vice Chair)

STAFF PRESENT: J. Hartnett, C. Mau, A. Chan, C. Fromson, J. Hurley, M. Cheung,
G. Martinez, S. van Hoften, C. Gumpal, J. Brook

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair Horsley called the meeting to order at 5:01 pm and led the Pledge of Allegiance.

ROLL CALL

Acting District Secretary Gumpal called the roll. A quorum was present.

REPORT OF THE CITIZENS ADVISORY COMMITTEE

Chair Horsley noted that the Citizens Advisory Committee Chair's summary report was contained in the reading file.

CONSENT CALENDAR

- Approval of Minutes of the Board of Directors Meeting of September 6, 2018

Motion/Second: Medina/Beach

Ayes: Beach, Matsumoto, Medina, Horsley

Absent: Freschet, Groom, Johnson

- Acceptance of Statement of Revenues and Expenditures for August 2018

Director Matsumoto inquired about the May Statement of Revenues and Expenditures, seeking information about the differing amounts of the half-cent sales tax receipts compared to SamTrans' receipts and about increases to administrative costs.

Responding, Grace Martinez, Director of Finance, stated she would provide supplemental information at or before the next board meeting.

Motion/Second: Matsumoto/Medina

Ayes: Beach, Matsumoto, Medina, Horsley

Absent: Freschet, Groom, Johnson

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

None.

REPORT OF THE CHAIR

None.

SAN MATEO COUNTY TRANSIT DISTRICT LIAISON REPORT

Director Matsumoto provided highlights of the last SamTrans board meeting, noting an interesting presentation on a microtransit pilot program (a demand-responsive type of public transit).

PENINSULA CORRIDOR JOINT POWERS BOARD REPORT

Jim Hartnett, Executive Director, discussed the special Caltrain meeting held earlier in the day, when the Caltrain Business Plan was discussed. He also noted a lengthy workshop during the regular meeting, when the Board members provided input on development of a new Caltrain fare policy.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Hartnett noted that a brief report was contained in the Board's reading file.

FINANCE

Support Measure W, the half-cent Countywide Sales Tax to Invest in Transportation and Public Transit

Casey Fromson, Director of Government and Community Affairs, stated that Measure W, a half-cent countywide sales tax will appear on the November 2018 ballot. She discussed the preliminary work that led up to placing the measure on the ballot, including outreach and informative sessions conducted by a stakeholders' advisory group. The outreach resulted in formulating 11 core principles which were contained in the measure. Those principles would become the guidelines of how to expend the half-cent sales tax. The measure provides for the San Mateo County Transit District to administer one half of the tax revenues for transit-related uses. The Transportation Authority would administer the other half of tax revenues, in accordance with an investment plan included in the measure, on projects in categories such as highway projects, pothole and local street repairs, bicycle/pedestrian improvement, regional public transit connections, and more. Ms. Fromson also highlighted other provisions contained in the measure, such as formation of a 15-member independent oversight committee.

Director Beach commented on the measure's core principles that would be the guiding principles for future projects. Directors Matsumoto and Chair Horsley discussed the importance of voter education on the ballot measure. Chair Horsley expressed appreciation for the coalition of stakeholders who participated in developing the investment plan, which he believes has resulted in widespread support for the measure. Director Beach added that with the uncertainty of Senate Bill 1 funding, Measure W would be locally controlled with a citizens' oversight committee and a 30-year sunset on the sales tax.

After discussion, a motion to adopt the Resolution in support of Measure W was proposed.

Approved by TA Resolution No. 2018-22:

Motion/Second: Beach/Matsumoto

Ayes: Beach, Matsumoto, Medina, Horsley

Absent: Freschet, Groom, Johnson

PROGRAM

Highway Program US 101/Willow Interchange

Joe Hurley, Director, Transportation Authority, provided an extensive presentation on the US 101/Willow Interchange project, a full cloverleaf reconstruction. He discussed the scope of work (reconstruction/widening of the Willow interchange), its benefits, project cost (\$83.4 million) and sources of funding.

Mr. Hurley reviewed the remaining construction activities on the project, road closures, project challenges and associated solutions that have been employed, for an expected completion in spring of 2019.

Director Beach commented on shuttle services and protection for pedestrian and bicyclists during construction.

Chair Horsley noted the significant difference the project has made on the freeway even before it has been completed.

State and Federal Legislative Update

Ms. Fromson reported that AB 2865 was signed by Governor Brown and noted that a new legislative year would be starting up soon. Director Beach discussed Proposition 6 (the statewide measure to repeal SB 1).

REQUESTS FROM THE AUTHORITY

None.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

Chair Horsley noted that there was no correspondence.

REPORT OF LEGAL COUNSEL

No report.

DATE/TIME OF NEXT REGULAR MEETING

Chair Horsley announced the time and location of the next meeting: Thursday, November 1, 2018, 5 p.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, San Carlos Avenue, San Carlos, CA

ADJOURN

The meeting adjourned at 5:43 pm.

An audio/video recording of this meeting is available online at www.smcta.com. Questions may be referred to the Board Secretary's office by phone at 650.508.6279 or by email to board@smcta.com.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**CITIZENS ADVISORY COMMITTEE (CAC)
MEETING MINUTES**

October 2, 2018

MEMBERS PRESENT: K. Bond, A. Chen, K. Chin, E. El-Dardiry, J. Fox (Vice Chair),
R. Hedges, K. Kuklin, J. Londer, O. O'Neill, M. Rendon, W. Warhurst

MEMBERS ABSENT: B. Arietta (Chair), D. Bautista, D. Ross-Jones

STAFF PRESENT: J. Hurley, D. Hansel, C. Fromson, P. Kwan, M. Cheung, J. Brook

Vice Chair John Fox called the meeting to order at 4:34 pm and requested that Rich Hedges lead the Pledge of Allegiance.

CAC Secretary Jean Brook called the roll. A quorum was present.

APPROVAL OF MINUTES OF THE TA CAC MEETING OF SEPTEMBER 4, 2018

Jeff Londer requested that the reference to him leaving prior to the end of the meeting be removed. The minutes were amended accordingly and then approved.

Motion/Second: Hedges/Chin

Ayes: K. Bond, A. Chen, K. Chin, J. Fox, R. Hedges, K. Kuklin, J. Londer, O. O'Neill,
W. Warhurst

Absent: B. Arietta, D. Bautista, E. El-Dardiry, D. Ross-Jones

PUBLIC COMMENT

None.

Essam El-Dardiry arrived at 4:36 pm.

TRANSPORTATION AUTHORITY BOARD MEETING AGENDA FOR OCTOBER 4, 2018

11 (b) State and Federal Legislative Update

Casey Fromson, Director of Government and Community, gave a summary of the status state and federal legislation concerning the Authority. She said there was a continuing federal appropriation through December 7, 2018.

William Warhurst asked about AB 2865 on the authorization to operate on the managed lanes. Ms. Fromson said that the Governor had not signed the bill.

10 (a) Support Measure W, the Half-cent Countywide Sales Tax to Invest in Transportation and Public Transit

Ms. Fromson reviewed the highlights of her staff report. She noted that Measure W was previously known as Get Us Moving (GUM) when it was within the purview of SamTrans. She summarized the GUM process and outlined the core principles of Measure W. She also indicated the percentage of money allotted to each funding category.

Karen Kuklin asked how the measure was tracking in any polls. Ms. Fromson said that the last poll done by SamTrans while the measure was still the GUM initiative was that 74 percent of likely voters would support the measure.

Mr. Londer asked what percentage of the vote was required for the measure to pass and Ms. Fromson responded that it required a two-thirds vote.

Motion/Second: Hedges/Rendon

Ayes: K. Bond, A. Chen, K. Chin, E. El-Dardiry, J. Fox, R. Hedges, K. Kuklin, J. Londer, O. O'Neill, W. Warhurst

Absent: B. Arietta, D. Bautista, D. Ross-Jones

The following agenda items were taken out of order.

4 (b) Acceptance of Statement of Revenues and Expenses for August 2018

Rich Hedges noted that sales tax revenue had dropped. He said the TA needed to engage the new Supreme Court ruling that they could collect sales tax from the Internet.

Derek Hansel, Chief Financial Officer, responded that they didn't have sales tax figures for August because of the lag in receiving the sales tax report. He concurred that sales tax would now be collected on online purchases due to the recent legislation.

Mr. Hurley said that the Self-Help County Coalition estimates sales tax leakage as being 10 percent, which would grow as more purchases are done online.

Mr. Londer asked about higher interest rates on certain investments. Mr. Hansel said he would check into it and let him know.

11 (a) Program Report: Highway Program US 101/Willow Interchange

Pam Kwan, TA Project Manager, gave a presentation about the US 101/Willow Road interchange construction project and October 5-8 closure.

Vice Chair Fox asked about the temporary pedestrian walkway. Ms. Kwan showed that the ADA-compliant walkway will connect to existing sidewalks on either side. He asked about the detour plan for the closure. Ms. Kwan said University Avenue could be used.

An Chen asked about the new partial cloverleaf configuration, mentioning that lessons could be learned from the Highway 92/El Camino Real interchange in San Mateo. She asked about having additional signage. Ms. Kwan said she would bring that comment back to her project team.

William Warhurst says at the 92 interchange, it feels unsafe because the buildings are very close to the sidewalk and the visibility is poor. Ms. Kwan said that Caltrans has purposely tightened up the curve return to discourage speeding at the exits.

Mr. Hurley reflected on Ms. Chen's comment on southbound El Camino going to eastbound 92, saying that while the exit has two lanes, motorists are only using one lane, i.e., the exit has an underutilized capacity. Mr. Warhurst concurred.

Ken Chin said he had been an engineer on the 82/92 project. He added that people are not used to the layout of the exit yet. Ms. Chen said that the 101/Willow interchange could implement some changes, such as putting up signs, that help motorists make the transition to using the new interchange. Mr. Hedges said he avoided using the second outside lane at the 82/92 interchange.

Mr. Chin asked if the project included a no-right-turn-on-red designation, which he said he feels is safer.

Mr. Hurley summed up by saying that the project team would take a look at the 92/El Camino interchange issues and see if they could accelerate the learning curve through better signage.

Vice Chair Fox said that street sweeping will not be able to accommodate the bike lane behind the barrier and could become unridable very quickly. Mr. Hurley said the City of Menlo Park would typically take responsibility for maintenance of the interchange from the deck up. Mr. Chin concurred with Vice Chair Fox. He said that the problem could be resolved by having all lanes at the same grade.

4 (a) Approval of Minutes of the Board of Directors Meeting of September 4, 2018

There were no comments on the minutes.

REPORT OF THE CHAIR

Vice Chair Fox expressed his appreciation for prior reports from Chair Barbara Arietta.

REPORT FROM STAFF

Mr. Hurley announced there would be a workshop regarding the owner/operator of the 101 managed lanes facility on November 16, 1:00 to 3:00 pm, which he said was originally scheduled for September.

He said that SamTrans recently approved their business plan and that the TA was supportive of all SamTrans' stated objectives.

MEMBER COMMENTS/REQUESTS

Mr. Londer noted that there was an electric vehicle (EV) expo at the San Mateo County Center on October 3.

Ms. Chen said she had heard KGO Channel 7 television news reports that San Mateo County had a longstanding law where it cannot prosecute fare evasion on BART. Mr. Hurley said he would report this to the SamTrans media department.

Mr. Hedges said that the County is not part of the BART system, so it has no jurisdiction over fare evaders. He said that the County Board of Supervisors needed to change this.

Kate Bond said that BART had also decided not to prosecute kids under a certain age. Mr. Hedges said that some communities such as San Francisco had programs that funded BART trips to school. Mr. Hurley said that the TA would investigate these reports and have Ms. Brook would email responsive information to the Committee.

Mr. Chin said that the City of San Mateo began their process to update their General Plan, which includes traffic.

Mr. Hedges announced that he was looking forward to participating as a new member of the Caltrain Business Plan Committee.

DATE, TIME, AND PLACE OF NEXT REGULAR MEETING

Vice Chair Fox announced that the next meeting would be held on Tuesday, October 30, 2018 at 4:30 pm, 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA.

ADJOURNMENT

The meeting adjourned at 5:46 pm.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **UNAUDITED STATEMENT OF REVENUES AND EXPENDITURES FOR THE PERIOD
ENDING JUNE 30, 2018**

ACTION

Staff proposes that the Board accept and enter into the record the unaudited Statement of Revenues and Expenditures for the month of June 2018 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 June year-to-date, the Total Revenues (page 1, line 7) are \$6.2 million higher than prior year. This is primarily driven by higher Sales Tax revenue (page 1, line 1), Grant Proceeds (page 1, line 5), and Interest Income (page 1, line 2).

Year to Date Expenses: As of June year-to-date, the Total Expenditures (page 1, line 26) are \$110.0 million higher than prior year. This is primarily driven by Measure A Categories (page 1, line 15) with \$51.5 million spent for Caltrain Electrification project, \$34.8 million spent for 101 Interchange to Willow project, \$17.7 million spent for 25th Avenue Grade Separation, and \$12.7 million spent for SR92 El Camino Real Ramp.

Budget Amendment:

There are no budget amendments for the month of June 2018.

Prepared By: Tiffany Chuang, Accountant
Jennifer Ye, Manager, General Ledger

650-622-7848
650-622-7890

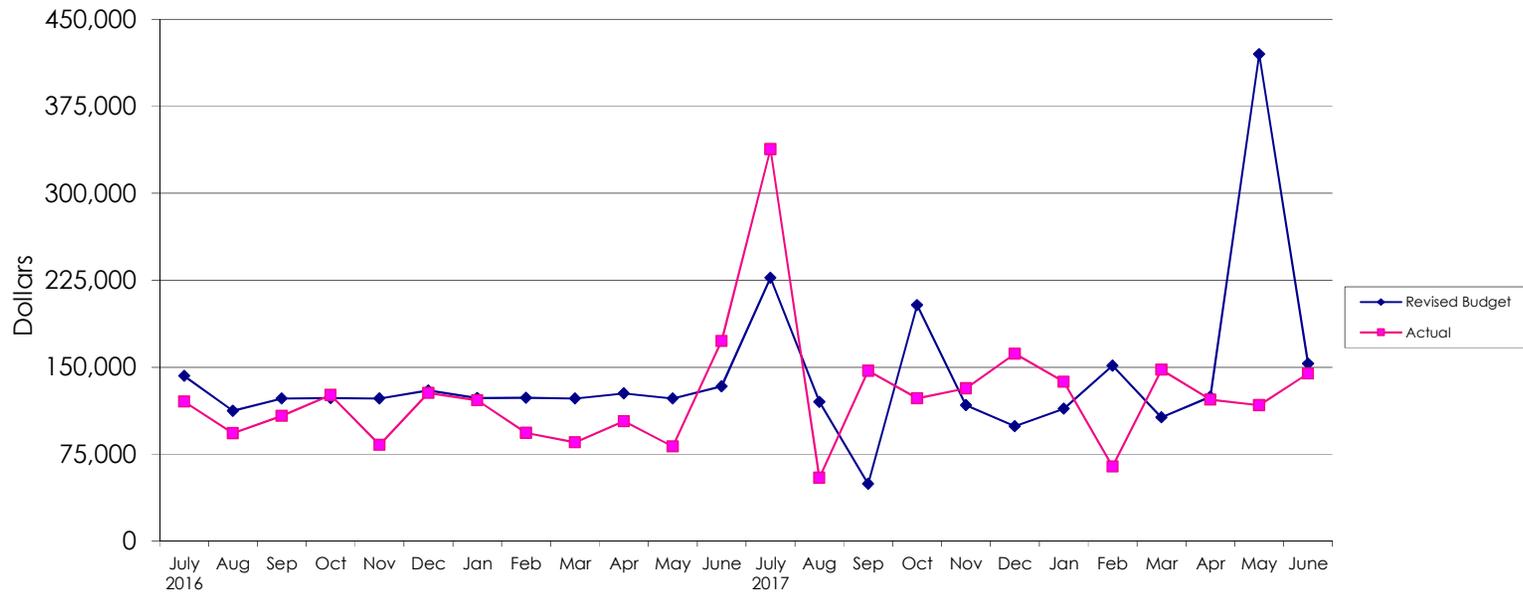
UNAUDITED
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
Fiscal Year 2018
June 2018

% OF YEAR ELAPSED: **100.0%**

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL*	\$ VARIANCE	% VARIANCE	BUDGET
REVENUES:					
1 Sales Tax	84,354,070	87,817,926	3,463,856	4.1%	84,660,000
2 Interest Income	5,247,764	6,301,821	1,054,057	20.1%	3,700,000
3 Miscellaneous Income	0	1,500	1,500	0.0%	0
4 Rental Income	1,223,663	1,073,673	(149,990)	(12.3%)	792,930
5 Grant Proceeds	1,210,306	3,038,578	1,828,271	151.1%	222,000
TOTAL REVENUE	92,035,803	98,233,497	6,197,694	6.7%	89,374,930
EXPENDITURES:					
11 Annual Allocations	30,789,235	32,228,323	1,439,088	4.7%	30,900,900
13 Dumbarton Maintenance of Way	125,908	214,289	88,381	70.2%	260,000
15 Measure A Categories	38,292,943	145,905,578	107,612,635	281.0%	54,001,394
17 Oversight	1,220,649	1,739,952	519,303	42.5%	1,800,000
19 Administrative					
20 Staff Support	654,582	1,018,372	363,790	55.6%	1,161,563
21 Measure A Info-Others	120	5,373	5,253	4377.8%	15,000
22 Other Admin Expenses	661,603	665,616	4,013	0.6%	709,301
Total Administrative	1,316,306	1,689,362	373,056	28.3%	1,885,864
TOTAL EXPENDITURES	71,745,042	181,777,504	110,032,462	153.4%	88,848,158
EXCESS (DEFICIT)	20,290,761	(83,544,007)	(103,834,768)	(511.7%)	526,773
BEGINNING FUND BALANCE	479,742,406	489,178,290			489,178,290
ENDING FUND BALANCE	500,033,167	405,634,283			489,705,063

* Year-to-date expenditures include the use of the carryover of budget appropriation from prior years

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	99,000	114,107	151,401	106,760	124,407	420,006	152,968
Actual	338,084	54,648	146,873	123,195	131,821	161,530	137,477	64,215	147,869	121,977	117,147	144,526
CUMULATIVE EXPENSES												
Staff Projections	227,128	347,135	396,466	600,034	717,215	816,215	930,322	1,081,723	1,188,483	1,312,890	1,732,896	1,885,864
Actual	338,084	392,732	539,605	662,800	794,621	956,151	1,093,628	1,157,843	1,305,712	1,427,689	1,544,836	1,689,362
Variance-F(U)	(110,956)	(45,597)	(143,139)	(62,766)	(77,406)	(139,936)	(163,306)	(76,120)	(117,229)	(114,799)	188,060	196,502
Variance %	-48.85%	-13.14%	-36.10%	-10.46%	-10.79%	-17.14%	-17.55%	-7.04%	-9.86%	-8.74%	10.85%	10.42%



DON HORSLEY, CHAIR
CAMERON
JOHNSON, VICE CHAIR
CAROLE GROOM
MAUREEN FRESCHET
EMILY BEACH
RICO E. MEDINA
KARYL MATSUMOTO

JIM HARTNETT
EXECUTIVE DIRECTOR

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

CAPITAL PROJECT RESERVES

AS OF JUNE 30, 2018

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET VALUE
County Pool #2	*	Liquid Cash	1.835%	\$ 251,783,240	\$ 251,783,240
Local Agency Investment Fund	**	Liquid Cash	1.854%	\$ 993,707	\$ 993,707
Investment Portfolio	***	Liquid Cash	1.911%	\$ 158,759,692	\$ 156,439,319
Other		Liquid Cash	0.000%	\$ 3,285,650	\$ 3,285,650
	****			<u>\$ 414,822,288</u>	<u>\$ 412,501,915</u>

Accrued Earnings for June 2018 \$ 691,915
Cumulative Earnings FY2018 \$ 6,732,392

* County Pool average yield for the month ending June 30, 2018 was 1.835%. As of June 2018, the total cost of the Total Pool was \$4,858,642,498 and the fair market value per San Mateo County Treasurer's Office was \$4,844,458,821.

** 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.

**** May not foot due to rounding.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
INTEREST ON INVESTMENTS
June 30, 2018**

DESCRIPTION	TOTAL INVESTMENT 06-30-18	GASB 31 adj	MARKET VALUE INVESTMENT 06-30-18	INTEREST RECEIVABLE 06-30-18	PREPAID INT RECEIVABLE 06-30-18	INTEREST EARNED 06-30-18	INTEREST RECEIVED 06-30-18	ADJ.	INTEREST RECEIVABLE 06-30-18
LAIF	993,707.17	(1,861.34)	991,845.83	2,835.94	0.00	1,514.25		365.03	4,715.22
COUNTY POOL	251,783,239.73	(1,138,060.24)	250,645,179.49	651,716.55	0.00	373,696.71		42,973.56	1,068,386.82
BANK OF AMERICA	2,419,718.41		2,419,718.41	0.00	0.00				0.00
WELLS FARGO	0.00		0.00	0.00	0.00				0.00
US BANK (Cash on deposit)	865,931.16		865,931.16	0.00	0.00				0.00
INVESTMENT PORTFOLIO	158,759,691.87	(2,070,313.23)	156,689,378.64	570,336.89	0.00	316,703.92	154,736.99		732,303.82
			0.00						
	<u>414,822,288.34</u>	<u>(3,210,234.81)</u>	<u>411,612,053.53</u>	<u>1,224,889.38</u>	<u>0.00</u>	<u>691,914.87</u>	<u>154,736.99</u>	<u>43,338.59</u>	<u>1,805,405.85</u>

JUNE 2018 -- SUMMARY OF INTEREST & CAPITAL GAIN

Interest Earned Per Report	06/30/18	691,914.87
Add:		
Less:		
Management Fees		(10,207.59)
Amortized Premium/Discount		10,412.30
Capital Gain(Loss)		(13,318.06)
Total Interest & Capital Gain(Loss)		<u>678,801.52</u>

YEAR TO DATE -- SUMMARY

Interest Earned	6,732,392.01
Add:	
Less:	
Management Fees	(124,632.97)
Amortized Premium/Discount	10,412.30
Capital Gain(Loss)	(531,136.38)
Total Interest	<u>6,087,034.96</u>

Balance Per Ledger a 05/31/18	
Amortization of Premium/Discount	10,412.30
Management/Bank Fees	(124,632.97)
Interest- County Pool	3,832,027.43
Interest - LAIF	13,694.50
Interest - Portfolio Funds	2,886,670.08
Gain(Loss)	(531,136.38)
	<u>6,087,034.96</u>

INVESTMENT PORTFOLIO
June 30, 2018

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 6/30/2018	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST REC'VBLE 5/31/2018	PREPAID INT REC'VBLE 5/31/2018	INTEREST EARNED 6/30/2018	INTEREST RECEIVED	INTEREST REC'VBLE 6/30/2018	PAR VALUE
SECURITIES MANAGED BY INVESTMENT ADVISOR:														
U.S. TREASURY NOTES AND BONDS														
US TREASURY NOTE	912828Q78	01-05-17	2,519,001.56	2,483,362.73	04-30-21	1.375%	98.1597	31	3,072.83		2,880.77	-	5,953.60	2,570,000
US TREASURY NOTE	912828F62	09-09-15	602,414.06	592,546.80	10-31-19	1.500%	25.0000	31	786.89		737.70	-	1,524.59	600,000
US TREASURY NOTE	912828VF4	12-07-15	498,470.51	494,090.99	05-31-20	1.375%	19.2882	31	18.97		569.16	-	588.13	505,000
US TREASURY NOTE	912828VP2	08-01-17	1,638,431.83	1,567,230.57	07-31-20	2.000%	88.0556	31	10,595.86		2,627.07	-	13,222.93	1,585,000
US TREASURY NOTE	912828x47	05-01-17	12,596,751.95	12,517,540.80	04-30-22	1.875%	671.8750	31	21,032.61		19,718.07	-	40,750.68	12,900,000
US TREASURY NOTE	912828L32	06-29-16	341,124.22	326,677.26	08-31-20	1.375%	12.7951	31	1,176.87		379.64	-	1,556.51	335,000
US TREASURY NOTE	912828R77	03-17-17	3,409,082.03	3,377,636.50	05-31-21	1.375%	133.6806	31	131.49		3,944.67	-	4,076.16	3,500,000
US TREASURY NOTE	912828D72	04-05-17	8,472,773.45	8,236,267.20	08-31-21	2.000%	466.6667	31	43,160.22		13,922.65	-	57,082.87	8,400,000
US TREASURY NOTE	912828T67	08-03-17	9,862,746.09	9,601,679.55	10-31-21	1.250%	348.9583	31	10,983.61		10,297.13	-	21,280.74	10,050,000
														25.49%
FEDERAL AGENCY COLLATERIZED MORTGAGE OBLIGATIONS														
FNA 2018-MS-A2	313681XP4	4-30-18	1,045,388.28	1,039,493.60	09-25-21	3.560%	101.36	31	3,040.83		3,040.83	3,040.83	3,040.83	1,025,000
FHLMC	31378M6P6	4-9-18	806,812.50	800,310.64	08-25-22	3.090%	68.67	31	2,060.00		2,060.00	2,060.00	2,060.00	800,000
FNA 2014-M6 A2	3136A1G55	12-15-16	3,270,026.30	3,173,237.24	05-25-21	2.679%	238.52	31	7,263.64		7,196.73	7,306.13	7,154.24	3,205,171.65
FANNIE MAE	3136AQDQ0	10-30-15	477,782.72	470,621.46	09-01-19	1.646%	21.63	31	672.84		672.88	696.86	648.86	473,045.68
														3.47%
FEDERAL AGENCY NOTES AND BONDS														
FHLB	3130A8Q55	07-15-16	3,180,540.80	3,062,137.60	07-14-21	1.125%	100.00	31	13,700.00		3,000.00	-	16,700.00	3,200,000
FNMA	3135G0N82	08-19-16	822,177.68	789,343.50	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	2,559,386.50	08-17-21	1.250%	92.88	31	12,638.88		3,645.83	-	16,284.71	2,675,000
FNMA	3135G0P49	09-02-16	698,908.00	688,551.50	08-28-19	1.000%	19.44	31	1,808.33		583.34	-	2,391.67	700,000
FHLB	3130A9EP2	09-09-16	4,695,911.00	4,618,624.20	09-26-19	1.000%	130.56	31	8,486.11		3,916.67	-	12,402.78	4,700,000
FHLMC	3137EAEJ4	09-29-17	988,208.10	968,458.59	09-29-20	1.625%	44.69	31	2,770.63		1,340.62	-	4,111.25	990,000
FNMA	3135G0T29	02-28-17	1,953,748.80	1,921,960.50	02-28-20	1.500%	81.46	31	7,575.62		2,443.75	-	10,019.37	1,955,000
FNMS	3135G0T60	08-01-2017	897,273.00	879,555.60	07-30-20	1.250%	31.25	31	4,537.50		1,125.00	-	5,662.50	900,000
FHLB	3130ACE26	09-08-17	363,828.35	354,871.25	09-28-20	1.375%	13.94	31	878.28		418.23	-	1,296.51	365,000
FHLMC	3137EAEF2	04-20-17	2,690,766.00	2,643,880.50	04-20-20	1.375%	103.13	31	4,228.13		3,093.75	-	7,321.88	2,700,000
														11.98%
CORPORATE NOTES														
TOYOTA MOTOR	89236TDH5	10-18-16	1,149,425.00	1,133,834.45	10-18-19	1.550%	49.51	31	2,129.10		1,485.41	-	3,614.51	1,150,000
TOYOTA MOTOR CREDIT	89236TDM4	01-09-17	799,720.00	796,644.80	01-09-19	1.700%	37.78	31	5,364.44		1,133.34	-	6,497.78	800,000
TOYOTA MOTOR CREDIT	89236TEU5	4-13-18	1,199,520.00	1,193,816.40	04-13-21	2.950%	98.33	31	4,720.00		2,950.00	-	7,670.00	1,200,000
UNILEVER CAPITAL	904764A20	03-22-18	1,193,868.00	1,190,559.60	03-22-21	2.750%	91.67	31	6,325.00		2,750.00	-	9,075.00	1,200,000
MORGAN STANLEY	6174467P8	11-10-16	3,516,187.50	3,290,619.15	07-24-20	5.500%	481.25	31	61,118.75		14,437.50	-	75,556.25	3,150,000
PRIZER INC	717081EB5	11-21-16	2,078,502.40	2,049,885.76	12-15-19	1.700%	98.22	31	16,304.89		2,946.67	17,680.00	1,571.56	2,080,000
JOHN DEERE CAPITAL C	24422ETM1	01-06-17	1,199,220.00	1,197,226.80	10-15-18	1.650%	55.00	31	2,530.00		1,650.00	-	4,180.00	1,200,000
JOHN DEERE CAPITAL C	24422ETL3	03-15-17	681,979.15	670,251.27	01-06-22	2.650%	50.42	31	7,311.42		1,512.71	-	8,824.13	685,000
CATERPILLAR FINL	14913Q2A6	09-07-17	1,099,076.00	1,071,191.00	09-04-20	1.850%	56.53	31	4,917.92		1,695.83	-	6,613.75	1,100,000
GOLDMAN SACHS	38141GGQ1	11-28-16	3,035,092.50	2,890,057.50	07-27-21	5.250%	401.04	31	49,729.17		12,031.25	-	61,760.42	2,750,000
AMERICAN HONDA	02665WAH4	12-20-16	3,165,655.50	3,132,022.95	08-15-19	2.250%	196.88	31	20,868.75		5,906.25	-	26,775.00	3,150,000
BANK OF AMERICA	06051GGS2	09-18-17	965,000.00	943,390.76	10-01-21	2.328%	62.40	31	3,744.20		1,872.10	-	5,616.30	965,000
BANK OF AMERICA	06051GPW4	04-19-16	176,358.00	171,915.98	04-19-21	2.625%	12.76	31	535.94		382.81	-	918.75	175,000
BANK OF AMERICA	06051GHH5	5-17-18	400,000.00	399,862.80	05-17-22	3.499%	38.88	31	544.29		1,166.33	-	1,710.62	400,000
CITIGROUP INC	172967LF6	01-10-17	1,574,370.00	1,557,311.18	01-10-20	2.450%	107.19	31	15,113.44		3,215.62	-	18,329.06	1,575,000
MICROSOFT CORP	594918BV5	02-06-17	1,518,981.60	1,500,577.44	02-06-20	1.850%	78.11	31	8,982.78		2,343.33	-	11,326.11	1,520,000

INVESTMENT PORTFOLIO
June 30, 2018

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 6/30/2018	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST REC'VBLE 5/31/2018	PREPAID INT REC'VBLE 5/31/2018	INTEREST EARNED 6/30/2018	INTEREST RECEIVED	INTEREST REC'VBLE 6/30/2018	PAR VALUE
SECURITIES MANAGED BY INVESTMENT ADVISOR:														
BERKSHIRE HATHAWAY	084670BL1	12-23-16	3,167,829.00	3,132,237.15	08-14-19	2.100%	183.75	31	19,661.25		5,512.50		25,173.75	3,150,000
WALT DISNEY	25468PDF8	03-06-17	659,828.40	649,064.46	03-04-20	1.950%	35.75	31	3,110.25		1,072.50		4,182.75	660,000
APPLE INC BONDS	037832CS7	05-11-17	1,323,648.50	1,302,549.20	05-11-20	1.800%	66.25	31	1,325.00		1,987.50	-	3,312.50	1,325,000
JP MORGAN CHASE & C	46625HDJ3	05-26-17	1,622,730.00	1,551,618.00	01-24-22	4.500%	187.50	31	23,812.50		5,625.00	-	29,437.50	1,500,000
HOME DEPOT INC	437074BQ4	06-05-17	749,565.00	736,509.75	06-05-20	1.800%	37.50	31	6,600.00		1,125.00	6,750.00	975.00	750,000
IBM CORP CORP NOTES	44932HAG8	02-06-18	1,499,265.00	1,485,784.50	02-05-21	2.650%	110.42	31	12,697.92		3,312.50	-	16,010.42	1,500,000
NATIONAL RURAL UTIL C	63743HER9	02-26-18	1,495,605.00	1,488,841.51	03-15-21	2.900%	120.83	31	11,479.17		3,625.00	-	15,104.17	1,500,000
PEPSICO INC	71344BDX3	10-10-17	1,014,797.00	989,583.39	04-15-21	2.000%	56.39	31	2,593.89		1,691.67	-	4,285.56	1,015,000
WALMART STORES INC	931142EA7	10-20-17	1,547,752.50	1,518,590.80	12-15-20	1.900%	81.81	31	18,079.03		2,454.17	19,224.31	1,308.89	1,550,000
BRANCH BANKING & TRI	05531FAZ6	10-26-17	749,655.00	729,375.75	02-01-21	2.150%	44.79	31	5,375.00		1,343.75	-	6,718.75	750,000
HERSHEY COMPANY	427866BA5	5-10-18	629,565.30	630,706.86	05-15-21	3.100%	54.25	31	1,139.25		1,627.50	-	2,766.75	630,000
AMERICAN EXPRESS	025816BU2	5-17-18	1,549,736.50	1,551,847.60	05-17-21	3.375%	145.31	31	2,034.38		4,359.37	-	6,393.75	1,550,000
CHARLES SCHWAB	808513AW5	5-22-18	964,971.05	968,856.14	05-21-21	3.250%	87.12	31	784.06		2,613.54	-	3,397.60	965,000
														25.18%
COMMERCIAL PAPERS														
BANK OF TOKYO MITSUB	06538CGL9	10-24-17	2,963,236.67	2,996,463.00	07-20-18	0.000%	0.00	31	0.00		0.00		0.00	3,000,000
MFCG BANK LTD/NY	62479MGB2	6-15-18	1,471,082.50	1,473,139.50	03-11-19	0.000%	0.00	31	0.00		0.00		0.00	1,500,000
DEXIA CREDIT	25214PJB0	6-26-18	3,141,111.11	3,140,984.64	03-18-19	0.000%	0.00	31	0.00		0.00		0.00	3,200,000
BNP PARIBAS NY BRANC	09659CCK3	01-22-18	3,151,221.33	3,177,062.40	10-19-18	0.000%	0.00	31	0.00		0.00		0.00	3,200,000
ING (US) FUNDING LLC	4497W1G26	10-13-17	3,063,902.22	3,099,497.80	07-02-18	0.000%	0.00	31	0.00				0.00	3,100,000
														8.82%
CERTIFICATE OF DEPOSIT														
CANADIAN IMPERIAL B	13606A5Z7	12-05-16	1,898,518.00	1,895,033.40	11-30-18	1.760%	92.89	31	303.11		3,138.66	469.33	2,972.44	1,900,000
SVENSKA HANDELSBANK	86958JH88	01-12-17	3,100,000.00	3,086,536.70	01-10-19	1.890%	162.75	31	23,110.50		4,882.50	-	27,993.00	3,100,000
BANK OF NOVA SCOTIA	06417GUE6	04-06-17	1,500,000.00	1,491,288.00	04-05-19	1.910%	79.58	31	9,374.92		2,896.83	5,348.00	6,923.75	1,500,000
BANK OF NOVA SCOTIA	06417GU22	6-7-18	1,599,392.00	1,608,878.40	06-05-20	3.080%	136.89	31	0.00		3,285.33	-	3,285.33	1,600,000
ROYAL BANK OF CAN	78012JEE1	6-8-18	2,750,000.00	2,769,354.50	06-07-21	3.240%	247.50	31	0.00		5,692.50	-	5,692.50	2,750,000
SWEDBANK	87019UD66	11-17-17	3,100,000.00	3,035,265.80	11-16-20	2.270%	195.47	31	3,127.56		5,864.16	-	8,991.72	3,100,000
SUMITOMO MITSUI BANK	86563YV40	05-04-17	3,100,000.00	3,086,618.80	05-03-19	2.050%	176.53	31	4,942.78		5,295.83	-	10,238.61	3,100,000
														10.75%
ASSET-BACKED SECURITY/COLLATERIZED MORTGAGE OBLIGATIONS														
CCCIT 2017-A2 A2	1730SEGA7	01-26-17	2,649,492.53	2,638,842.18	01-17-21	1.740%	128.08	31	17,163.17		3,842.50		21,005.67	2,650,000
ALLYA 2017-1 A3	02007PAC7	01-31-17	704,938.38	699,154.70	06-15-21	1.700%	33.29	31	532.68		998.75	998.75	532.68	705,000
ALLYA 2018-2 A3	02004VAC7	4-30-18	1,099,800.24	1,099,268.61	11-15-22	2.920%	89.22	31	1,427.56		2,676.67	2,676.67	1,427.56	1,100,000
FORDO 2017-A A3	34531EAD8	01-25-17	2,199,991.86	2,174,702.86	06-25-21	1.670%	102.06	31	1,632.89		3,061.67	3,061.67	1,632.89	2,200,000
TAOT 2017-A A3	89238MAD0	03-07-17	779,908.19	772,402.64	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	2,462,834.79	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	3,061,287.51	07-15-21	1.740%	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	570,726.21	09-18-21	1.790%	28.84	31	374.91		865.17	865.17	374.91	580,000
CCCIT 2017-A3 A3	1730SEG85	05-22-17	1,604,272.00	1,572,908.80	04-07-22	1.920%	85.33	31	4,608.00		2,560.00		7,168.00	1,600,000
TAOT 2018-A1 A1	89238BAD4	01-31-18	699,991.95	692,923.35	05-16-22	2.350%	45.69	31	731.11		1,370.83	1,370.83	731.11	700,000
CCCIT 2018-A1 A1	1730SEGK5	01-31-18	1,499,792.40	1,481,012.55	01-20-23	2.490%	103.75	31	12,553.75		3,112.50	-	15,666.25	1,500,000
JDOT 2018-A A3	47788CAC6	02-28-18	484,965.13	482,506.47	04-15-22	2.640%	35.84	31	573.38		1,075.08	1,075.08	573.38	485,000
JOHN DEERE ABS	47788AD6	07-18-17	999,926.80	985,471.50	10-15-21	1.820%	50.56	31	808.89		1,516.67	1,516.67	808.89	1,000,000
AMXCA 2018-1 A	02582JHQ6	3-21-18	2,609,696.98	2,603,092.37	10-17-22	2.670%	193.58	31	3,097.20		5,807.25	5,807.25	3,097.20	2,610,000
AMXCA 2017-4 A	02582JHG8	05-30-17	1,199,807.76	1,189,663.32	12-15-21	1.640%	54.67	31	874.67		1,640.00	1,640.00	874.67	1,200,000
														14.31%
SALE/PAYDOWN/MATURITY:														
CASH AND CASH EQ	31846V534								557.36		3,085.30	557.36	3,085.30	
	46640QFJ5								0.00		37,062.22	37,062.22	0.00	
	22533UF16								0.00		26,172.61	26,172.61	0.00	
TOTAL			158,759,691.87	156,439,318.83					570,336.89	0.00	316,703.92	154,736.99	732,303.82	158,648,217.33

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS
FY2018
JUNE 2018

Approved Budget		Receipts		Over/(Under)	Current																				
Date	Amount	Date	Amount	Budget/Projection	Projection																				
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																				
1st Qtr. Adjustment		Dec.17	3,472,138	3,472,138																					
3 Months Total	21,495,463		22,675,138	1,179,675	21,495,463																				
Oct. 17	6,484,778	Dec. 17	6,251,900	(232,878)	6,484,778																				
Nov. 17	6,279,663	Jan. 18	6,251,900	(27,763)	6,279,663																				
Dec. 17	9,645,126	Feb. 18	8,335,800	(1,309,326)	9,645,126																				
2nd Qtr. Adjustment		Mar. 18	3,537,277	3,537,277																					
6 Months Total	43,905,030		47,052,015	3,146,985	43,905,030																				
Jan. 18	5,525,697	Mar. 18	5,376,600	(149,097)	5,525,697																				
Feb. 18	5,504,678	Apr. 18	5,376,600	(128,078)	5,504,678																				
March 18 & Qtr Adj	7,882,317	May 18	9,073,309	1,190,992	7,882,317																				
9 Months Total	62,817,722		66,878,524	4,060,802	62,817,722																				
Apr. 18	6,117,920	Jun. 18	6,671,548	553,628	6,117,920																				
May 18	6,103,123	Jul. 18	7,480,942	1,377,819	6,103,123																				
Jun. 18	9,621,235	Aug. 18	6,786,911	(2,834,324)	9,621,235																				
FY2018 Total	84,660,000	FY2018 Total	87,817,926	3,157,926	84,660,000																				
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td style="width: 15%; text-align: right;">22,675,138</td> <td style="width: 65%;">1st Quarter</td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td style="text-align: right;">22,176,689</td> <td>2nd Quarter</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">20,963,783</td> <td>3rd Quarter</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">22,002,316</td> <td>4th Quarter</td> <td></td> </tr> <tr> <td></td> <td style="text-align: right;">87,817,926</td> <td>YTD Actual Per Statement of Revenue & Expenses</td> <td></td> </tr> </table>							22,675,138	1st Quarter			22,176,689	2nd Quarter			20,963,783	3rd Quarter			22,002,316	4th Quarter			87,817,926	YTD Actual Per Statement of Revenue & Expenses	
	22,675,138	1st Quarter																							
	22,176,689	2nd Quarter																							
	20,963,783	3rd Quarter																							
	22,002,316	4th Quarter																							
	87,817,926	YTD Actual Per Statement of Revenue & Expenses																							

(1)Accrued

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CASH AND INVESTMENTS AS OF JUNE 30, 2018

6/31/2018

Cash -- Bank of America Checking Account	2,419,718.41
Cash -- Wells Fargo Lockbox Account	0.00
Cash - US Bank (on deposit)	865,931.16
LAIF	993,707.17
County Pool	251,783,239.73
Investment Portfolio	158,759,691.87
Total	<u><u>414,822,288.34</u></u>

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CHECKS WRITTEN
JUNE 2018

Unit	Ref	Name	Amount	Method	Description
SMCTA	000173	OFFICE DEPOT	490.36	ACH	Office Supplies
SMCTA	000174	OFFICE DEPOT	320.69	ACH	Office Supplies
SMCTA	000175	URS CORPORATION	81,202.82	ACH	Consultants
SMCTA	000176	HORSLEY, DONALD	100.00	ACH	Board Member Compensation
SMCTA	000177	JOHNSON, CAMERON	100.00	ACH	Board Member Compensation
SMCTA	000178	FRESCHET, MAUREEN ANN	100.00	ACH	Board Member Compensation
SMCTA	000179	BEACH, EMILY RANDOLPH	100.00	ACH	Board Member Compensation
SMCTA	000180	MATSUMOTO, KARYL M.	100.00	ACH	Board Member Compensation
SMCTA	004689	APPLE ONE	7,572.64	CHK	Temporary Staffing
SMCTA	004690	HANSON BRIDGETT LLP	13,347.00	CHK	Legal Services
SMCTA	004691	KWAN, PAMELA	243.69	CHK	Dues & Subscriptions
SMCTA	004692	WILLIAMS, JENNIFER	178.54	CHK	Seminar & Training
SMCTA	004693	HANSON BRIDGETT LLP	1,486.00	CHK	Legal Services
SMCTA	004694	JACOBS ENGINEERING GROUP INC.	4,168.99	CHK	Consultants
SMCTA	004695	SAN MATEO, COUNTY OF	18,760.87	CHK	Capital Programs (1)
SMCTA	004696	SAN MATEO, COUNTY OF	18,683.79	CHK	Capital Programs (2)
SMCTA	004697	SAN MATEO, COUNTY OF	17,641.51	CHK	Capital Programs (3)
SMCTA	004698	HOLLAND & KNIGHT LLP	3,500.00	CHK	Legislative Advocate
SMCTA	004699	HURLEY, JOSEPH	1,406.35	CHK	Business Travel & Meeting
SMCTA	004700	KHOURI CONSULTING	4,050.00	CHK	Legislative Advocate
SMCTA	004701	SLAVIT, JOEL A	18.00	CHK	Business Travel & Meeting
SMCTA	004702	HANSON BRIDGETT LLP	7,865.00	CHK	Legal Services
SMCTA	004703	PUBLIC FINANCIAL MANAGEMENT, INC.	9,250.00	CHK	Investment Advisory Services
SMCTA	900122	DEPARTMENT OF TRANSPORTATION	2,926,006.88	WIR	Capital Programs (4)
			<u>3,116,693.13</u>		

- (1) FY17/FY18 Local Shuttles
- (2) FY17/FY18 Local Shuttles
- (3) FY17/FY18 Local Shuttles
- (4) 101 Interchange to Willow

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
SEPTEMBER 30, 2018**

ACTION

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of September 2018 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 September year-to-date, the Total Revenues (page 1, line 7) is \$850,698 higher than prior year actuals. This is primarily due to higher Sales Tax (page 1, line 1) and Interest Income (page 1, line 2).

Year to Date Expenses: As of September year-to-date, the Total Expenditures (page 1, line 26) are \$327,743 lower than prior year actuals. This is primarily due to the removal of Dumbarton Maintenance of Way project (page 1, line 13) which was transferred on a budgetary basis to SAMTR as of FY2019; and the reduction in Measure A Categories (page 1, line 15), with \$2.5 million less spent on SR92 El Camino Real Ramp project—offset partially by \$1.2 million more spent on 101 HOV Ln Whipple, San Bruno project.

Budget Amendment:

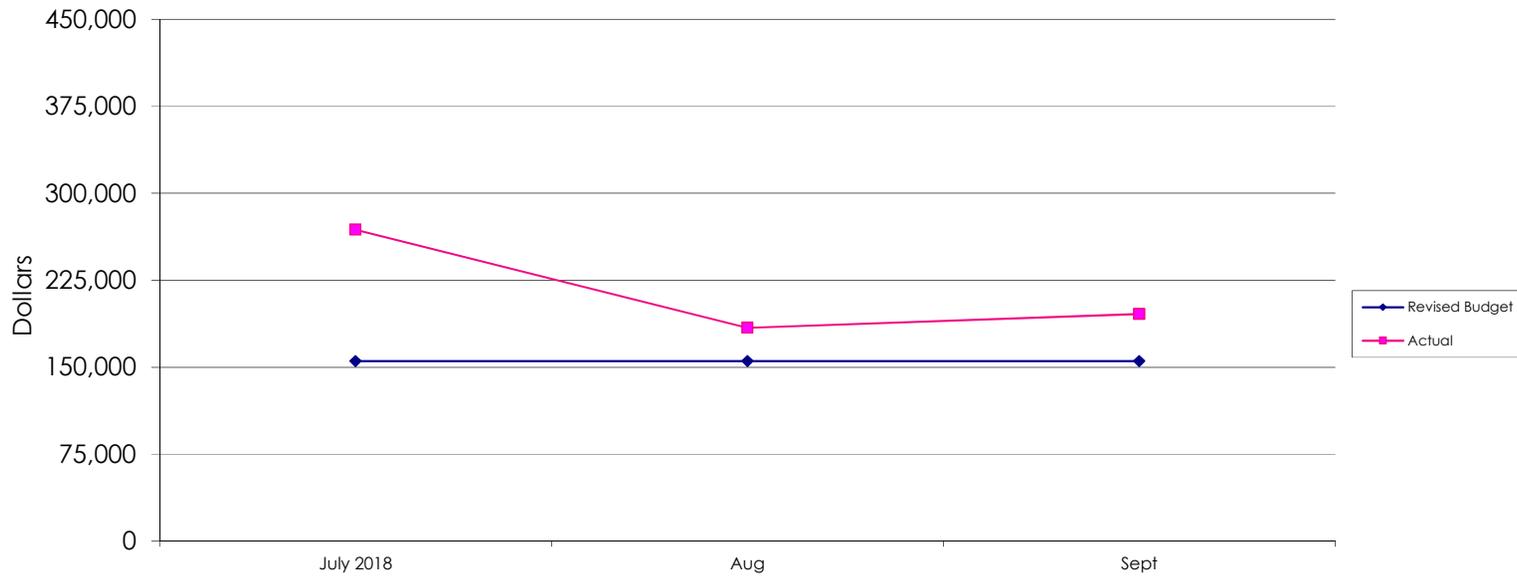
At the September 6, 2018 board meeting, as per resolution no. 2018–20, the Board approved an amendment of \$1,550,000 to Measure A Category. This reflects a commitment of \$1,550,000 in funding from SB-1 Local Partnership Program (LLP) to support the US-101/SR-92 Direct Connector portion of the 101 Corridor Managed lanes project. The overall impact to the FY2019 Budget is an increase in total expenditures, from \$126,199,681 to \$127,749,681.

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
Fiscal Year 2019
September 2018

% OF YEAR ELAPSED: 25.0%

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET*
REVENUES:					
1 Sales Tax	21,083,118	21,531,149	448,031	2.1%	86,353,200
2 Interest Income	1,583,526	2,136,977	553,451	35.0%	5,927,618
3 Miscellaneous Income	1,500	10,000	8,500	566.7%	50,000,000
4 Rental Income	300,772	141,488	(159,284)	(53.0%)	836,684
5 Grant Proceeds	-	-	-	0.0%	1,550,000
6					
7 TOTAL REVENUE	22,968,915	23,819,614	850,698	3.7%	144,667,502
8					
9 EXPENDITURES:					
10					
11 Annual Allocations	7,695,338	7,858,869	163,531	2.1%	31,518,918
12					
13 Dumbarton Maintenance of Way	55,442	-	(55,442)	(100.0%)	-
14					
15 Measure A Categories	6,351,296	5,744,156	(607,140)	(9.6%)	92,567,770
16					
17 Oversight	370,247	432,750	62,503	16.9%	1,800,000
18					
19 Administrative					
20 Staff Support	368,610	494,340	125,730	34.1%	1,121,306
21 Measure A Info-Others	-	-	-	0.0%	15,000
22 Other Admin Expenses	170,995	154,068	(16,926)	(9.9%)	726,687
23					
24 Total Administrative	539,605	648,408	108,804	20.2%	1,862,993
25					
26 TOTAL EXPENDITURES	15,011,928	14,684,184	(327,743)	(2.2%)	127,749,681
27					
28 EXCESS (DEFICIT)	7,956,988	9,135,430	1,178,441	14.8%	16,917,821
29					(12,952,980)
30					3,964,841
31					
32 BEGINNING FUND BALANCE	489,178,290	424,791,277			489,705,061
33					
34 ENDING FUND BALANCE	497,135,278	433,926,707			493,669,902
35					
36					
37					
38					
39 * Previously allocated \$12,952,980 of future years' budget to the 25th Avenue Grade Separation Project.					
40					
41					
42					
43					
44					
45					

SAN MATEO COUNTY TRANSPORTATION AUTHORITY ADMINISTRATIVE EXPENSES



Current Year Data

	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19	Apr '19	May '19	Jun '19
MONTHLY EXPENSES												
Revised Budget	155,249	155,249	155,250									
Actual	268,531	183,949	195,928									
CUMULATIVE EXPENSES												
Staff Projections	155,249	310,498	465,748									
Actual	268,531	452,480	648,408									
Variance-F(U)	(113,282)	(141,982)	(182,660)									
Variance %	-72.97%	-45.73%	-39.22%									



BOARD OF DIRECTORS
2018

DON HORSLEY, CHAIR
CAMERON JOHNSON, VICE
CHAIR
CAROLE GROOM
MAUREEN FRESCHET
EMILY BEACH
RICO E. MEDINA
KARYL MATSUMOTO

JIM HARTNETT
EXECUTIVE DIRECTOR

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

CAPITAL PROJECT RESERVES

AS OF SEPTEMBER 30, 2018

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET VALUE
County Pool #2	*	Liquid Cash	1.962%	\$ 246,419,537	\$ 246,419,537
Local Agency Investment Fund	**	Liquid Cash	2.063%	\$ 998,422	\$ 998,422
Investment Portfolio	***	Liquid Cash	1.972%	\$ 159,064,832	\$ 156,569,709
Other		Liquid Cash	0.000%	\$ 2,009,324	\$ 2,009,324
	****			<u>\$ 408,492,115</u>	<u>\$ 405,996,993</u>

Accrued Earnings for September 2018 \$ 685,770
Cumulative Earnings FY2019 \$ 2,074,820

* County Pool average yield for the month ending September 30, 2018 was 1.962%. As of September 2018, the total cost of the Total Pool was \$4,305,063,795 and the fair market value per San Mateo County Treasurer's Office was \$4,288,060,080.

** 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.

**** May not foot due to rounding.

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
INTEREST ON INVESTMENTS
September 30, 2018

DESCRIPTION	TOTAL INVESTMENT 09-30-18	INTEREST RECEIVABLE 08-31-18	PREPAID INT RECEIVABLE 08-31-18	INTEREST EARNED 09-30-18	INTEREST RECEIVED 09-30-18	ADJ.	INTEREST RECEIVABLE 09-30-18
LAIF	998,422.39	3,339.70	0.00	1,692.94	0.00		5,032.64
COUNTY POOL	246,419,537.33	797,383.48	0.00	390,120.14			1,187,503.62
BANK OF AMERICA	620,456.25	0.00	0.00				0.00
WELLS FARGO	0.00	0.00	0.00				0.00
US BANK (Cash on deposit)	1,388,867.31	0.00	0.00				0.00
INVESTMENT PORTFOLIO	156,569,709.49	575,037.21	0.00	293,957.02	151,771.67		717,222.56
	<u>405,996,992.77</u>	<u>1,375,760.39</u>	<u>0.00</u>	<u>685,770.10</u>	<u>151,771.67</u>	<u>0.00</u>	<u>1,909,758.82</u>

AUGUST 2018 -- SUMMARY OF INTEREST & CAPITAL GAIN

Interest Earned Per Report	08/31/18	685,770.10
Add:		
Less:		
Management Fees		10,161.42
Amortized Premium/Discount		(133,959.35)
Capital Gain(Loss)		<u>1,045.83</u>
Total Interest & Capital Gain(Loss)		<u><u>563,018.00</u></u>

YEAR TO DATE -- SUMMARY

Interest Earned	2,074,820.34
Add:	
Less:	
Management Fees	(30,053.48)
Amortized Premium/Discount	133,959.35
Capital Gain(Loss)	<u>(71,803.10)</u>
Total Interest	<u><u>2,106,923.11</u></u>
Balance Per Ledger as of 08/31/18	
Amortization of Premium/Discount	133,959.35
Management/Bank Fees	(30,053.48)
Interest- County Pool	1,187,503.63
Interest - LAIF	5,032.64
Interest - Portfolio Funds	882,284.07
Gain(Loss)	<u>(71,803.10)</u>
	<u><u>2,106,923.11</u></u>

INVESTMENT PORTFOLIO
September 30, 2018

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 9/30/2018	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST REC'VBLE 8/31/2018	PREPAID INT REC'VBLE 8/31/2018	INTEREST EARNED 9/30/2018	INTEREST RECEIVED	INTEREST REC'VBLE 9/30/2018	PAR VALUE
SECURITIES MANAGED BY INVESTMENT ADVISOR:														
U.S. TREASURY NOTES AND BONDS														
US TREASURY NOTE	912828Q78	01-05-17	2,519,001.56	2,475,231.25	04-30-21	1.375%	98.1597	31	11,907.20		2,880.78	-	14,787.98	2,570,000
US TREASURY NOTE	912828F62	09-09-15	602,414.06	592,429.80	10-31-19	1.500%	25.0000	31	3,049.18		737.71	-	3,786.89	600,000
US TREASURY NOTE	912828V4	12-07-15	498,470.51	493,380.96	05-31-20	1.375%	19.2882	31	1,764.40		569.16	-	2,333.56	505,000
US TREASURY NOTE	912828V2	08-01-17	1,638,431.83	1,542,277.44	07-31-20	2.000%	88.0556	31	2,756.52		2,584.24	-	5,340.76	1,585,000
US TREASURY NOTE	912828k47	05-01-17	12,596,751.95	12,446,990.70	04-30-22	1.875%	671.8750	31	81,501.36		19,718.07	-	101,219.43	12,900,000
US TREASURY NOTE	912828L32	06-29-16	341,124.22	326,023.01	08-31-20	1.375%	12.7951	31	37.76		377.56	-	415.32	335,000
US TREASURY NOTE	912828R77	03-17-17	3,409,082.03	3,366,016.50	05-31-21	1.375%	133.6806	31	12,228.48		3,944.68	-	16,173.16	3,500,000
US TREASURY NOTE	912828D72	04-05-17	8,472,773.45	8,194,594.80	08-31-21	2.000%	466.6667	31	1,826.09		13,695.65	-	15,521.74	8,400,000
US TREASURY NOTE	912828T67	08-03-17	9,862,746.09	9,565,951.80	10-31-21	1.250%	348.9583	31	42,561.48		10,297.13	-	52,858.61	10,050,000
US TREASURY NOTE	912828h30	08-03-18	2,812,773.44	2,805,863.10	12-31-22	2.125%	171.1806	31	10,549.93		5,023.78	-	15,573.71	2,900,000
US TREASURY NOTE	912828T19	09-07-18	4,263,308.59	4,238,451.45	08-15-22	1.625%	200.8681	31	0.00		4,716.03	(4,519.53)	9,235.56	4,450,000
														30.02%
FEDERAL AGENCY COLLATERIZED MORTGAGE OBLIGATIONS														
FNA 2018-M5-A2	313681XP4	4-30-18	986,952.26	976,832.02	09-25-21	3.560%	95.70	31	2,953.95		2,924.21	3,007.31	2,870.85	967,704
FHLMC	3137BM6P6	4-9-18	806,812.50	797,353.52	08-25-22	3.090%	68.67	31	2,060.00		2,060.00	2,060.00	2,060.00	800,000
FNA 2014-M6 A2	3136AJGG5	12-15-16	3,090,905.77	2,994,530.51	05-25-21	2.679%	225.45	31	6,771.61		6,762.35	6,771.61	6,762.35	3,029,603.63
FANNIE MAE	3136AQDQ0	10-30-15	276,020.65	272,244.43	09-01-19	1.646%	12.50	31	435.65		374.85	435.65	374.85	273,284.00
														3.18%
FEDERAL AGENCY NOTES AND BONDS														
FHLB	3130ABQS5	07-15-16	3,180,540.80	3,051,353.60	07-14-21	1.125%	100.00	31	4,700.00		3,000.00	-	7,700.00	3,200,000
FNMA	3135GONB2	08-19-16	822,177.68	788,068.88	08-17-21	1.250%	28.65	31	0.00		0.00	-	0.00	825,000
FNMA	3135GONB2	08-19-16	2,664,166.25	2,555,253.63	08-17-21	1.250%	92.88	31	1,701.38		3,645.83	-	5,347.21	2,675,000
FNMA	3135GOP49	09-02-16	698,908.00	689,910.90	08-28-19	1.000%	19.44	31	58.33		583.33	-	641.66	700,000
FHLB	3130A9EP2	09-09-16	549,521.50	541,090.00	09-26-19	1.000%	15.28	31	2,368.06		458.33	2,750.00	76.39	550,000
FHLMC	3137EAEJ4	09-29-17	988,208.10	967,121.10	09-29-20	1.625%	44.69	31	6,792.50		(6,703.12)	-	89.38	990,000
FNMA	3135GOT29	02-28-17	1,953,748.80	1,921,565.59	02-28-20	1.500%	81.46	31	244.37		2,443.75	-	2,688.12	1,955,000
FNMS	3135GOT60	08-01-2017	897,273.00	879,516.00	07-30-20	1.250%	31.25	31	1,142.50		1,125.00	-	2,287.50	900,000
FHLB	3130ACE26	09-08-17	363,828.35	354,723.43	09-28-20	1.375%	13.94	31	2,132.97		418.23	2,509.38	41.82	365,000
FHLMC	3137EAEF2	04-20-17	2,690,766.00	2,642,409.00	04-20-20	1.375%	103.13	31	13,509.38		3,093.75	-	16,603.13	2,700,000
														9.33%
CORPORATE NOTES														
TOYOTA MOTOR	89236TDH5	10-18-16	1,149,425.00	1,134,771.70	10-18-19	1.550%	49.51	31	6,585.35		1,485.42	-	8,070.77	1,150,000
TOYOTA MOTOR CREDIT CORP	89236TDM4	01-09-17	799,720.00	798,293.60	01-09-19	1.700%	37.78	31	1,964.44		1,133.33	-	3,097.77	800,000
TOYOTA MOTOR CREDIT CORP	89236TEU5	4-13-18	1,199,520.00	1,194,500.40	04-13-21	2.950%	98.33	31	13,570.00		2,950.00	-	16,520.00	1,200,000
UNILEVER CAPITAL	904764A20	03-22-18	1,193,868.00	1,188,436.80	03-22-21	2.750%	91.67	31	14,575.00		2,750.00	16,500.00	825.00	1,200,000
MORGAN STANLEY	6174467P8	11-10-16	3,516,187.50	3,268,219.50	07-24-20	5.500%	481.25	31	17,806.25		14,437.50	-	32,243.75	3,150,000
PRIZER INC	717081EB5	11-21-16	2,078,502.40	2,051,994.88	12-15-19	1.700%	98.22	31	7,464.89		2,946.67	-	10,411.56	2,080,000
JOHN DEERE CAPITAL CORP.	24422EIM1	01-06-17			10-15-18	1.650%	0.00	31	7,480.00		330.00	7,810.00	0.00	
JOHN DEERE CAPITAL CORP.	24422EIL3	03-15-17	681,979.15	671,186.29	01-06-22	2.650%	50.42	31	2,773.30		1,512.71	-	4,286.01	685,000
CATERPILLAR FINL	14913Q2A6	09-07-17	1,099,076.00	1,073,329.40	09-04-20	1.850%	56.53	31	10,005.42		1,695.83	10,175.00	1,526.25	1,100,000
GOLDMAN SACHS	38141GGQ1	11-28-16	3,035,092.50	2,879,241.75	07-27-21	5.250%	401.04	31	13,635.42		12,031.25	-	25,666.67	2,750,000
AMERICAN HONDA	02665WAH4	12-20-16	3,165,655.50	3,135,406.05	08-15-19	2.250%	196.88	31	3,150.00		5,906.25	-	9,056.25	3,150,000
BANK OF AMERICA	06051GGS2	09-18-17	965,000.00	944,110.65	10-01-21	2.328%	62.40	31	9,360.50		1,872.10	-	11,232.60	965,000
BANK OF AMERICA	06051GFW4	04-19-16	176,358.00	172,190.73	04-19-21	2.625%	12.76	31	1,684.38		382.81	-	2,067.19	175,000
BANK OF AMERICA	06051GHH5	5-17-18	400,000.00	399,780.40	05-17-22	3.499%	38.88	31	4,043.29		1,166.33	-	5,209.62	400,000

INVESTMENT PORTFOLIO
September 30, 2018

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 9/30/2018	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST REC'VBLE 8/31/2018	PREPAID INT REC'VBLE 8/31/2018	INTEREST EARNED 9/30/2018	INTEREST RECEIVED	INTEREST REC'VBLE 9/30/2018	PAR VALUE
SECURITIES MANAGED BY INVESTMENT ADVISOR:														
CITIGROUP INC	172967LF6	01-10-17	1,574,370.00	1,561,250.25	01-10-20	2.450%	107.19	31	5,466.56		3,215.63	-	8,682.19	1,575,000
MICROSOFT CORP	59491BBV5	02-06-17	1,518,981.60	1,501,562.40	02-06-20	1.850%	78.11	31	1,952.78		2,343.34	-	4,296.12	1,520,000
BERKSHIRE HATHAWAY	084670BL1	12-23-16	3,167,829.00	3,133,925.55	08-14-19	2.100%	183.75	31	3,123.75		5,512.50	-	8,636.25	3,150,000
WALT DISNEY	25468PDP8	03-06-17	659,828.40	651,023.34	03-04-20	1.950%	35.75	31	6,327.75		1,072.50	6,435.00	965.25	660,000
APPLE INC BONDS	037833CS7	05-11-17	1,323,648.50	1,302,822.15	05-11-20	1.800%	66.25	31	7,287.50		1,987.50	-	9,275.00	1,325,000
JP MORGAN CHASE & CO	46623HJD3	05-26-17	1,622,730.00	1,546,309.50	01-24-22	4.500%	187.50	31	6,937.50		5,625.00	-	12,562.50	1,500,000
HOME DEPOSIT INC	437076BQ4	06-05-17	749,565.00	738,011.25	06-05-20	1.800%	37.50	31	3,225.00		1,125.00	-	4,350.00	750,000
IBM CORP CORP NOTES	44932HAG8	02-06-18	1,499,265.00	1,483,099.50	02-05-21	2.650%	110.42	31	2,870.83		3,312.49	-	6,183.32	1,500,000
NATIONAL RURAL UTIL COOP	63743HER9	02-26-18	1,495,605.00	1,489,560.00	03-15-21	2.900%	120.83	31	22,354.17		3,624.99	24,045.83	1,933.33	1,500,000
PEPSICO INC	713448DX3	10-10-17	1,014,797.00	987,897.47	04-15-21	2.000%	56.39	31	7,668.89		1,691.67	-	9,360.56	1,015,000
WALMART STORES INC	931142EA7	10-20-17	1,547,752.50	1,517,008.25	12-15-20	1.900%	81.81	31	6,217.22		2,454.16	-	8,671.38	1,550,000
BRANCH BANKING & TRUST COR	05531FAZ6	10-26-17	749,655.00	732,012.75	02-01-21	2.150%	44.79	31	1,343.75		1,343.75	-	2,687.50	750,000
HERSHEY COMPANY	427866BA5	5-10-18	629,565.30	629,759.97	05-15-21	3.100%	54.25	31	6,021.75		1,627.50	-	7,649.25	630,000
AMERICAN EXPRESS	025816B02	5-17-18	1,549,736.50	1,550,906.75	05-17-21	3.375%	145.31	31	15,112.50		4,359.38	-	19,471.88	1,550,000
CHARLES SCHWAB	808513AW5	5-22-18	964,971.05	965,119.66	05-21-21	3.250%	87.12	31	8,624.69		2,613.54	-	11,238.23	965,000
														24.33%
COMMERCIAL PAPERS														
BANK OF TOKYO MITSUBISHI	06538CGL9	10-24-17	-	-	07-20-18	0.000%	0.00	31	0.00		-	-	0.00	-
MUFG BANK LTD/NY	62479MQB2	6-15-18	1,471,082.50	1,482,793.50	03-11-19	0.000%	0.00	31	0.00		-	-	0.00	1,500,000
MUFG BANK LTD/NY	62479MRGO	7/20/2018	3,138,320.00	3,154,115.20	04-16-19	0.000%	0.00	31	0.00		-	-	0.00	3,200,000
DEXIA CREDIT	25214FJBO	6-26-18	3,141,111.11	3,162,259.20	03-18-19	0.000%	0.00	31	0.00		-	-	0.00	3,200,000
BNP PARIBAS NY BRANCH	09659CKK3	01-22-18			10-19-18	0.000%	0.00	31	0.00		-	-	0.00	
ING (US) FUNDING LLC	4497W1O82	7/2/2018	3,635,764.92	3,657,853.30	03-18-19	0.000%	0.00	31	0.00		-	-	0.00	3,700,000
ING (US) FUNDING LLC	4497W1G26	10-13-17	-	-	07-02-18	0.000%	0.00	31	0.00		-	-	0.00	
														7.28%
CERTIFICATE OF DEPOSIT														
CANADIAN IMPERIAL BANK NY	13606ASZ7	12-05-16	1,898,518.00	1,898,147.50	11-30-18	1.760%	92.89	31	8,731.56		2,786.66	-	11,518.22	1,900,000
SVENSKA HANDELSBANKEN NY	86958JHB8	01-12-17	3,100,000.00	3,092,002.00	01-10-19	1.890%	162.75	31	8,625.75		4,882.50	-	13,508.25	3,100,000
BANK OF NOVA SCOTIA HOUSTC	06417GUE6	04-06-17	1,500,000.00	1,494,708.00	04-05-19	1.910%	79.58	31	11,857.92		2,387.50	-	14,245.42	1,500,000
BANK OF NOVA SCOTIA	06417GU22	6-7-18	1,599,392.00	1,607,726.40	06-05-20	3.080%	136.89	31	11,498.67		4,106.66	-	15,605.33	1,600,000
ROYAL BANK OF CAN	78012JEE1	6-8-18	2,750,000.00	2,764,806.00	06-07-21	3.240%	247.50	31	20,542.50		7,425.00	-	27,967.50	2,750,000
SWEDBANK	87019UD66	11-17-17	3,100,000.00	3,038,988.90	11-16-20	2.270%	195.47	31	21,111.00		5,864.17	-	26,975.17	3,100,000
SUMITOMO MITSUI BANK NY	86563YVNO	05-04-17	3,100,000.00	3,092,057.80	05-03-19	2.050%	176.53	31	20,830.28		5,295.84	-	26,126.12	3,100,000
														10.71%
ASSET-BACKED SECURITY/COLLATERIZED MORTGAGE OBLIGATIONS														
CCCFIT 2017-A2 A2	17305EGA7	01-26-17	2,649,492.53	2,644,169.74	01-17-21	1.740%	128.08	31	5,635.67		3,842.50	-	9,478.17	2,650,000
CARMAX AUTO OWNER TRUST	14313FAD1	7/25/2018	749,897.78	749,990.55		3.350%	69.79	31	1,116.67		1,956.25	1,956.25	1,116.67	750,000
ALLYA 2017-1 A3	02007PAC7	01-31-17	673,465.38	668,795.57	06-15-21	1.700%	31.81	31	532.68		974.96	998.75	508.89	673,524
ALLYA 2018-2 A3	02004VAC7	4-30-18	1,099,800.24	1,097,487.16	11-15-22	2.920%	89.22	31	1,427.56		2,676.67	2,676.67	1,427.56	1,100,000
FORDO 2017-A A3	34531EAD8	01-25-17	2,199,991.86	2,180,175.58	06-25-21	1.670%	102.06	31	1,632.89		3,061.67	3,061.67	1,632.89	2,200,000
GMCAR	36255JAD6	7/18/2018	699,836.76	698,661.18	05-16-23	3.020%	58.72	31	880.83		1,761.67	1,761.67	880.83	700,000
TAOT 2017-A A3	89238MAD0	03-07-17	779,908.19	774,479.39	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	2,466,381.14	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	891908AD0	05-17-17	3,099,762.23	3,065,543.19	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	571,729.08	09-18-21	1.790%	28.84	31	374.91		865.17	865.17	374.91	580,000
CCCFIT 2017-A3 A3	17305EGB5	05-22-17	1,604,272.00	1,574,717.12	04-07-22	1.920%	85.33	31	12,288.00		2,560.00	-	14,848.00	1,600,000
TAOT 2018-A1 A1	89238BAD4	01-31-18	699,991.95	692,182.19	05-16-22	2.350%	45.69	31	731.11		1,370.83	1,370.83	731.11	700,000
CCCFIT 2018-A1 A1	17305EGK5	01-31-18	1,499,792.40	1,479,266.55	01-20-23	2.490%	103.75	31	4,253.75		3,112.50	-	7,366.25	1,500,000
JDOT 2018-A A3	47788CAC6	02-28-18	484,965.13	481,442.82	04-15-22	2.660%	35.84	31	573.38		1,075.08	1,075.08	573.38	485,000
JOHN DEERE ABS	47788BAD6	07-18-17	999,926.80	986,298.00	10-15-21	1.820%	50.56	31	808.89		1,516.67	1,516.67	808.89	1,000,000
AMXCA 2018-1 A	02582JHQ6	3-21-18	2,609,696.98	2,599,630.99	10-17-22	2.670%	193.58	31	3,097.20		5,807.25	5,807.25	3,097.20	2,610,000
AMXCA 2017-4 A	02582JHG8	05-30-17	1,199,807.76	1,192,387.08	12-15-21	1.640%	54.67	31	874.67		1,640.00	1,640.00	874.67	1,200,000
														15.14%
SALE/PAYDOWN/MATURITY:														
CASH AND CASH EQUIVALEN	31846V534								914.82		1,600.43	914.82	1,600.43	
	46640QFJ5								0.00		-	-	0.00	
	09659CKK3								0.00		40,789.34	40,789.34	0.00	
TOTAL			159,064,832.02	156,569,709.49					575,037.21	0.00	293,957.02	151,771.67	717,222.56	159,234,115.55

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS
FY2019
SEPTEMBER 2018

Approved Budget		Receipts		Over/(Under)	Current
Date	Amount	Date	Amount	Budget/Projection	Projection
FY2018:					
1st Quarter	21,495,463	1st Quarter	22,675,138	1,179,675	22,675,138
2nd Quarter	22,409,567	2nd Quarter	24,376,877	1,967,310	24,376,877
3rd Quarter	18,912,692	3rd Quarter	19,826,509	913,817	19,826,509
4th Quarter	21,842,278	4th Quarter	20,939,402	(902,876)	20,939,402
FY2018 Total	84,660,000	FY2018 Total	87,817,926	3,157,926	87,817,926
FY2019:					
Jul. 18	6,017,139	Sep. 18	7,491,211	1,474,072	6,017,139
Aug. 18	6,017,139	Oct. 18			6,017,139
Sep. 18	8,022,799	Nov. 18			8,022,799
1st Qtr. Adjustment		Dec. 18		0	
3 Months Total	20,057,077		7,491,211	1,474,072	20,057,077
Oct. 18	6,908,256	Dec. 18			6,908,256
Nov. 18	6,908,256	Jan. 19			6,908,256
Dec. 18	8,648,652	Feb. 19			8,648,652
2nd Qtr. Adjustment		Mar. 19			
6 Months Total	42,522,241		7,491,211	1,474,072	42,522,241
Jan. 19	6,805,453	Mar. 19			6,805,453
Feb. 19	6,805,453	Apr. 19			6,805,453
Mar. 19	7,044,605	May 19			7,044,605
3rd Qtr. Adjustment		Jun. 19			
9 Months Total	63,177,752		7,491,211	1,474,072	63,177,752
Apr. 19	6,793,353	Jun. 19			6,793,353
May 19	6,793,353	Jul. 19			6,793,353
Jun. 19	9,588,742	Aug. 19			9,588,742
4th Qtr. Adjustment		Sep. 19			
FY2019 Total	86,353,200	FY2019 Total	7,491,211	1,474,072	86,353,200
	21,531,149	1st Quarter			
		2nd Quarter			
		3rd Quarter			
		4th Quarter			
	21,531,149	YTD Actual Per Statement of Revenue & Expenses			

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CASH AND INVESTMENTS AS OF SEPTEMBER 30, 2018

9/30/2018

Cash -- Bank of America Checking Account	620,456.25
Cash -- Wells Fargo Lockbox Account	0.00
Cash - US Bank (on deposit)	1,388,867.31
LAIF	998,422.39
County Pool	246,419,537.33
Investment Portfolio	156,569,709.49
Total	<hr/> <u><u>405,996,992.77</u></u>

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CHECKS WRITTEN
SEPTEMBER 2018

Unit	Ref	Name	Amount	Method	Description
SMCTA	000191	URS CORPORATION	20,715.23	ACH	Consultants
SMCTA	000192	MATSUMOTO, KARYL M.	100.00	ACH	Board Member Compensation
SMCTA	000193	HORSLEY, DONALD	100.00	ACH	Board Member Compensation
SMCTA	000194	JOHNSON, CAMERON	100.00	ACH	Board Member Compensation
SMCTA	000195	MEDINA, RICO E.	100.00	ACH	Board Member Compensation
SMCTA	000196	URS CORPORATION	53,991.10	ACH	Consultants
SMCTA	000197	GROOM, CAROLE	100.00	ACH	Board Member Compensation
SMCTA	000198	BEACH, EMILY RANDOLPH	100.00	ACH	Board Member Compensation
SMCTA	004751	APPLE ONE	7,576.03	CHK	Temporary Staffing
SMCTA	004752	HANSON BRIDGETT LLP	15,895.00	CHK	Legal Services
SMCTA	004753	APPLE ONE	7,348.45	CHK	Temporary Staffing
SMCTA	004754	DMJM HARRIS/MARK THOMAS JV	21,664.32	CHK	Consultants
SMCTA	004755	HANSON BRIDGETT LLP	475.00	CHK	Legal Services
SMCTA	004756	HOLLAND & KNIGHT LLP	3,500.00	CHK	Legislative Advocate
SMCTA	004757	KHOURI CONSULTING	4,050.00	CHK	Legislative Advocate
SMCTA	004758	MARK THOMAS & COMPANY AND AECOM JV	264,598.11	CHK	Consultants
SMCTA	004759	HNTB CORPORATION	60,287.76	CHK	Consultants
SMCTA	004760	JACOBS ENGINEERING GROUP INC.	1,557.54	CHK	Consultants
SMCTA	004761	MARK THOMAS & COMPANY AND AECOM JV	24,045.88	CHK	Consultants
SMCTA	004762	SAN MATEO COUNTY COMM COLLEGE DISTRICT	83,339.66	CHK	Capital Programs (1)
SMCTA	004763	VAVRINEK, TRINE, DAY & CO., LLP	10,000.00	CHK	Annual Audit Services
			<u>579,644.08</u>		

(1) 101 HOV Ln Whipple - San Bruno

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

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

Derek Hansel
Chief Financial Officer

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

ACTION

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

SIGNIFICANCE

The semi-annual program status report provides an overview of the eight program categories under the Original Measure A and six program categories under the New Measure A. The report summarizes the following:

- General program status
- Total funds collected
- Programmed funds
- Available funding for new commitments and allocations

BUDGET IMPACT

There is no impact to the budget.

BACKGROUND

This report is presented to the Board after the end of every winter and summer. This report complements the Capital Project Quarterly Status Report the Board currently receives that focuses on progress of specific capital projects within the Measure A programs.

Prepared by: Joel Slavitt, Manager, Programming and Monitoring
Jennifer Williams, Analyst II

650-508-6476
650-508-6343



SAN MATEO COUNTY
Transportation
Authority

Measure A

Program Status Report

Semi-Annual Report

(As of June 30, 2018)

Original Measure A Program Status (1989-2008)

Semi-Annual Program Status Report (As of June 30, 2018)

Program	Exp. Plan %	General Status	In Thousands of \$ (\$1,000)		
			Total Funds Collected (1989-2008) ¹	Programmed Funds ²	Available Funding ³
1. Caltrain	21.6%	- \$5M in cost savings from the completed San Mateo Bridges project made available for future projects. - Additional adjustments from the Dec 2017 report: Reduction of \$3.8M in programmed Measure A funds, offset by a prior \$3.8M allocation of SLPP funds that is part of San Mateo County's \$80M commitment to CalMod. Reduction of \$510k in programmed funds from project containing cost savings previously reported as programmed funds. - Projects in process.	\$ 324,088	\$ 302,681	\$ 21,407
2. Paratransit	3.1%	- Program completed.	56,113	56,113	-
3. Dumbarton Rail	1.7%	- Program completed.	18,316	18,316	-
4. Highway	29.3%	- \$24.7M in available Original Measure A funds replaced an equivalent amount of programmed and allocated New Measure A funds for the construction of the US 101/Willow Interchange Project. ⁴ - US 101 Auxiliary Lanes (3rd to Millbrae) project closed with a cost savings of \$4.5M made available for future projects. - Projects in process.	360,598	352,443	8,155
5. Local Streets and Roads	20%	- Program completed.	203,264	203,264	-
6. Caltrain Grade Separation	22.8%	- Projects in process.	236,893	227,730	9,163
7. Bicycle Transportation	0.01%	- Program completed.	120	120	-
8. Transportation System Management	0.7%	- Program completed.	7,121	7,121	-
Total:			\$ 1,206,513	\$ 1,167,788	\$ 38,725

Footnotes

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

As of June 30, 2018, total rental income was as follows: \$14.405M from the Caltrain Program Category, \$4.200M from the Dumbarton Program Category and \$1.179M from the Grade Separation Program Category.

2 Programmed funds represent all prior commitments.

3 Available funding represents amount available for TA Board to make new funding commitments and is the difference between Total Collected Funds and Programmed Funds.

4 Per resolution 2017-16, the Executive Director, or his designee, was authorized to expend either Original or New Measure A funds for Caltrain, Highway and Grade Separation projects that

New Measure A Program Status (2009-2033)

Semi-Annual Program Status Report (As of June 30, 2018)

Program	Exp. Plan %	Implementation Process ¹	General Status	In Thousands of \$ (\$1,000)		
				Funds Collected to Date ²	Programmed Funds ³	Available Funding ⁴
1. Transit						
<i>Caltrain</i>	16%	Plan-Based	- \$500K was programmed and conditionally allocated to the Peninsula Corridor Joint Powers Board for the Caltrain Business Plan in March 2018 (Resolution 2018-6). - \$266K true-up of FY 2017 audited operating receipts	\$ 112,415	\$ 96,254	\$ 16,161
<i>Local Shuttle</i> ⁵	4%	Competitive	- \$9.0M programmed and allocated for 33 shuttles in May 2018 from the San Mateo County Shuttle Program Call for Projects for FY 19 & FY 20 (Resolution 2018-12). - \$2.8M in cost savings from completed projects made available to help fund the Call for Projects. - Projects in process.	28,104	29,992	(1,888)
<i>Accessible Services</i>	4%	Agreement-Based	- Annual distribution to SamTrans for paratransit service.	28,104	28,104	-
<i>San Mateo County Ferry Service</i>	2%	Agreement-Based	- \$450K programmed and allocated in May 2018 to prepare a feasibility study and cost-benefit analysis for a new ferry terminal in Redwood City (Resolution 2018-11).	14,052	8,537	5,515
<i>San Mateo County/SFO BART Extension</i>	2%	Agreement-Based	- Annual distribution to BART for BART to SFO segment expenses.	14,052	14,052	-
<i>Dumbarton Rail Corridor</i>	2%	Agreement-Based	- Measure A funding decision put on hold.	14,052	-	14,052
2. Highway	27.5%	Competitive	- \$45.8M was programmed for 7 projects and \$25.6M was allocated for 6 projects from the 2017 Highway Program Call for Projects in February 2018 (Resolution 2018-5). - \$24.7M in programmed and allocated New Measure funds were replaced by an equivalent amount of Original Measure A funds for the construction of the US 101/Willow Interchange Project. ⁷ - \$1M was re-allocated from the 101 Auxiliary Lane Project (Oyster Point to San Francisco County Line) to the 101-280 Managed Lanes (I-380 to 5th and King Streets) Project in January 2018 (Resolution 2018-02).	193,213	165,672	27,541
3. Local Streets/ Transportation	22.5%	Agreement-Based	- Monthly distribution to cities for local transportation improvements.	158,183	158,183	-
4. Grade Separation ⁵	15%	Competitive	- Projects in process.	105,389	107,085	(1,696)
5. Ped and Bike	3%	Competitive	- \$5.7M was programmed and allocated for 10 projects in March 2018 from the 2017 Measure A Pedestrian and Bicycle Program Call for Projects (Resolution 2018-7). - \$500K was reprogrammed and reallocated from an inactive pedestrian/bicycle project and made available for the 2017 Pedestrian and Bicycle Call for Projects (Resolution 2018-7) in addition to \$172k of cost savings from completed projects. - Projects in process.	21,078	20,944	134
6. Alternative Congestion Relief	1%	Plan-Based	- Commute.org TDM work programs ongoing.	7,026	3,960	3,066
Total:				\$ 695,668	\$ 632,783	\$ 62,885

Footnotes

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

2 Collection of funds began on January 1, 2009. The totals represent unaudited actuals through June 30, 2018.

3 Programmed funds represent all prior commitments.

4 Available funding represents amount collected that is available for the TA Board to make new funding commitments and is the difference between Funds Collected to Date and Programmed Funds.

5 Programmed Shuttle Program funds exceed collected funds to date. Shuttles have been programmed though Fiscal Year 2020 and will use revenue to be collected in Fiscal Year 2019.

5 Programmed Grade Separation Program funds have exceeded funds collected to date since \$65.3M was programmed and allocated for the construction of the 25th Avenue Grade Separation project (Resolution 2016-25).

6 Interest accumulated on New Measure A funds are applied to TA Oversight budget.

7 Per Resolution 2017-16, the Executive Director, or his designee, was authorized to expend either Original or New Measure A funds for Caltrain, Highway and Grade Separation projects that have already been programmed and allocated Measure A funds and are eligible to receive funding from both measures.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
Executive Director

FROM: Cindy Gumpal
Acting District Secretary

SUBJECT: **2019 BOARD OF DIRECTORS MEETING CALENDAR**

ACTION

Staff recommends the Board approve the attached meeting calendar for 2019.

SIGNIFICANCE

The Board of Directors' regular meetings are scheduled for the first Thursday of each month at 5:00 pm. The Board may want to consider moving ~~the January meeting from the 3rd to the 10th to avoid conflict with the New Year's Day holiday, and~~ the July meeting to the 11th since the first Thursday is the Fourth of July holiday.

BUDGET IMPACT

There is no impact on the budget.



Board Meeting Calendar 2019

Thursday – 5:00 PM
January 10 * <u>3</u>
February 7
March 7
April 4
May 2
June 6
July 11*
August 8
September 5
October 3
November 7
December 5

* Second Thursday

The Board meets the first Thursday of the month unless otherwise noted.

All meetings are held at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA

Approved: _____



BOARD OF DIRECTORS 2018

DON HORSLEY, CHAIR
CAMERON JOHNSON, VICE CHAIR
EMILY BEACH
CAROLE GROOM
MAUREEN FRESCHET
KARYL MATSUMOTO
RICO E. MEDINA

JIM HARTNETT
EXECUTIVE DIRECTOR

**AGENDA ITEM #9
NOVEMBER 1, 2018**

Memorandum

Date: October 22, 2018
To: TA Board of Directors
From: Jim Hartnett, Executive Director
Subject: Executive Director's Report – November 1, 2018

101/Holly Interchange Reconstruction Project

The TA previously allocated over \$17 million in Measure A Highway program funds towards the modification of the US 101/Holly Street Interchange, and allocated \$1.1 million in Measure A Pedestrian/Bicycle program funds for a separate pedestrian/bicycle overcrossing on the south side of the interchange. For purposes of efficiency and cost savings, both of these improvements are proposed to be implemented as part of the same construction package.

In addition to TA grant funds, the City of San Carlos secured a \$4.2 million Active Transportation Program (ATP) construction grant from the State, which has a contract award deadline of December 31, 2018. The project has experienced delays obtaining a stormwater permit from the San Francisco Bay Regional Water Quality Control Board and entering into a freeway maintenance agreement with Caltrans. In late September, the City requested a 12-month time extension through December 1, 2019 from the California Transportation Commission (CTC), which they will consider at their December 5th and 6th meeting. The Metropolitan Transportation Commission (MTC) has signed off on the proposed extension request and we will keep the Board apprised of the CTC's action.

If the time extension request is not approved, construction of the interchange modifications may proceed separately from the pedestrian/bicycle overcrossing due to rising construction costs. Staff will keep the Board apprised of the outcome of the extension request.

101/Produce Interchange Project

A community meeting was held on October 9, 2018 at the City of South San Francisco Public Works Department office. The goal of the meeting was to obtain feedback from the public on the interchange design concepts. Representatives from the TA and Caltrans were present at the meeting, where a number of residents, interchange users, business owners, and property owners also participated. City staff and the AECOM

consultant team introduced the project, presenting five design alternatives for the new interchange and sharing the major schedule milestones. Comments and concerns received from the meetings will be included in the environmental document as part of the public outreach process. There will be two more community meetings in 2019 to allow for public input and comment.

92/101 Interchange Project

The Preliminary Planning Study of the US 101/ SR 92 interchange project identified several short-term and long-term improvement alternatives at the US 101/SR 92 interchange area, which were grouped into two projects. The US 101/SR 92 Interchange Area Improvements Project will analyze the short-term improvement alternatives while the US 101/SR 92 Direct Connector Project will analyze the long-term improvement alternatives. A Project Study Report- Project Development Support (PSR-PDS) will be developed for each project as a Project Initiation Document to authorize the project to advance to the Environmental Document phase. The Purpose and Need Statements will be developed as part of the PSR-PDS to guide project development process. The preparation of the PSR-PDS for each of the projects is scheduled to begin after the Cities of Foster City and San Mateo execute the Memoranda of Understanding (MOUs) at their November 5th city council meetings. The development of the PSR-PDS is anticipated to take 10 months for the Interchange Area Improvements Project and 12 months for the Direct Connector Project.

101/Willow Interchange Project

The US 101/Willow Interchange closure for the weekend of October 5-8 was a big success. Caltrans began to set up ramp closure on Friday night at 7:00 pm and completely closed the interchange by 10:00 pm. The construction crew was able to complete the scheduled work and prepare for traffic switch-over to the new overcrossing structure during the 72-hour shutdown window. Willow Road was re-opened to traffic by 4:00 am and all ramps were opened to traffic by 6:00 am Monday morning before the heavy commute hours.

The US 101 northbound off-ramp to eastbound Willow Road is a heavy truck route leading to the Dumbarton Bridge. After observing the truck turning pattern, Caltrans made a few adjustments on the lane assignments to accommodate trucks making turns. Since the switch-over, the interchange traffic has been flowing smoothly on the new intersections and new overcrossing structure. Pedestrians are now using the temporary sidewalk and ramps to cross the interchange. The temporary sidewalk includes features such as temporary fencing and solar lights for additional security. The shuttle service providing transportation for both pedestrians and bicyclists within the construction zone during the shutdown has been discontinued.

Demolition of the existing bridge structure is currently underway. The existing bridge deck has been removed and the removal of the remaining bridge abutment is scheduled to be completed by the end of October. The current Stage 3 construction involves driving pile for the new bridge abutment that may result in noise above the

level generated by typical construction activities. However, pile-driving is limited to daytime operation (8:00 am – 4:00 pm) to minimize the impact to local residents.

101 Managed Lanes Project (Reminder)

A joint workshop with the City/County Association of Governments (C/CAG) of San Mateo County and TA boards is scheduled for Friday, November 16 from 1:00 to 3:00 pm in the Auditorium at the San Mateo County Transit District Office. The intent of the workshop is to engage and seek guidance from the Boards who will be asked to make a decision on the project owner and operator at their respective meetings in December. The workshop will include, among other items for discussion, an overview of the project and roles and responsibilities of a managed lanes facility owner and operator and the available options to fill these roles.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND
OUTLOOK**

ACTION

Staff recommends the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended September 30, 2018.

SIGNIFICANCE

The San Mateo County Transportation Authority (TA) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover in order to meet the 30-day requirement.

BUDGET IMPACT

As this reports on the Quarterly Market Review and Outlook, there is no budget impact.

BACKGROUND

The TA is required by State law to submit quarterly reports within 30 days of the end of the quarter covered by the report to the Board of Directors. The report is required to include the following information:

1. Type of investment, issuer, and date of maturity, par and dollar amount invested in all securities, investments and money held by the local agency;
2. Description of any of the local agency's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the local agency or under management by any outside party that is not a local agency or the State of California Local Agency Investment Fund (LAIF), a current market value as of the date of the report and the source of this information;
4. Statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and,

5. Statement that the local agency has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on pages 8,9,10 and 11. The schedule separates the investments into two groups: the Investment Portfolio managed by PFM Asset Management LLC (PFM), and Liquidity funds, which are managed by TA staff. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds.

PFM provides the TA a current market valuation of all the assets under its management for each quarter. Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

The Liquidity funds managed by TA staff are considered to be cash equivalents and therefore market value is considered to be equal to book value (i.e. cost). The shares of beneficial interest generally establish a nominal value per share. Because the Net Asset Value is fixed at a nominal value per share, book and market value are equal and rate of income is recalculated on a daily basis.

The portfolio and this Quarterly Investment Report comply with the Investment Policy and the provisions of Senate Bill 564 (1995). The TA has the ability to meet its expenditure requirements for the next six months.

DISCUSSION

Economic Snapshot

- Strength of U.S. economy persists
- Labor market continues to tighten
- Our recovery cycle has been long
- Consumer confidence near a two-decade high
- Inflation near the Fed's 2% target
- Yields continued upward momentum
- Equity markets remained bullish

Interest Rates

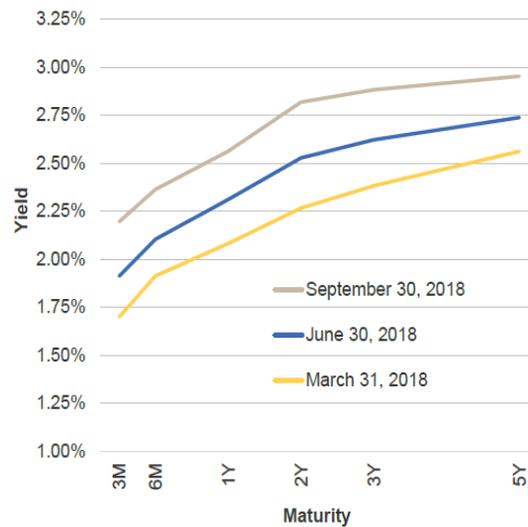
Interest rate hikes are likely to continue at a gradual pace through 2019

Treasury Yield

- The third quarter marked the tenth straight quarterly rise in the 2-year yield as the U.S. economy remained strong and the Federal Reserve continued quantitative tightening, raising the federal funds target rate by 25 basis points for the third time this year at its September meeting.
- The 2-year Treasury increased by 29 basis points to 2.82% in the third quarter.

U.S. Treasury Curve

	3Q2018 9/30/18	2Q2018 6/30/18	1Q2018 3/31/18
3 month	2.20%	1.91%	1.70%
6 month	2.36%	2.10%	1.91%
1 year	2.56%	2.31%	2.08%
2 year	2.82%	2.53%	2.27%
3 year	2.88%	2.62%	2.38%
5 year	2.95%	2.74%	2.56%



Source: Bloomberg, as of 9/30/2018.

Portfolio Recap

- We positioned portfolios with a defensive duration posture for the majority of the past two quarters in light of the Fed's impact on short-term rates. This has benefited portfolio returns as yields across the curve approached new highs for this cycle. Because the yield curve is so flat, holding shorter maturities resulted in very little yield concession. On balance, the tradeoff between slightly lower yields (by being short of the benchmark) and being less exposed to the negative market value impact of the rise in rates during the quarter (from a shorter duration) generally resulted in outperformance versus benchmarks.
- After a weaker Q2, strong economic fundamentals gave investors confidence in corporate and other non-government sectors. Most investment-grade sectors contributed positive excess returns (returns in excess of similar-duration Treasuries) to fixed-income portfolios for the quarter.

- As has been the case for some time, federal agency yield spreads remained extremely narrow throughout the quarter. We generally underweighted agencies in favor of U.S. Treasuries or other sectors.
 - After adding to supranational allocations in the first half of the year, a sharp decline in issuance caused yield spreads to narrow, reducing their attractiveness. The result was strong performance for the sector but few new opportunities.
 - In the corporate sector, strong economic tailwinds created a favorable investment landscape. Corporate returns dominated their government counterparts, adding significant value to portfolios in Q3.
 - We actively sought to increase allocations to asset-backed securities (ABS). Our view of the ABS sector was that it remained a high-quality diversifier to corporate allocations, providing incremental income, with a high degree of downside protection given the sector's strong structural protections and AAA ratings. During Q3, the sector provided attractive excess returns.
 - After providing several consecutive quarters of incremental income relative to short-term government alternatives, yield spreads on commercial paper and negotiable bank certificates of deposit grinded to 12-month tight. Our strategy in Q3 was to be more selective with regard to issuer/maturity and wait for the next Fed rate hike (which occurred September 26) before reassessing value in short credit instruments.
 - Our view of mortgage-backed securities (MBS) remained cautious. As such, our allocations to MBS were generally small and focused on structures with limited extension risk such as shorter maturity pass-throughs and collateralized mortgage obligations (CMOs), agency-backed commercial mortgage-backed securities (CMBS), and MBS with higher coupons, all of which carry less downside risk in a rising rate environment.

Investment Strategy Outlook

- Over the past several quarters, we have maintained constructive strategic views on spread products (non-government investments); however, we are cognizant of potential headwinds that could surface towards year-end. While diversification away from U.S. Treasury Securities has added significant value over the last several quarters, very narrow spreads across most investment-grade sectors gives us reason to turn a bit more cautious.
- Our outlook for each of the major investment-grade fixed income sectors are as follows:
 - Federal agency securities remain expensive as most maturities offer less than five basis points of incremental yield relative to U.S. Treasuries. We will continue to reduce agency exposure where spreads are tight, seeking better value in other sectors. As an alternative, we may selectively add callable agency issues because we view them as providing better value in today's market in addition to favorable diversification and income benefits.

- o Corporate sector earnings remain solid, fundamentals are stable, and the domestic backdrop is strong, all of which support credit spreads. However, increased balance sheet leverage, headwinds from tariffs, merger and acquisition uncertainty, and higher short-term yields may be headwinds for future performance. In conjunction with tight spreads, we plan to be more selective and defensive with corporate positioning. Our preference continues to favor financials and select industrial issuers with stronger balance sheets and fair valuations, which we think can better withstand the current phase of the credit cycle.
- o In conjunction with our slightly defensive credit posture, asset-backed securities (ABS) offer attractive incremental income compared to government security alternatives. Further, where allocations to the corporate sector are trimmed, we may seek to reinvest a portion of those assets in AAA-rated ABS.
- o Short-term money market investors continue to reap the rewards of current monetary policy tightening. In addition, increased projections for U.S. Treasury debt issuance over the next several quarters may continue to pressure short-term yields high in both the government and short-term credit spaces.
- o As the Fed continues to reduce its holdings of mortgage-backed securities (MBS), the sector is exposed to potential spread pressures through Q4. As a result, we will maintain allocations to the sector, with new additions focused only on specific structures that limit interest rate sensitivity and provide more stable cash flows.

BUDGET IMPACT

Total return is interest income plus capital gains (or minus losses) on an investment and is the most important measure of performance as it is the actual return on investment during a specific time interval. For the quarter ending September 30, the total return of the portfolio was **0.41 percent**. This compares to the benchmark return of **0.15 percent**. The Performance graph on page 12 shows the relative performance of the TA over the last 12 months.

The yield at cost represents the yield on a fixed-income security at its current rate (at the time of purchase) of return until maturity equivalent to the annual percentage rate of interest an investor would receive for investing the purchase price of a given security in a bank account that paid interest semiannually. As of the end of the quarter, the portfolio's yield to maturity at cost was **2.14 percent**.

The yield at market is the yield that an investor can expect to receive in the current interest rate environment utilizing a buy-and-hold investment strategy. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending September 30, the portfolio's market yield to maturity was **2.85 percent**.

Prepared by: Connie Mobley-Ritter, Director - Treasury

650-508-7765

INVESTMENT GLOSSARY

Asset Backed Securities - An asset-backed security (ABS) is a financial security backed by a loan, lease or receivables against assets other than real estate and mortgage-backed securities. For investors, asset-backed securities are an alternative to investing in corporate debt.

Certificate of Deposit - A certificate of deposit (CD) is a savings certificate with a fixed maturity date, specified fixed interest rate and can be issued in any denomination aside from minimum investment requirements. A CD restricts access to the funds until the maturity date of the investment. CDs are generally issued by commercial banks and are insured by the FDIC up to \$250,000 per individual.

Collateralized Mortgage Obligation - Collateralized mortgage obligation (CMO) refers to a type of mortgage-backed security that contains a pool of mortgages bundled together and sold as an investment. Organized by maturity and level of risk, CMOs receive cash flows as borrowers repay the mortgages that act as collateral on these securities. In turn, CMOs distribute principal and interest payments to their investors based on predetermined rules and agreements.

Commercial Paper - Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts receivable, inventories and meeting short-term liabilities. Maturities on commercial paper rarely range any longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.

Credit Spreads - The spread between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

Duration - The term duration has a special meaning in the context of bonds. It is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows. It is an important measure for investors to consider, as bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

Net Asset Value - Net asset value (NAV) is value per share of a mutual fund or an exchange-traded fund (ETF) on a specific date or time. With both security types, the per-share dollar amount of the fund is based on the total value of all the securities in its portfolio, any liabilities the fund has and the number of fund shares outstanding.

Roll-down - A roll-down return is a form of return that arises when the value of a bond converges to par as maturity is approached. The size of the roll-down return varies greatly between long and short-dated bonds. Roll-down is smaller for long-dated bonds that are trading away from par compared to bonds that are short-dated.

Roll-down return works two ways in respect to bonds. The direction depends on if the bond is trading at a premium or at a discount. If the bond is trading at a discount the

roll-down effect will be positive. This means the roll-down will pull the price up towards par. If the bond is trading at a premium the opposite will occur. The roll-down return will be negative and pull the price of the bond down back to par.

Volatility - Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

Yield Curve - A yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates, and it is also used to predict changes in economic output and growth.

Yield to Maturity - Yield to maturity (YTM) is the total return anticipated on a bond if the bond is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate. In other words, it is the internal rate of return of an investment in a bond if the investor holds the bond until maturity and if all payments are made as scheduled.

Source: Investopedia.com

EXHIBIT 1

SAN MATEO COUNTY TRANSPORTATION AUTHORITY							
REPORT OF INVESTMENTS							
FOR QUARTER ENDED SEPTEMBER 30, 2018							
				ORIGINAL			
		MATURITY	PAR	PURCHASE	MARKET	INTEREST	MARKET VALUE +
TYPE OF SECURITY	CUSIP #	DATE	VALUE	PRICE	VALUE	REC'VBLE	ACCR INT.
SECURITIES MANAGED BY INVESTMENT ADVISOR:							
U.S. TREASURY NOTES AND BONDS							
US TREASURY NOTE		912828Q78	2,570,000	2,519,001.56	2,475,231.25	14,787.98	2,490,019.23
US TREASURY NOTE		912828F62	600,000	602,414.06	592,429.80	3,786.89	596,216.69
US TREASURY NOTE		912828VF4	505,000	498,470.51	493,380.96	2,333.56	495,714.52
US TREASURY NOTE		912828VP2	1,585,000	1,638,431.83	1,562,277.44	5,340.76	1,567,618.20
US TREASURY NOTE		912828x47	12,900,000	12,596,751.95	12,446,990.70	101,219.43	12,548,210.13
US TREASURY NOTE		912828L32	335,000	341,124.22	326,023.01	415.32	326,438.33
US TREASURY NOTE		912828R77	3,500,000	3,409,082.03	3,366,016.50	16,173.16	3,382,189.66
US TREASURY NOTE		912828D72	8,400,000	8,472,773.45	8,194,594.80	15,521.74	8,210,116.54
US TREASURY NOTE		912828T67	10,050,000	9,862,746.09	9,565,951.80	52,858.61	9,618,810.41
US TREASURY NOTE		912828n30	2,900,000	2,812,773.44	2,805,863.10	15,573.71	2,821,436.81
US TREASURY NOTE		912828TJ9	4,450,000	4,263,308.59	4,238,451.45	9,235.56	4,247,687.01
			30.02%				
FEDERAL AGENCY COLLATERIZED MORTGAGE OBLIGATIONS							
FNA 2018-M5 A2	3136B1XP4	9-25-21	967,703	986,952.26	976,832.02	2,870.85	979,702.87
FNA 2014-M6 A2	3136AJ7G5	05-25-21	3,029,604	3,090,905.77	2,994,530.51	6,762.35	3,001,292.86
FHTS	3137BM6P6	08-25-22	800,000	806,812.50	797,353.52	2,060.00	799,413.52
FANNIE MAE	3136AQDQ0	09-01-19	273,284	276,020.65	272,244.43	374.85	272,619.28
			2.46%				
FEDERAL AGENCY NOTES AND BONDS							
FHLB	3130A8QS5	07-14-21	3,200,000	3,180,540.80	3,051,353.60	7,700.00	3,059,053.60
FNMA	3135G0N82	08-17-21	825,000	822,177.68	788,068.88	5,347.21	793,416.09
FNMA	3135G0N82	08-17-21	2,675,000	2,664,166.25	2,555,253.63		2,555,253.63
FNMA	3135G0P49	08-28-19	700,000	698,908.00	689,910.90	641.66	690,552.56
FNMS	3135G0T60	07-30-20	900,000	897,273.00	879,516.00	2,287.50	881,803.50
FHLB	3130A9EP2	09-26-19	550,000	549,521.50	541,090.00	76.39	541,166.39
FHLMC	3137EAEJ4	09-29-20	990,000	988,208.10	967,121.10	89.38	967,210.48
FNMA	3135G0T29	02-28-20	1,955,000	1,953,748.80	1,921,565.59	2,688.12	1,924,253.71
FHLB	3130ACE26	09-28-20	365,000	363,828.35	354,723.43	41.82	354,765.25
FHLMC	3137EAEF2	04-20-20	2,700,000	2,690,766.00	2,642,409.00	16,603.13	2,659,012.13

CORPORATE NOTES							
TOYOTA MOTOR	89236TDH5	10-18-19	1,150,000	1,149,425.00	1,134,771.70	8,070.76	1,142,842.46
TOYOTA MOTOR CREDIT	89236TDM4	01-09-19	800,000	799,720.00	798,293.60	3,097.78	801,391.38
UNILEVER CAPITAL	904764AZ0	03-22-21	1,200,000	1,193,868.00	1,188,436.80	825.00	1,189,261.80
MORGAN STANLEY	6174467P8	07-24-20	3,150,000	3,516,187.50	3,268,219.50	32,243.75	3,300,463.25
PFIZER INC	717081EB5	12-15-19	2,080,000	2,078,502.40	2,051,994.88	10,411.56	2,062,406.44
JOHN DEERE CAPITAL C	24422ETL3	01-06-22	685,000	681,979.15	671,186.29	4,286.01	675,472.30
CATERPILLAR FINL	14913Q2A6	09-04-20	1,100,000	1,099,076.00	1,073,329.40	1,526.25	1,074,855.65
GOLDMAN SACHS	38141GGQ1	07-27-21	2,750,000	3,035,092.50	2,879,241.75	25,666.67	2,904,908.42
AMERICAN HONDA	02665WAH4	08-15-19	3,150,000	3,165,655.50	3,135,406.05	9,056.25	3,144,462.30
BANK OF AMERICA	06051GGS2	10-01-21	965,000	965,000.00	944,110.65	11,232.60	955,343.25
BANK OF AMERICA	06051GFW4	04-19-21	175,000	176,358.00	172,190.73	2,067.19	174,257.92
CITIGROUP INC	172967LF6	01-10-20	1,575,000	1,574,370.00	1,561,250.25	8,682.19	1,569,932.44
MICROSOFT CORP	594918BV5	02-06-20	1,520,000	1,518,981.60	1,501,562.40	4,296.11	1,505,858.51
BERKSHIRE HATHAWAY	084670BL1	08-14-19	3,150,000	3,167,829.00	3,133,925.55	8,636.25	3,142,561.80
WALT DISNEY	25468PDP8	03-04-20	660,000	659,828.40	651,023.34	965.25	651,988.59
APPLE INC BONDS	037833CS7	05-11-20	1,325,000	1,323,648.50	1,302,822.15	9,275.00	1,312,097.15
JP MORGAN CHASE & CO	46625HJD3	01-24-22	1,500,000	1,622,730.00	1,546,309.50	12,562.50	1,558,872.00
HOME DEPOT INC	437076BQ4	06-05-20	750,000	749,565.00	738,011.25	4,350.00	742,361.25
PEPSICO INC	713448DX3	04-15-21	1,015,000	1,014,797.00	987,897.47	9,360.56	997,258.03
TOYOTA MOTOR CREDIT	89236TEU5	04-13-21	1,200,000	1,199,520.00	1,194,500.40	16,520.00	1,211,020.40
HERSHEY COMPANY CO	427866BA5	05-15-21	630,000	629,565.30	629,759.97	7,649.25	637,409.22
AMERICAN EXPRESS	025816BU2	05-17-21	1,550,000	1,549,736.50	1,550,906.75	19,471.88	1,570,378.63
CHARLES SCHWAB COR	808513AW5	05-21-21	965,000	964,971.05	965,119.66	11,238.23	976,357.89
BANK OF AMERICA	06051GHH5	05-17-22	400,000	400,000.00	399,780.40	5,209.62	404,990.02
IBM CORP CORP NOTES	44932HAG8	02-05-21	1,500,000	1,499,265.00	1,483,099.50	6,183.33	1,489,282.83
NATIONAL RURAL UTIL C	63743HER9	03-15-21	1,500,000	1,495,605.00	1,489,560.00	1,933.33	1,491,493.33
WALMART STORES INC	931142EA7	12-15-20	1,550,000	1,547,752.50	1,517,008.25	8,671.39	1,525,679.64
BRANCH BANKING & TRU	05531FAZ6	02-01-21	750,000	749,655.00	732,012.75	2,687.50	734,700.25
			24.51%				
COMMERCIAL PAPERS							
ING(US) FUNDING	449W1Q82	03-08-19	3,700,000	3,635,764.92	3,657,853.30	-	3,657,853.30
DEXIA CREDIT LOCAL SA	25214PJBO	03-18-19	3,200,000	3,141,111.11	3,162,259.20	-	3,162,259.20
MUFG BANK LTD/NY COMM PAPER		04-16-19	3,200,000	3,138,320.00	3,154,115.20	-	3,154,115.20
MUFG BANK LTD/NY COM	62479MQB2	03-11-19	1,500,000	1,471,082.50	1,482,793.50	-	1,482,793.50
			9.81%				
CERTIFICATE OF DEPOSIT							
CANADIAN IMPERIAL BAI	13606A5Z7	11-30-18	1,900,000	1,898,518.00	1,898,147.50	11,518.22	1,909,665.72
SVENSKA HANDELSBANI	86958JHB8	01-10-19	3,100,000	3,100,000.00	3,092,002.00	13,508.25	3,105,510.25
BANK OF NOVA SCOTIA I	06417GUE6	04-05-19	1,500,000	1,500,000.00	1,494,708.00	14,245.42	1,508,953.42
BANK OF NOVA SCOTIA I	06417GU22	06-05-20	1,600,000	1,599,392.00	1,607,726.40	15,605.33	1,623,331.73
ROYAL BANK OF CANAD	78012UEE1	06-07-21	2,750,000	2,750,000.00	2,764,806.00	27,967.50	2,792,773.50
SWEDBANK	87019U6D6	11-16-20	3,100,000	3,100,000.00	3,038,988.90	26,975.17	3,065,964.07
SUMITOMO MITSUI BANK	86563YVNO	05-03-19	3,100,000	3,100,000.00	3,092,057.80	26,126.11	3,118,183.91

ASSET-BACKED SECURITY/COLLATERIALIZED MORTGAGE OBLIGATIONS							
CCCIT 2017-A2 A2	17305EGA7	01-17-21	2,650,000	2,649,492.53	2,644,169.74	9,478.17	2,653,647.91
ALLYA 2017-1 A3	02007PAC7	06-15-21	673,524	673,465.38	668,795.57	508.89	669,304.46
FORDO 2017-A A3	34531EAD8	06-25-21	2,200,000	2,199,991.86	2,180,175.58	1,632.89	2,181,808.47
TAOT 2017-A A3	89238MAD0	02-15-21	780,000	779,908.19	774,479.39	599.73	775,079.12
ALLYA 2017-2 A3	02007HAC5	08-15-21	2,485,000	2,484,707.02	2,466,381.14	1,965.90	2,468,347.04
TAOT 2017-B A3	89190BAD0	07-15-21	3,100,000	3,099,762.23	3,065,543.19	2,424.89	3,067,968.08
HAROT 2017-3 A3	43814PAC4	09-18-21	580,000	579,937.19	571,729.08	374.91	572,103.99
CCCIT 2017-A3 A3	17305EGB5	04-07-22	1,600,000	1,604,272.00	1,574,717.12	14,848.00	1,589,565.12
TAOT 2018-A1 A1	89238BAD4	05-16-22	700,000	699,991.95	692,182.19	731.11	692,913.30
CCCIT 2018-A1 A1	17305EGK5	01-20-23	1,500,000	1,499,792.40	1,479,266.55	7,366.25	1,486,632.80
JDOT 2018-A A3	47788CAC6	04-15-22	485,000	484,965.13	481,442.82	573.38	482,016.20
JOHN DEERE ABS	47788BAD6	10-15-21	1,000,000	999,926.80	986,298.00	808.89	987,106.89
ALLYA 2018-2 A3	02004VAC7	11-15-22	1,100,000	1,099,800.24	1,097,487.16	1,427.56	1,098,914.72
AMXCA 2018-1 A	02582JHQ6	10-17-22	2,610,000	2,609,696.98	2,599,630.99	3,097.20	2,602,728.19
GMCAR 2018-3	36255JAD6	05-16-23	700,000	699,836.76	698,661.18	880.83	699,542.01
CARMAX	14313FAD1	06-15-23	750,000	749,897.78	749,990.55	1,116.67	751,107.22
AMXCA 2017-4 A	02582JHG8	12-15-21	1,200,000	1,199,807.76	1,192,387.08	874.67	1,193,261.75
			13.67%				
CASH AND CASH EQUIVALENT							
	31846V534			-	-	1,600.43	1,600.43
	TOTAL		159,234,115.96	159,064,832.02	156,569,709.49	717,222.56	157,286,932.05

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
 REPORT OF INVESTMENTS (continued)
 FOR QUARTER ENDED , SEPTEMBER 30, 2018

SAN MATEO COUNTY TRANSPORTATION AUTHORITY						
REPORT OF INVESTMENTS (continued)						
FOR QUARTER ENDED , SEPTEMBER 30, 2018						
			ORIGINAL			
	MATURITY	PAR	PURCHASE	MARKET	INTEREST	MARKET VALUE +
	DATE	VALUE	PRICE	VALUE	RECEIVABLE	ACCRUED INTEREST
LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:						
SAN MATEO COUNTY POOL			246,419,537	246,419,537	390,120	246,809,657
LOCAL AGENCY INVESTMENT FUND			998,422	998,422	1,693	1,000,115
U.S. BANK (CASH ON DEPOSIT)			1,388,867	1,388,867		1,388,867
BANK OF AMERICA CHECKING			620,456	620,456		620,456
TOTAL FUNDS MANAGED BY DISTRICT STAFF			249,427,282	249,427,282	391,813	249,819,095
TOTAL AS OF SEPTEMBER 30, 2018			405,996,992	405,996,992	1,109,036	407,106,027

EXHIBIT 2

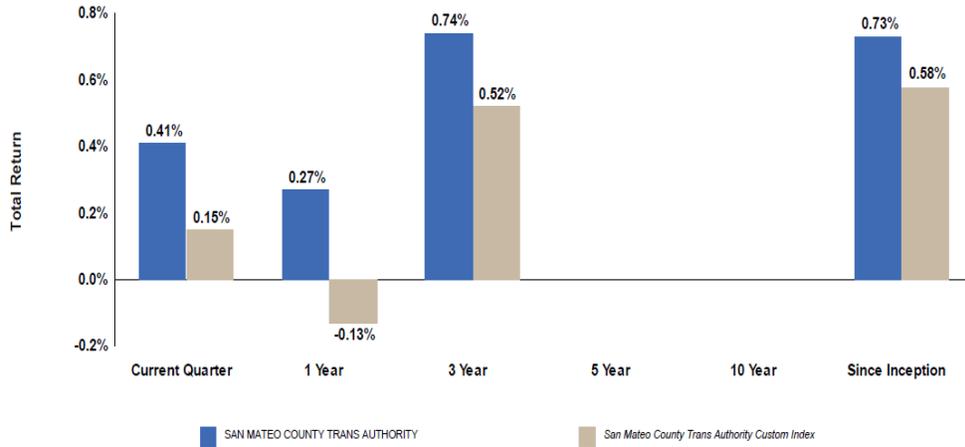
For the Quarter Ended September 30, 2018

SAN MATEO COUNTY TRANS AUTHORITY

Portfolio Performance

Portfolio Performance* (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (03/31/15) **
			1 Year	3 Year	5 Year	10 Year	
SAN MATEO COUNTY TRANS AUTHORITY	1.96	0.41%	0.27%	0.74%	-	-	0.73%
San Mateo County Trans Authority Custom Index	2.09	0.15%	-0.13%	0.52%	-	-	0.58%
Difference		0.26%	0.40%	0.22%	-	-	0.15%



*Portfolio performance is gross of fees unless otherwise indicated. **Since Inception performance is not shown for periods less than one year.

PFM Asset Management LLC

EXHIBIT 3

For the Quarter Ended September 30, 2018

SAN MATEO COUNTY TRANS AUTHORITY

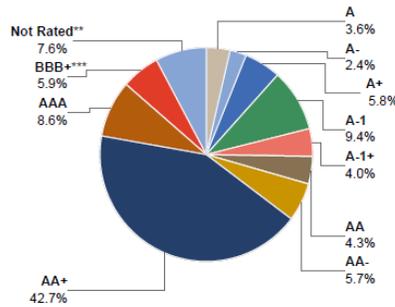
Portfolio Snapshot

Portfolio Statistics

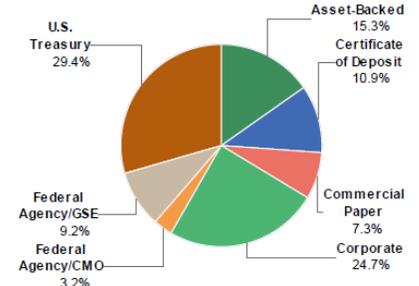
As of September 30, 2018

Par Value:	\$159,234,116
Total Market Value:	\$158,672,913
Security Market Value:	\$156,569,709
Accrued Interest:	\$714,336
Cash:	\$1,388,867
Amortized Cost:	\$158,861,270
Yield at Market:	2.85%
Yield at Cost:	2.14%
Effective Duration:	1.96 Years
Duration to Worst:	2.02 Years
Average Maturity:	2.36 Years
Average Credit: *	AA

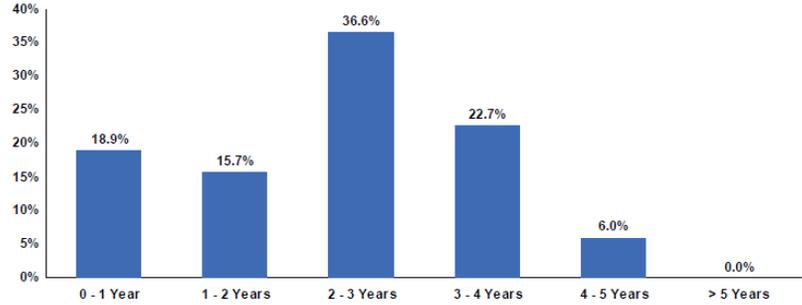
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio

**The "Not Rated" category comprises asset-backed securities rated Aaa by Moody's.

***The "BBB+" category comprises securities rated A or better by Moody's and/or Fitch

EXHIBIT 4

Sector Allocation and Compliance

- The portfolio is in compliance with the Authority's Investment Policy and the California Government Code.

<u>Security Type</u>	<u>Market Value as of September 30, 2018</u>	<u>% of Portfolio</u>	<u>Permitted by Policy</u>	<u>In Compliance</u>
U.S. Treasury	\$46,067,211	29.0%	100%	✓
Federal Agency/GSE	\$14,391,012	9.1%	100%	✓
Federal Agency/CMO	\$5,040,960	3.2%	20%	✓
Corporate Notes	\$38,701,731	24.3%	30%	✓
Negotiable CDs	\$16,988,437	10.0%	10%	✓
Asset-Backed Securities	\$23,923,337	15.1%	30%	✓
Commercial Paper	\$11,457,021	7.2%	15%	✓
Securities Sub-Total	\$156,569,709	98.5%		
Accrued Interest	\$714,336			
Securities Total	\$157,284,046			
Money Market Fund	\$1,388,867	0.9%	10%	✓
LAIF	\$998,422	0.6%	100%	✓
	\$159,671,335	100.0%		

Totals may not add to total due to rounding.

PFM Asset Management LLC

San Mateo County Transportation Authority

Investment Performance Review
For the Quarter Ended September 30, 2018

October 2018



Compliance and Allocation

Security Type	Market Value as of September 30, 2018	% of Portfolio	Permitted by Policy	In Compliance	Average Credit Rating
U.S. Treasury	\$46,067,211	29.0%	100%	✓	AA+
Federal Agency/GSE	\$14,391,012	9.1%	100%	✓	AA+
Federal Agency/CMO	\$5,040,960	3.2%	20%	✓	AA+
Corporate Notes	\$38,701,731	24.3%	30%	✓	A+
Negotiable CDs	\$16,988,437	10.0%	10%	✓	A
Asset-Backed Securities	\$23,923,337	15.1%	30%	✓	AAA
Commercial Paper	\$11,457,021	7.2%	15%	✓	A-1
Securities Sub-Total	\$156,569,709	98.5%			
Accrued Interest	714,336	0.5%			
Securities Total	\$157,284,046				
Money Market Fund	\$1,388,867	<1%	10%	✓	AAAm
LAIF	\$998,422	<1%	\$50 million	✓	AAAm
Total Investments*	\$159,671,335	100.0%			

As of September 30, 2018.

*Total market values exclude accrued interest.



Market Themes

- **Strength of U.S. economy persists**
- **Labor market continues to tighten**
- **Our recovery cycle has been long**
- **Consumer confidence near a two-decade high**
- **Inflation near the Fed's 2% target**
- **Yields continued upward momentum**
- **Equity markets remained bullish**

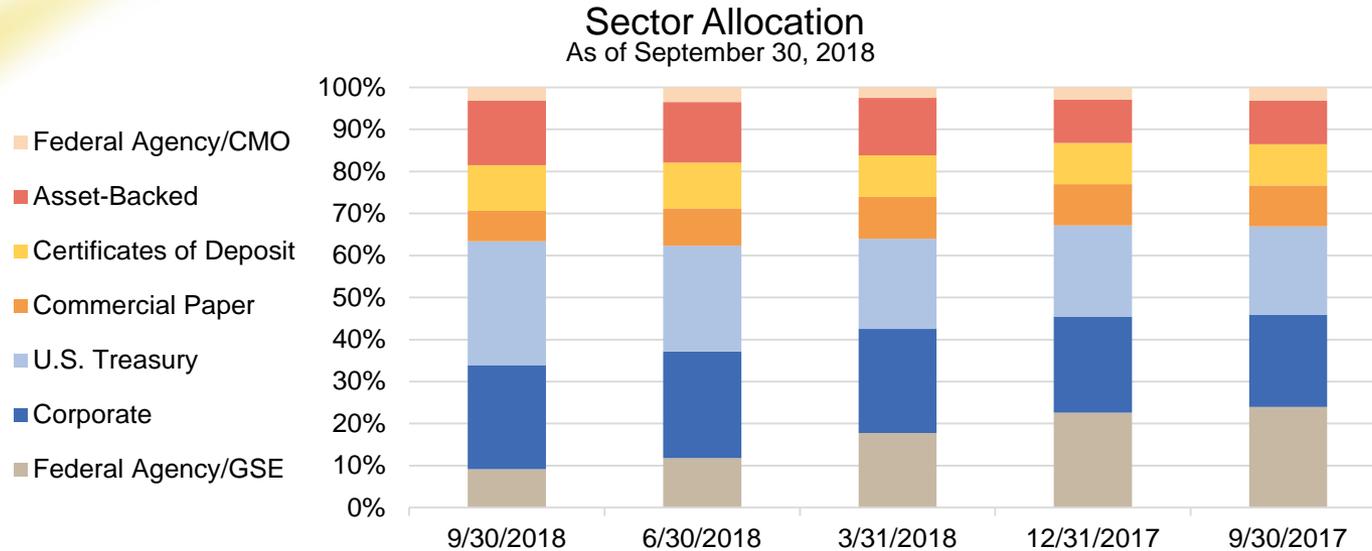


Portfolio Recap

- **Performed downside risk management strategies.**
 - **Invested in high-quality assets**
 - **Maintained diversification**
 - **Kept portfolio duration shorter**
 - **Actively managed the portfolio to invest in higher yielding securities**



A Diversified Portfolio



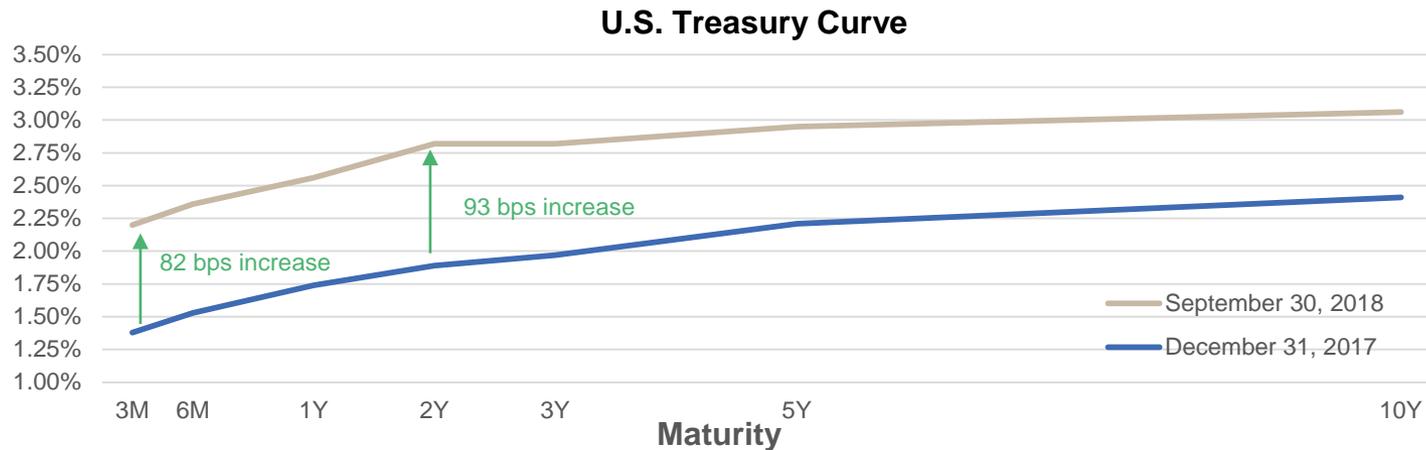
- **The diversified portfolio had total earnings of \$775,900* for Q3 2018, a \$276,529 increase from the prior quarter**
 - **The portfolio yields increased by ~12 bps over the quarter to 2.15%**

**Accrual-based earnings for the period. Second quarter accrual-based earnings totaled \$499,309.*



Portfolio Performance

- Positive year-to-date total returns despite rising rates



	<u>Duration</u>	<u>Total Return As of September 30, 2018</u>		
	(Years)	3Q18	1 Yr	Since Inception ¹
SMCTA	1.96	0.41%	0.27%	0.73%
Performance Benchmark²	2.09	0.15%	-0.13%	0.58%

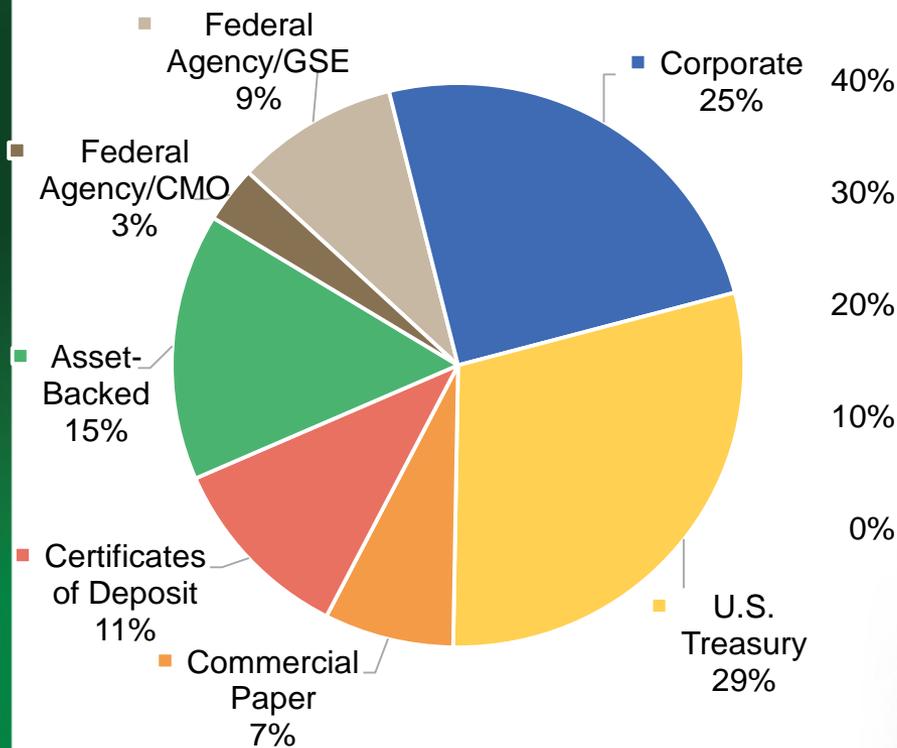
1. Inception date is March 31, 2015.

2. Composed of the 0-5 Year U.S. Treasury Index since 6/30/2016. Before 6/30/2016, composed of 15% 0-1 Government Index, 15% 0-1 Year Federal Agency Index, 20% 1-3 Year U.S. Government Index, 20% 3-5 Year U.S. Government Index, 10% 1-10 Year U.S. Government Index, and 20% 1-5 Year Corporate Index.

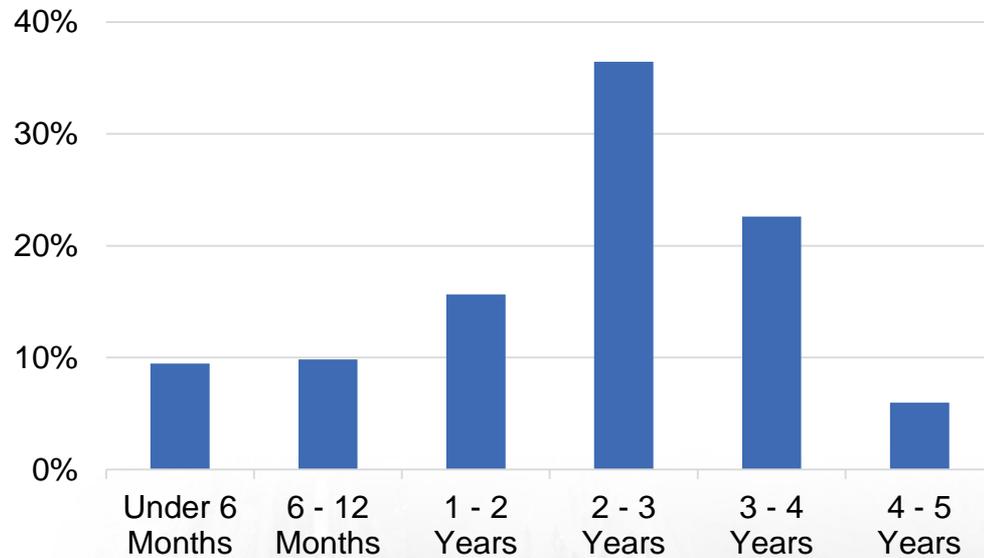


Portfolio Characteristics

Sector Allocation



Maturity Distribution



*Totals may not add due to rounding. As of September 30, 2018



Outlook and Strategy

- **Interest rate hikes are likely to continue at a gradual pace through 2019**
- **Modest defensive duration bias**
- **Preserve broad diversification and maintain high credit quality**
- **Focus on corporate issuers with strong fundamentals**



SAN MATEO COUNTY TRANS AUTHORITY

Investment Performance Review For the Quarter Ended September 30, 2018

Client Management Team

Monique Spyke, Managing Director

Izac Chyou, Senior Managing Consultant

PFM Asset Management LLC

50 California Street, Suite 2300

San Francisco, CA 94111

415-982-5544

213 Market Street

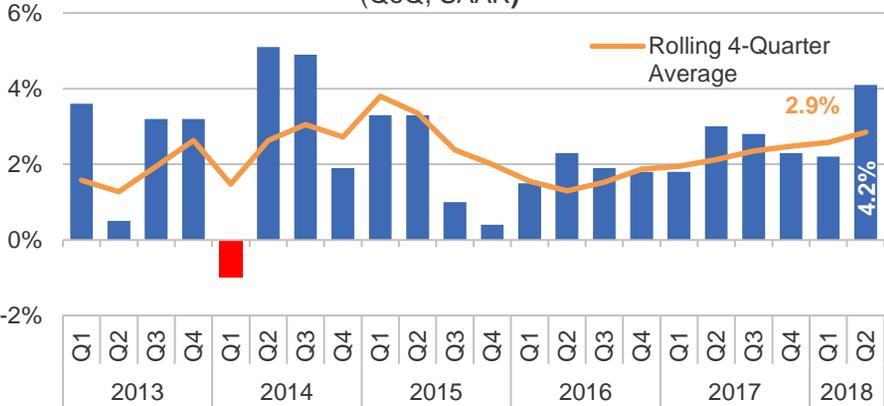
Harrisburg, PA 17101-2141

717-232-2723

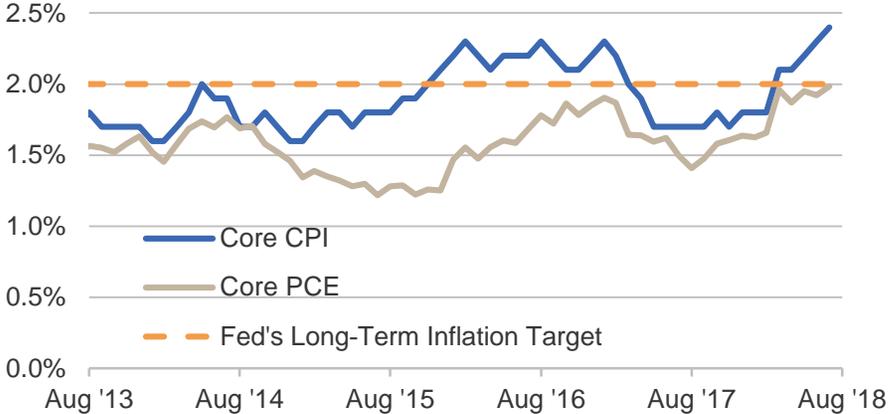
Market Update

Economic Summary

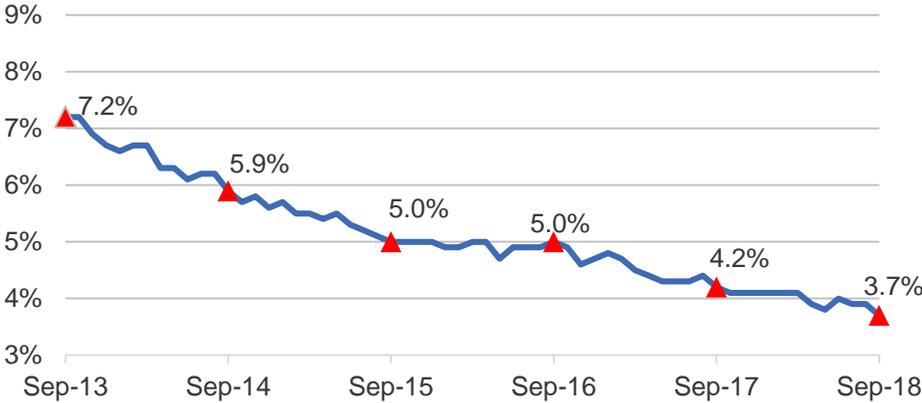
U.S. Real GDP (QoQ, SAAR)



Inflation Measures (YoY)



Unemployment Rate



Consumer Confidence



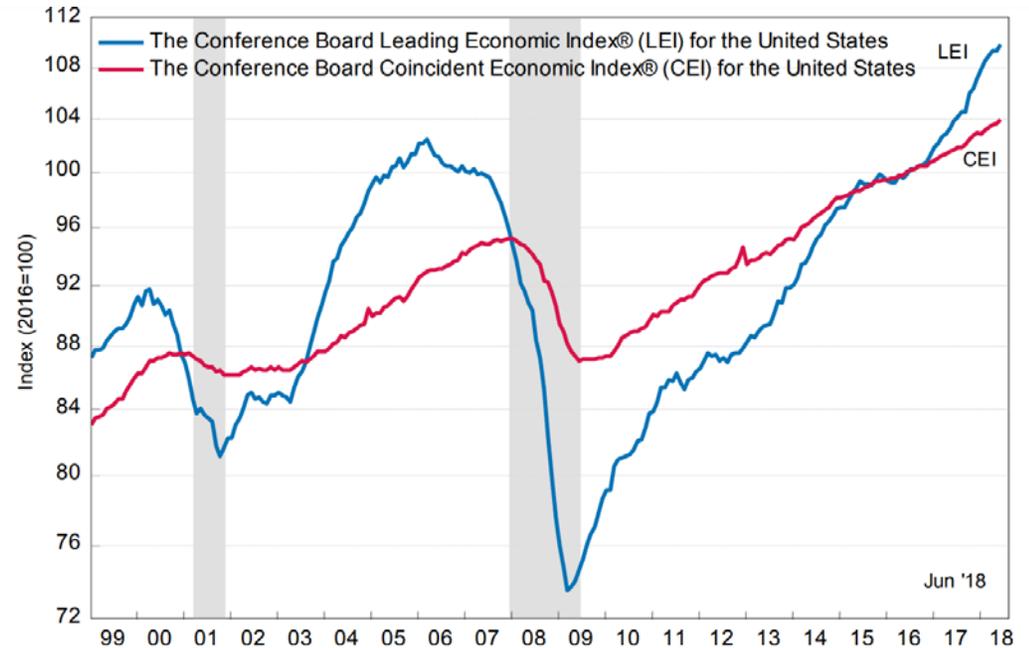
Source: Bloomberg, data available as of 9/30/2018. SAAR is seasonally adjusted annualized rate.

Where Are We in the Economic Cycle?

Different Indicators Give Differing Views

Duration	Length of cycle	Late
Slack	Labor market slack	Late
	Output market slack	Late
Cost pressures	Wage growth	Mid
	Unit labor cost growth	Early
Cyclical demand	Resi investment/GDP	Early
	Housing starts	Mid
	Consumer durables/GDP	Early
	Capital spending	Mid
Confidence	Cyclically adj. confidence	Mid
Leverage	Household leverage	Early
	Most levered companies	Mid
Credit	Bond default rates	Mid
	Loan delinquencies	Mid
	Bank lending standards	Mid
Profits	S&P 500 margins	Late
	Earnings rel. to normalized	Mid

The Conference Board Leading Economic Index Continues to Rise



Latest LEI Trough March 2009, Latest CEI Trough June 2009

Shaded areas represent recessions as determined by the NBER Business Cycle Dating Committee.

- Supports the continuing solid growth in the economy
- Suggests no recession in the near-term

Source (left): Wall Street Journal; Deutsche Bank. Source (right): Conference Board.

Treasury Yields Continue to Rise

- The third quarter marked the tenth straight quarterly rise in the 2-year yield as the U.S. economy remained strong and the Federal Reserve continued quantitative tightening, raising the federal funds target rate by 25 basis points for the third time this year at its September meeting.
- The 2-year Treasury increased by 29 basis points to 2.82% in the third quarter.

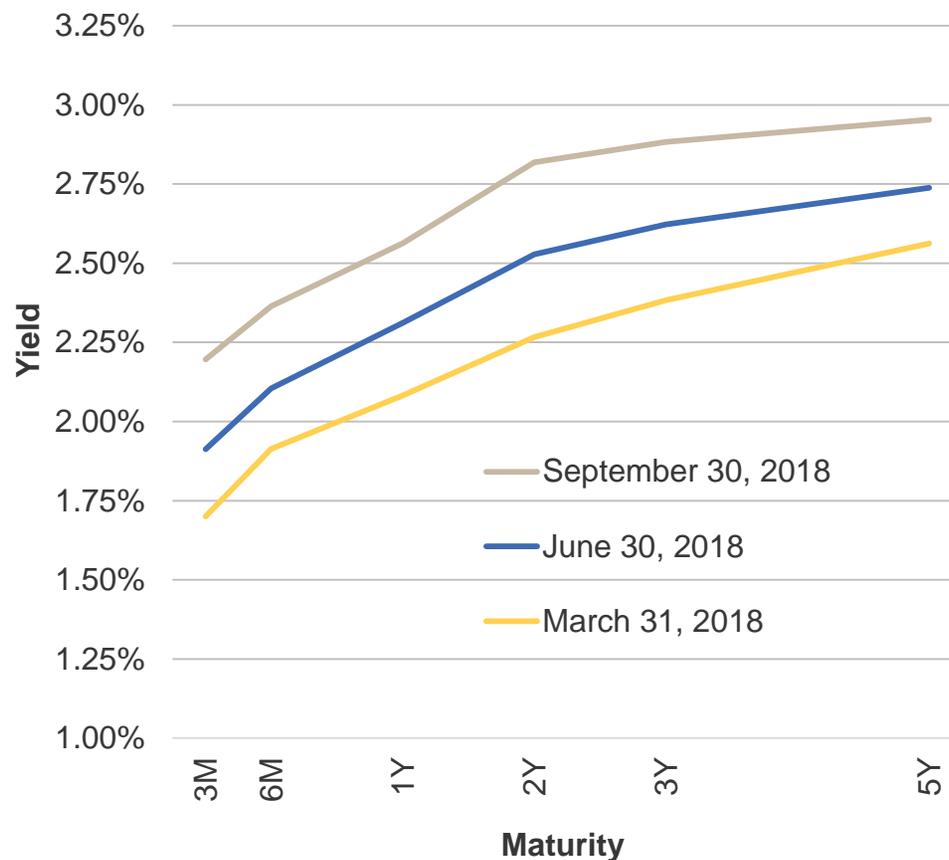
2-Year U.S. Treasury



Source: Bloomberg, as of 9/30/2018.

U.S. Treasury Curve

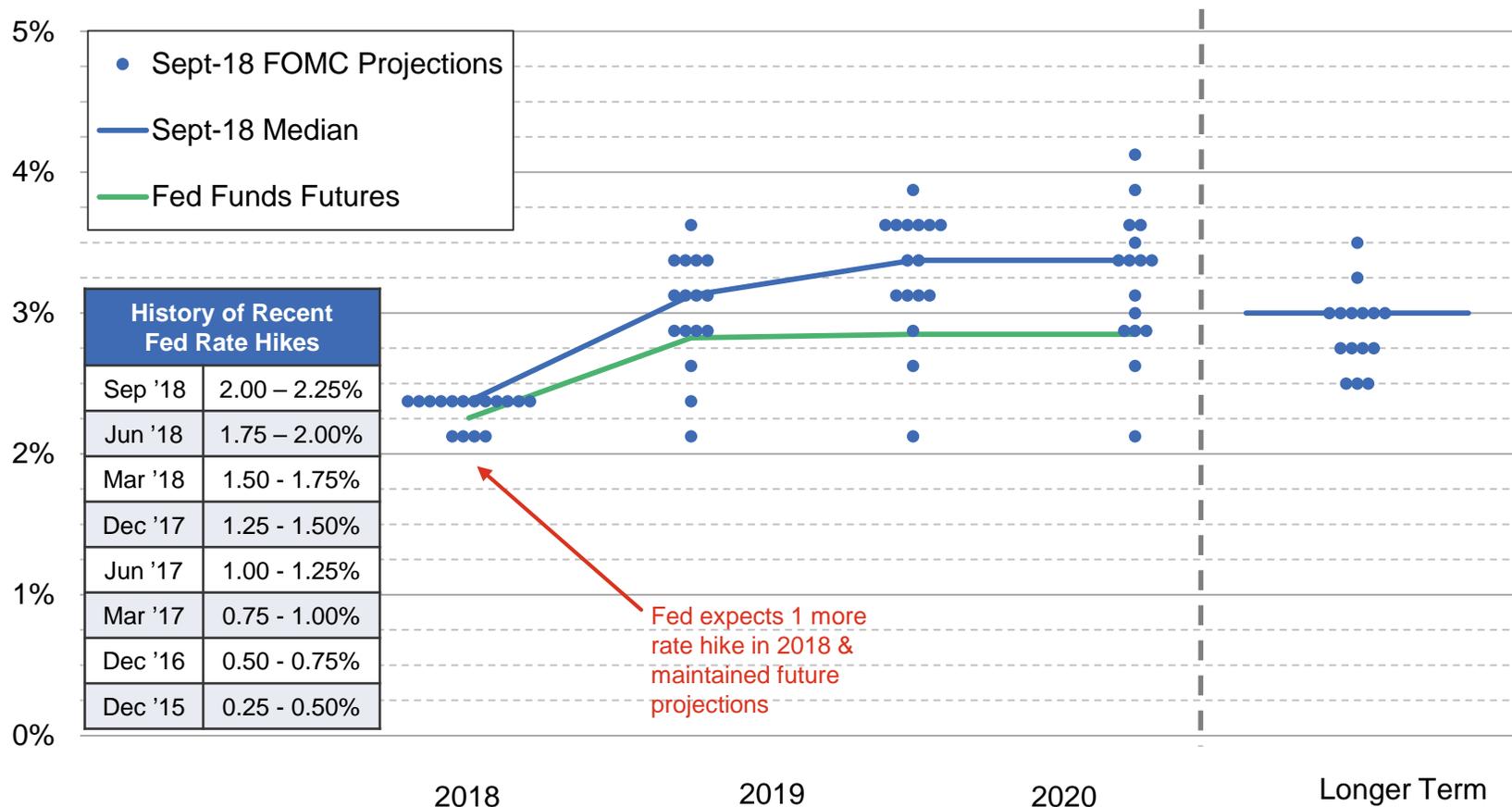
	3Q2018 9/30/18	2Q2018 6/30/18	1Q2018 3/31/18
3 month	2.20%	1.91%	1.70%
6 month	2.36%	2.10%	1.91%
1 year	2.56%	2.31%	2.08%
2 year	2.82%	2.53%	2.27%
3 year	2.88%	2.62%	2.38%
5 year	2.95%	2.74%	2.56%



Source: Bloomberg, as of 9/30/2018.

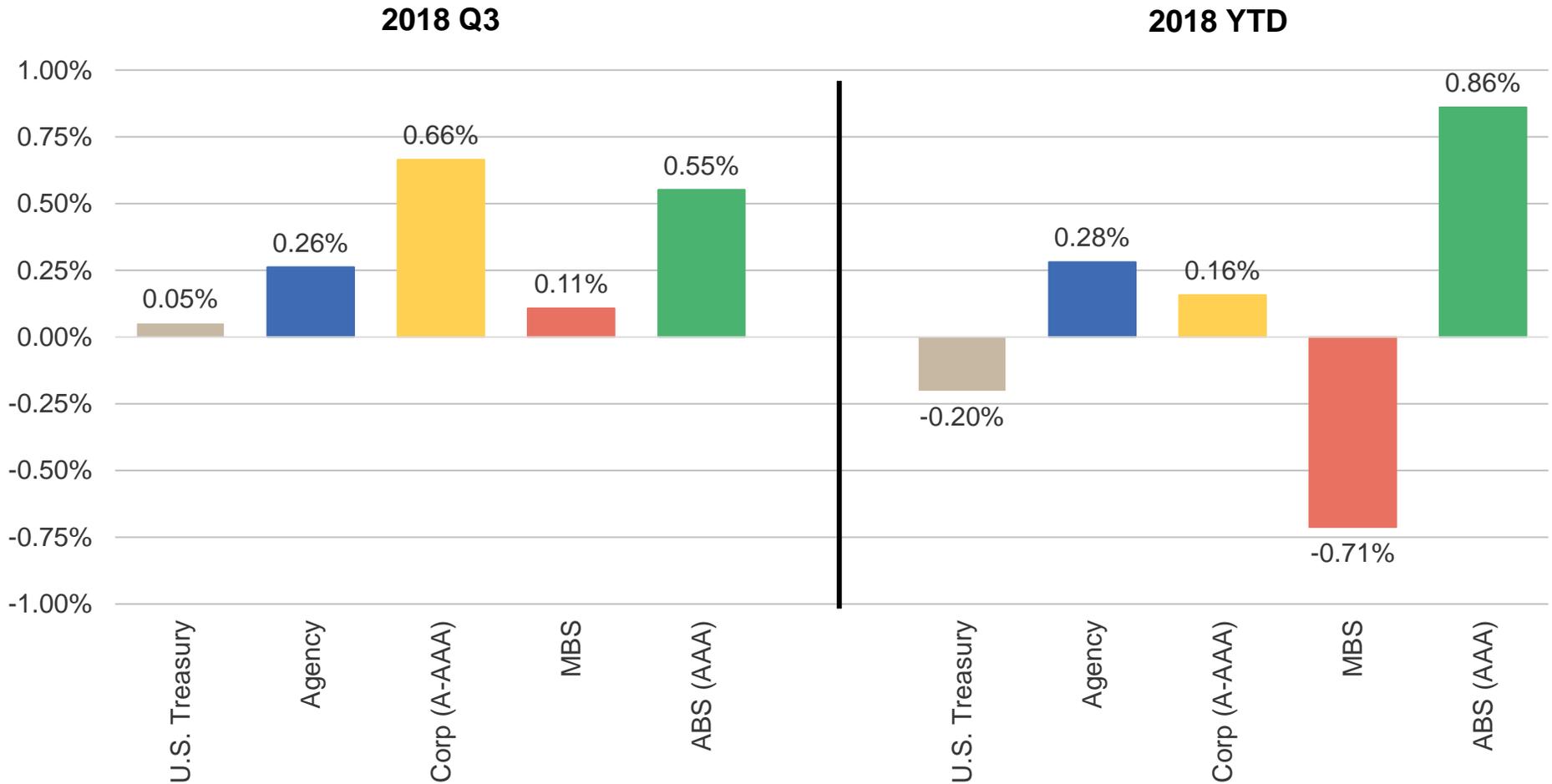
FOMC “Dot Plot” – A Third 2018 Rate Hike in September

Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy
September 2018



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members’ judgment of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 9/26/2018.

Sector Returns 1-5 Year Indices



Source: ICE BofAML Indices. MBS and ABS indices are 0-5 year, based on weighted average life. As of 9/30/2018.

Investment Strategy & Portfolio Review

Portfolio Recap

- ◆ We positioned portfolios with a defensive duration posture for the majority of the past two quarters in light of the Fed's impact on short-term rates. This has benefited portfolio returns as yields across the curve approached new highs for this cycle. Because the yield curve is so flat, holding shorter maturities resulted in very little yield concession. On balance, the tradeoff between slightly lower yields (by being short of the benchmark) and being less exposed to the negative market value impact of the rise in rates during the quarter (from a shorter duration) generally resulted in outperformance vs. benchmarks.
- ◆ After a weaker Q2, strong economic fundamentals gave investors confidence in corporate and other non-government sectors. Most investment-grade sectors contributed positive excess returns (returns in excess of similar-duration Treasuries) to fixed-income portfolios for the quarter.
 - As has been the case for some time, federal agency yield spreads remained extremely narrow throughout the quarter. We generally underweighted agencies in favor of U.S. Treasuries or other sectors.
 - After adding to supranational allocations in the first half of the year, a sharp decline in issuance caused yield spreads to narrow, reducing their attractiveness. The result was strong performance for the sector but few new opportunities.
 - In the corporate sector, strong economic tailwinds created a favorable investment landscape. Corporate returns dominated their government counterparts, adding significant value to portfolios in Q3.
 - We actively sought to increase allocations to asset-backed securities (ABS). Our view of the ABS sector was that it remained a high-quality diversifier to corporate allocations, providing incremental income, with a high degree of downside protection given the sector's strong structural protections and AAA ratings. During Q3, the sector provided attractive excess returns.
 - After providing several consecutive quarters of incremental income relative to short-term government alternatives, yield spreads on commercial paper and negotiable bank certificates of deposit grinded to 12-month tights. Our strategy in Q3 was to be more selective with regard to issuer/maturity and wait for the next Fed rate hike (which occurred September 26) before reassessing value in short credit instruments.
 - Our view of mortgage-backed securities (MBS) remained cautious. As such, our allocations to MBS were generally small and focused on structures with limited extension risk such as shorter maturity pass-throughs and collateralized mortgage obligations (CMOs), agency-backed commercial mortgage-backed securities (CMBS), and MBS with higher coupons, all of which carry less downside risk in a rising rate environment.

Sector Allocation and Compliance

- The portfolio is in compliance with the Authority's Investment Policy and the California Government Code.

Security Type	Market Value as of September 30, 2018	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$46,067,211	29.0%	100%	✓
Federal Agency/GSE	\$14,391,012	9.1%	100%	✓
Federal Agency/CMO	\$5,040,960	3.2%	20%	✓
Corporate Notes	\$38,701,731	24.3%	30%	✓
Negotiable CDs	\$16,988,437	10.0%	10%	✓
Asset-Backed Securities	\$23,923,337	15.1%	30%	✓
Commercial Paper	\$11,457,021	7.2%	15%	✓
Securities Sub-Total	\$156,569,709	98.5%		
Accrued Interest	\$714,336			
Securities Total	\$157,284,046			
Money Market Fund	\$1,388,867	0.9%	10%	✓
LAIF	\$998,422	0.6%	100%	✓
	\$159,671,335	100.0%		

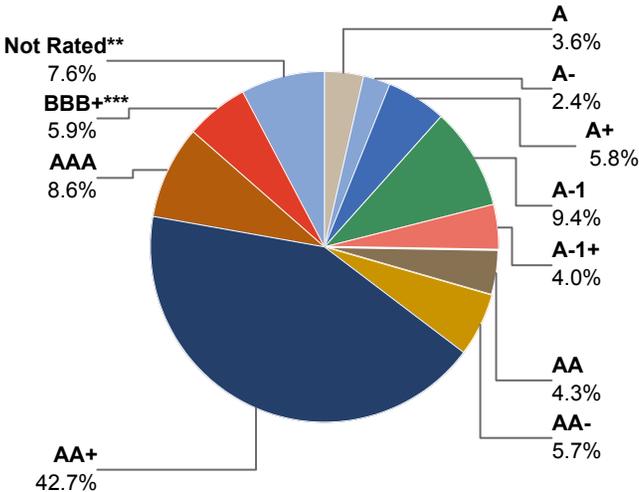
Totals may not add to total due to rounding.

Portfolio Statistics

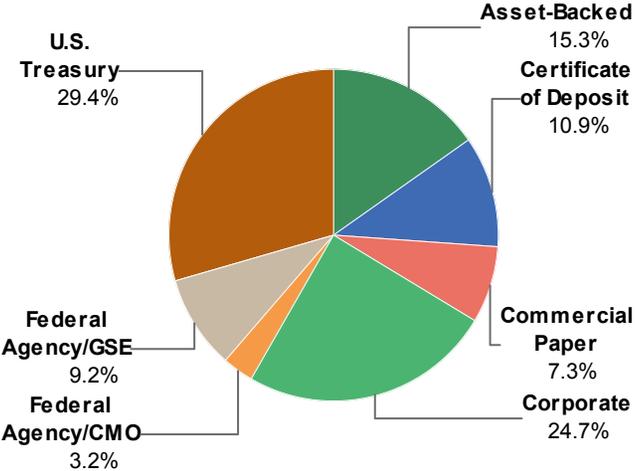
As of September 30, 2018

Par Value:	\$159,234,116
Total Market Value:	\$158,672,913
Security Market Value:	\$156,569,709
Accrued Interest:	\$714,336
Cash:	\$1,388,867
Amortized Cost:	\$158,861,270
Yield at Market:	2.85%
Yield at Cost:	2.14%
Effective Duration:	1.96 Years
Duration to Worst:	2.02 Years
Average Maturity:	2.36 Years
Average Credit: *	AA

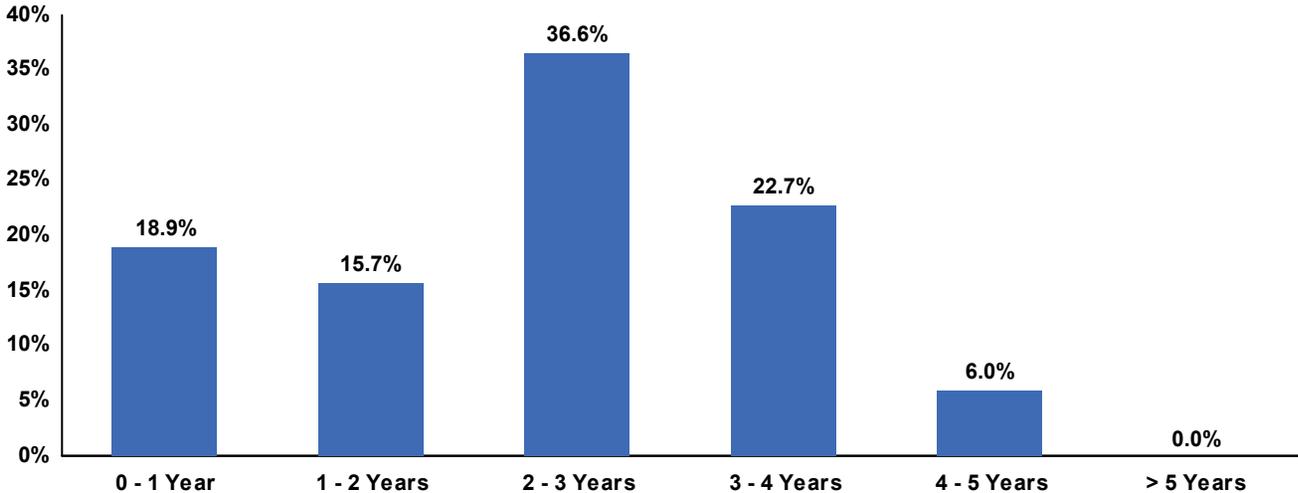
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



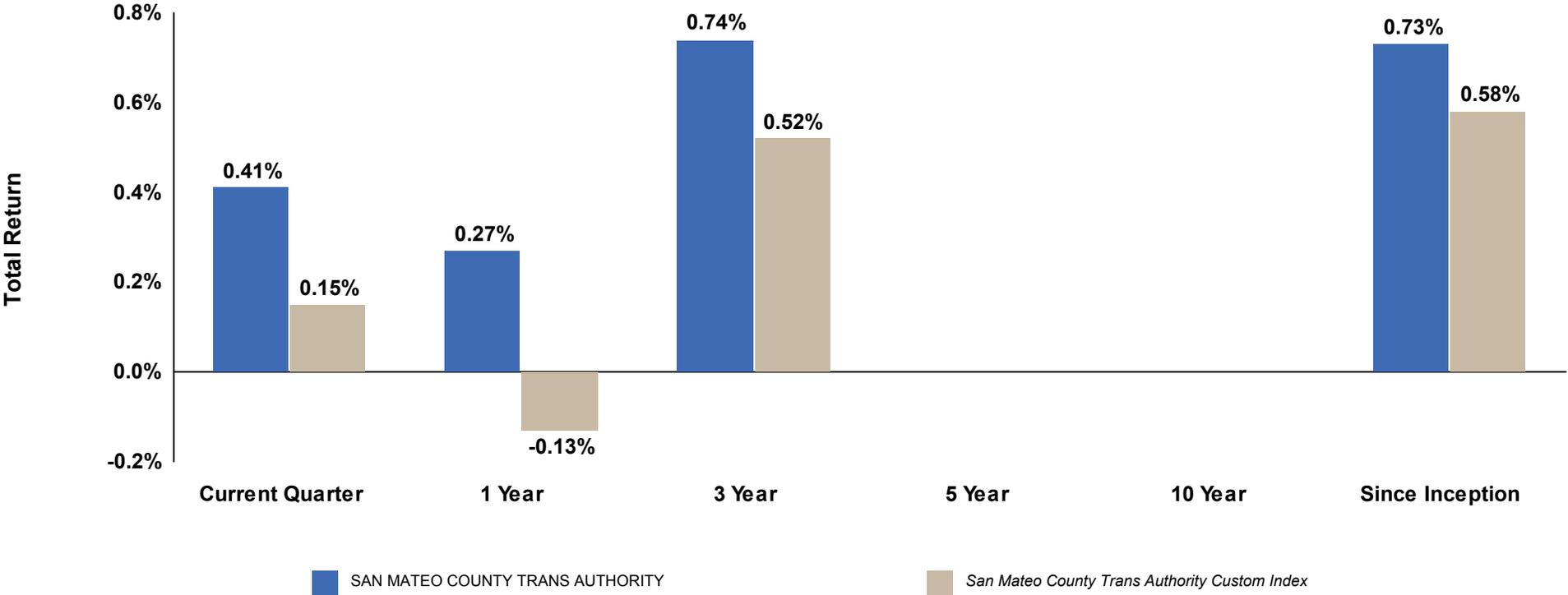
*An average of each security’s credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio

**The "Not Rated" category comprises asset-backed securities rated Aaa by Moody's.

***The "BBB+" category comprises securities rated A or better by Moody's and/or Fitch

Portfolio Performance* (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (03/31/15) **
			1 Year	3 Year	5 Year	10 Year	
SAN MATEO COUNTY TRANS AUTHORITY	1.96	0.41%	0.27%	0.74%	-	-	0.73%
San Mateo County Trans Authority Custom Index	2.09	0.15%	-0.13%	0.52%	-	-	0.58%
Difference		0.26%	0.40%	0.22%	-	-	0.15%



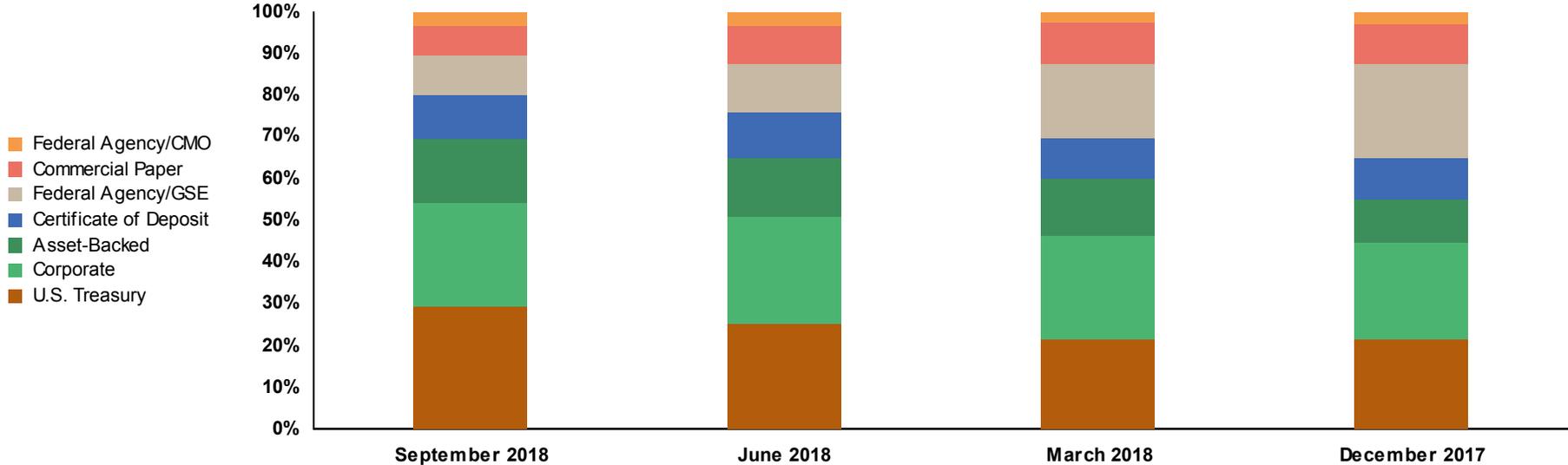
*Portfolio performance is gross of fees unless otherwise indicated. **Since Inception performance is not shown for periods less than one year.

Portfolio Earnings
Quarter-Ended September 30, 2018

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (06/30/2018)	\$156,439,318.83	\$158,596,538.60
Net Purchases/Sales	\$266,651.04	\$266,651.04
Change in Value	(\$136,260.38)	(\$1,919.93)
Ending Value (09/30/2018)	\$156,569,709.49	\$158,861,269.71
Interest Earned	\$777,820.70	\$777,820.70
Portfolio Earnings	\$641,560.32	\$775,900.77

Sector Allocation

Sector	September 30, 2018		June 30, 2018		March 31, 2018		December 31, 2017	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	46.1	29.4%	39.2	25.1%	33.5	21.5%	34.0	21.6%
Corporate	38.7	24.7%	39.9	25.4%	38.7	24.7%	35.8	22.9%
Asset-Backed	23.9	15.3%	22.5	14.4%	21.4	13.7%	16.2	10.3%
Certificate of Deposit	17.0	10.9%	17.0	10.9%	15.4	9.9%	15.4	9.9%
Federal Agency/GSE	14.4	9.2%	18.5	11.8%	27.7	17.8%	35.5	22.6%
Commercial Paper	11.5	7.3%	13.9	8.9%	15.4	9.9%	15.4	9.8%
Federal Agency/CMO	5.0	3.2%	5.5	3.5%	3.9	2.5%	4.5	2.9%
Total	\$156.6	100.0%	\$156.4	100.0%	\$156.0	100.0%	\$156.9	100.0%

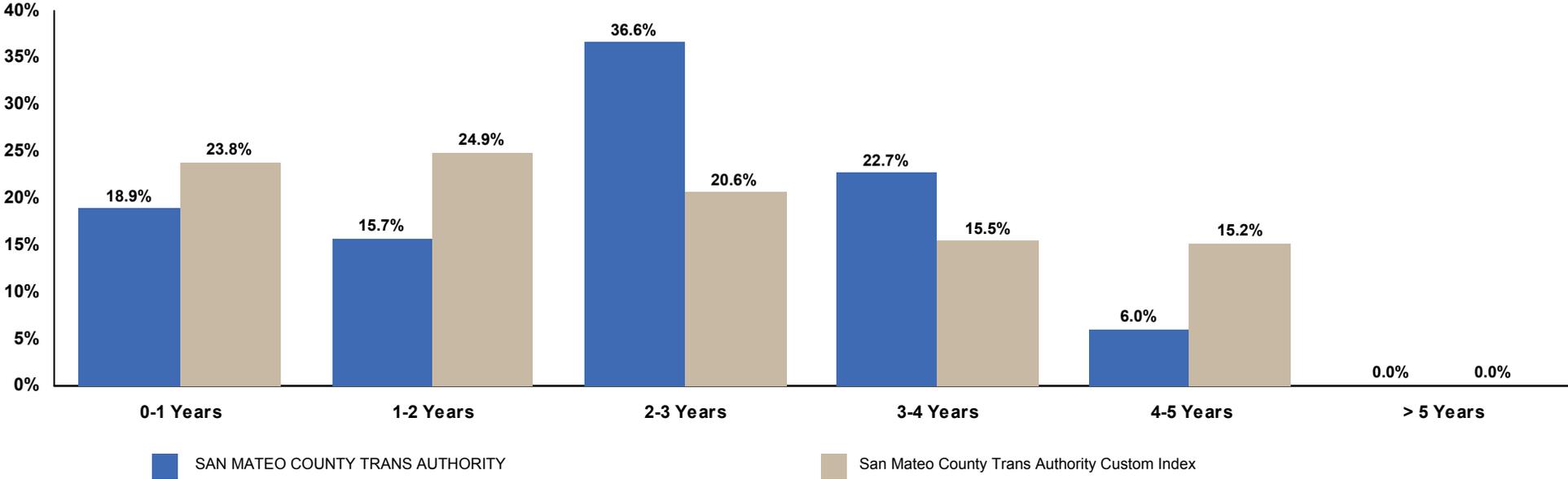


Detail may not add to total due to rounding.

Maturity Distribution

As of September 30, 2018

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
SAN MATEO COUNTY TRANS AUTHORITY	2.85%	2.36 yrs	18.9%	15.7%	36.6%	22.7%	6.0%	0.0%
San Mateo County Trans Authority Custom Index	2.76%	2.26 yrs	23.8%	24.9%	20.6%	15.5%	15.2%	0.0%



Issuer Distribution
As of September 30, 2018

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	46,067,211	29.4%
FANNIE MAE	11,077,922	7.1%
TOYOTA MOTOR CORP	7,659,770	4.9%
CITIGROUP INC	7,259,404	4.6%
AMERICAN EXPRESS CO	5,342,925	3.4%
MITSUBISHI UFJ FINANCIAL GROUP INC	4,636,909	3.0%
FREDDIE MAC	4,406,884	2.8%
ALLY AUTO RECEIVABLES TRUST	4,232,664	2.7%
FEDERAL HOME LOAN BANKS	3,947,167	2.5%
ING GROUP NV	3,657,853	2.3%
MORGAN STANLEY	3,268,220	2.1%
DEXIA GROUP	3,162,259	2.0%
AMERICAN HONDA FINANCE	3,135,406	2.0%
BERKSHIRE HATHAWAY INC	3,133,926	2.0%
BANK OF NOVA SCOTIA	3,102,434	2.0%
SUMITOMO MITSUI FINANCIAL GROUP INC	3,092,058	2.0%
SVENSKA HANDELSBANKEN AB	3,092,002	2.0%
SWEDBANK AB	3,038,989	1.9%

Top 5 = 49.4%

Top 10 = 62.8%

Issuer	Market Value (\$)	% of Portfolio
GOLDMAN SACHS GROUP INC	2,879,242	1.8%
ROYAL BANK OF CANADA	2,764,806	1.8%
FORD CREDIT AUTO OWNER TRUST	2,180,176	1.4%
PFIZER INC	2,051,995	1.3%
CANADIAN IMPERIAL BANK OF COMMERCE	1,898,148	1.2%
JP MORGAN CHASE & CO	1,546,310	1.0%
WAL-MART STORES INC	1,517,008	1.0%
BANK OF AMERICA CO	1,516,082	1.0%
MICROSOFT CORP	1,501,562	1.0%
NATIONAL RURAL UTILITIES CO FINANCE CORP	1,489,560	1.0%
IBM CORP	1,483,100	1.0%
JOHN DEERE OWNER TRUST	1,467,741	0.9%
APPLE INC	1,302,822	0.8%
UNILEVER PLC	1,188,437	0.8%
CATERPILLAR INC	1,073,329	0.7%
PEPSICO INC	987,897	0.6%
CHARLES SCHWAB	965,120	0.6%
CARMAX AUTO OWNER TRUST	749,991	0.5%
HOME DEPOT INC	738,011	0.5%
BB&T CORPORATION	732,013	0.5%
GM FINANCIAL SECURITIZED TERM	698,661	0.5%

Issuer	Market Value (\$)	% of Portfolio
DEERE & COMPANY	671,186	0.4%
THE WALT DISNEY CORPORATION	651,023	0.4%
HERSHEY COMPANY	629,760	0.4%
HONDA AUTO RECEIVABLES	571,729	0.4%
Grand Total:	156,569,709	100.0%

Investment Strategy Outlook

- ◆ Over the past several quarters, we have maintained constructive strategic views on spread products (non-government investments); however, we are cognizant of potential headwinds that could surface towards year-end. While diversification away from U.S. Treasury securities has added significant value over the last several quarters, very narrow spreads across most investment-grade sectors give us reason to turn a bit more cautious.

- ◆ Our outlook for each of the major investment-grade fixed income sectors are as follows:
 - Federal agency securities remain expensive as most maturities offer less than five basis points of incremental yield relative to U.S. Treasuries. We will continue to reduce agency exposure where spreads are tight, seeking better value in other sectors. As an alternative, we may selectively add callable agency issues because we view them as providing better value in today's market in addition to favorable diversification and income benefits.
 - Corporate sector earnings remain solid, fundamentals are stable, and the domestic backdrop is strong, all of which support credit spreads. However, increased balance sheet leverage, headwinds from tariffs, merger and acquisition uncertainty, and higher short-term yields may be headwinds for future performance. In conjunction with tight spreads, we plan to be more selective and defensive with corporate positioning. Our preference continues to favor financials and select industrial issuers with stronger balance sheets and fair valuations, which we think can better withstand the current phase of the credit cycle.
 - In conjunction with our slightly defensive credit posture, asset-backed securities (ABS) offer attractive incremental income compared to government security alternatives. Further, where allocations to the corporate sector are trimmed, we may seek to reinvest a portion of those assets in AAA-rated ABS.
 - Short-term money market investors continue to reap the rewards of current monetary policy tightening. In addition, increased projections for U.S. Treasury debt issuance over the next several quarters may continue to pressure short-term yields higher in both the government and short-term credit spaces.
 - As the Fed continues to reduce its holdings of mortgage-backed securities (MBS), the sector is exposed to potential spread pressures through Q4. As a result, we will maintain allocations to the sector, with new additions focused only on specific structures that limit interest rate sensitivity and provide more stable cash flows.

Transactions & Account Holdings

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
7/2/18	7/2/18	3,700,000	4497W1Q82	ING (US) FUNDING LLC COMM PAPER	0.00%	3/8/19	3,635,764.92	2.55%	
7/11/18	7/18/18	700,000	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	699,836.76	3.03%	
7/18/18	7/25/18	750,000	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	749,897.78	3.36%	
7/20/18	7/20/18	3,200,000	62479MRG0	MUFG BANK LTD/NY COMM PAPER	0.00%	4/16/19	3,138,320.00	2.62%	
8/1/18	8/3/18	2,900,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	2,818,467.05	2.86%	
9/5/18	9/7/18	4,450,000	912828TJ9	US TREASURY NOTES	1.62%	8/15/22	4,267,828.12	2.76%	
Total BUY		15,700,000					15,310,114.63		
INTEREST									
7/1/18	7/25/18	800,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	2,060.00		
7/1/18	7/25/18	1,025,000	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	3,040.83		
7/1/18	7/25/18	3,205,172	3136AJ7G5	FNA SERIES 2014-M6 A2	2.67%	5/25/21	7,286.17		
7/1/18	7/25/18	473,046	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	692.00		
7/2/18	7/2/18	0	MONEY0002	MONEY MARKET FUND			3,085.30		
7/6/18	7/6/18	685,000	24422ETL3	JOHN DEERE CAPITAL CORP NOTES	2.65%	1/6/22	9,076.25		
7/9/18	7/9/18	800,000	89236TDM4	TOYOTA MOTOR CREDIT CORP	1.70%	1/9/19	6,800.00		
7/10/18	7/10/18	1,575,000	172967LF6	CITIGROUP INC (CALLABLE) CORP NOTE	2.45%	1/10/20	19,293.75		
7/10/18	7/10/18	3,100,000	86958JHB8	SVENSKA HANDELSBANKEN NY CD	1.89%	1/10/19	29,457.75		
7/14/18	7/14/18	3,200,000	3130A8QS5	FHLB GLOBAL NOTE	1.12%	7/14/21	18,000.00		
7/15/18	7/15/18	2,485,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	3,686.08		
7/15/18	7/15/18	1,200,000	02582JHG8	AMERICAN EXPRESS ABS 2017-4 A	1.64%	12/15/21	1,640.00		
7/15/18	7/15/18	780,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	1,124.50		
7/15/18	7/15/18	2,610,000	02582JHQ6	AMXCA 2018-1 A	2.67%	10/17/22	5,807.25		
7/15/18	7/15/18	485,000	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	1,075.08		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
7/15/18	7/15/18	3,100,000	89190BAD0	TOYOTA ABS 2017-B A3	1.76%	7/15/21	4,546.67		
7/15/18	7/15/18	705,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	998.75		
7/15/18	7/15/18	700,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	1,370.83		
7/15/18	7/15/18	2,200,000	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	3,061.67		
7/15/18	7/15/18	1,000,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	1,516.67		
7/15/18	7/15/18	1,100,000	02004VAC7	ALLYA 2018-2 A3	2.92%	11/15/22	2,676.67		
7/17/18	7/17/18	2,650,000	17305EGA7	CITIBANK ABS 2017-A2 A2	1.74%	1/19/21	23,055.00		
7/18/18	7/18/18	580,000	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	865.17		
7/20/18	7/20/18	1,500,000	17305EGK5	CCCIT 2018-A1 A1	2.49%	1/20/23	17,637.50		
7/24/18	7/24/18	3,150,000	6174467P8	MORGAN STANLEY CORP NOTE	5.50%	7/24/20	86,625.00		
7/24/18	7/24/18	1,500,000	46625HJD3	JPMORGAN CHASE & CO CORP NOTES	4.50%	1/24/22	33,750.00		
7/27/18	7/27/18	2,750,000	38141GGQ1	GOLDMAN SACHS GROUP CORP NOTES	5.25%	7/27/21	72,187.50		
7/30/18	7/30/18	900,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	6,750.00		
7/31/18	7/31/18	1,585,000	912828VP2	US TREASURY NOTES	2.00%	7/31/20	15,850.00		
8/1/18	8/1/18	750,000	05531FAZ6	BRANCH BANKING & TRUST (CALLABLE) NOTES	2.15%	2/1/21	8,062.50		
8/1/18	8/1/18	0	MONEY0002	MONEY MARKET FUND			461.10		
8/1/18	8/25/18	3,037,885	3136AJ7G5	FNA SERIES 2014-M6 A2	2.67%	5/25/21	6,780.84		
8/1/18	8/25/18	800,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	2,060.00		
8/1/18	8/25/18	1,025,000	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	3,144.53		
8/1/18	8/25/18	466,663	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	640.11		
8/5/18	8/5/18	1,500,000	44932HAG8	IBM CORP CORP NOTES	2.65%	2/5/21	19,764.58		
8/6/18	8/6/18	1,520,000	594918BV5	MICROSOFT CORP NOTES	1.85%	2/6/20	14,060.00		
8/14/18	8/14/18	3,150,000	084670BL1	BERKSHIRE HATHAWAY INC GLOBAL NOTES	2.10%	8/14/19	33,075.00		
8/15/18	8/15/18	2,485,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	3,686.08		
8/15/18	8/15/18	750,000	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	1,304.17		
8/15/18	8/15/18	780,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	1,124.50		
8/15/18	8/15/18	1,100,000	02004VAC7	ALLYA 2018-2 A3	2.92%	11/15/22	2,676.67		
8/15/18	8/15/18	2,200,000	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	3,061.67		
8/15/18	8/15/18	1,200,000	02582JHG8	AMERICAN EXPRESS ABS 2017-4 A	1.64%	12/15/21	1,640.00		
8/15/18	8/15/18	3,150,000	02665WAH4	AMERICAN HONDA FINANCE GLOBAL NOTES	2.25%	8/15/19	35,437.50		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
8/15/18	8/15/18	700,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	1,370.83		
8/15/18	8/15/18	2,610,000	02582JHQ6	AMXCA 2018-1 A	2.67%	10/17/22	5,807.25		
8/15/18	8/15/18	705,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	998.75		
8/15/18	8/15/18	485,000	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	1,075.08		
8/15/18	8/15/18	1,000,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	1,516.67		
8/15/18	8/15/18	3,100,000	89190BAD0	TOYOTA ABS 2017-B A3	1.76%	7/15/21	4,546.67		
8/16/18	8/16/18	700,000	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	1,644.22		
8/17/18	8/17/18	825,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	5,156.25		
8/17/18	8/17/18	2,675,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	16,718.75		
8/18/18	8/18/18	580,000	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	865.17		
8/28/18	8/28/18	700,000	3135G0P49	FNMA NOTES	1.00%	8/28/19	3,500.00		
8/28/18	8/28/18	1,955,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	14,662.50		
8/31/18	8/31/18	3,900,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	39,000.00		
8/31/18	8/31/18	335,000	912828L32	US TREASURY NOTES	1.37%	8/31/20	2,303.13		
8/31/18	8/31/18	1,800,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	18,000.00		
8/31/18	8/31/18	2,700,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	27,000.00		
9/1/18	9/25/18	800,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	2,060.00		
9/1/18	9/25/18	995,713	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	3,007.05		
9/1/18	9/25/18	317,610	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	435.65		
9/1/18	9/25/18	3,033,752	3136AJ7G5	FNA SERIES 2014-M6 A2	2.67%	5/25/21	6,771.61		
9/4/18	9/4/18	660,000	25468PDP8	WALT DISNEY COMPANY CORP NOTES	1.95%	3/4/20	6,435.00		
9/4/18	9/4/18	0	MONEY0002	MONEY MARKET FUND			914.82		
9/4/18	9/4/18	1,100,000	14913Q2A6	CATERPILLAR FINL SERVICE NOTE	1.85%	9/4/20	10,175.00		
9/15/18	9/15/18	750,000	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	1,956.25		
9/15/18	9/15/18	2,200,000	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	3,061.67		
9/15/18	9/15/18	3,100,000	89190BAD0	TOYOTA ABS 2017-B A3	1.76%	7/15/21	4,546.67		
9/15/18	9/15/18	1,100,000	02004VAC7	ALLYA 2018-2 A3	2.92%	11/15/22	2,676.67		
9/15/18	9/15/18	780,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	1,124.50		
9/15/18	9/15/18	700,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	1,370.83		
9/15/18	9/15/18	2,610,000	02582JHQ6	AMXCA 2018-1 A	2.67%	10/17/22	5,807.25		

SAN MATEO COUNTY TRANS AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
9/15/18	9/15/18	1,000,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	1,516.67		
9/15/18	9/15/18	705,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	998.75		
9/15/18	9/15/18	625,000	63743HER9	NATIONAL RURAL UTIL COOP	2.90%	3/15/21	10,019.10		
9/15/18	9/15/18	2,485,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	3,686.08		
9/15/18	9/15/18	1,200,000	02582JHG8	AMERICAN EXPRESS ABS 2017-4 A	1.64%	12/15/21	1,640.00		
9/15/18	9/15/18	485,000	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	1,075.08		
9/15/18	9/15/18	875,000	63743HER9	NATIONAL RURAL UTIL COOP	2.90%	3/15/21	14,026.74		
9/16/18	9/16/18	700,000	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	1,761.67		
9/18/18	9/18/18	580,000	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	865.17		
9/22/18	9/22/18	1,200,000	904764AZ0	UNILEVER CAPITAL CORP NOTES	2.75%	3/22/21	16,500.00		
9/26/18	9/26/18	550,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	2,750.00		
9/28/18	9/28/18	365,000	3130ACE26	FHLB NOTES	1.37%	9/28/20	2,509.38		
9/29/18	9/29/18	990,000	3137EAEJ4	FHLMC NOTES	1.62%	9/29/20	8,043.75		
Total INTEREST		124,434,840					779,896.27		
MATURITY									
7/2/18	7/2/18	3,100,000	4497W1G26	ING (US) FUNDING LLC COMM PAPER	0.00%	7/2/18	3,100,000.00		0.00
7/20/18	7/20/18	3,000,000	06538CGL9	MUFG BANK LTD/NY COMM PAPER	0.00%	7/20/18	3,000,000.00		0.00
Total MATURITY		6,100,000					6,100,000.00		0.00
PAYDOWNS									
7/1/18	7/25/18	6,383	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	6,382.86		0.00
7/1/18	7/25/18	167,287	3136AJ7G5	FNA SERIES 2014-M6 A2	2.67%	5/25/21	167,286.57		0.00
8/1/18	8/25/18	149,053	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	149,053.07		0.00
8/1/18	8/25/18	29,287	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	29,286.91		0.00
8/1/18	8/25/18	4,133	3136AJ7G5	FNA SERIES 2014-M6 A2	2.67%	5/25/21	4,132.72		0.00

SAN MATEO COUNTY TRANS AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
9/1/18	9/25/18	44,326	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	44,325.75		0.00
9/1/18	9/25/18	28,009	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	28,009.42		0.00
9/1/18	9/25/18	4,149	3136AJ7G5	FNA SERIES 2014-M6 A2	2.67%	5/25/21	4,148.73		0.00
9/15/18	9/15/18	31,476	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	31,475.75		0.00
Total PAYDOWNS		464,102					464,101.78		0.00
SELL									
7/11/18	7/18/18	500,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	492,720.56	2.52%	(8,663.49)
7/18/18	7/25/18	750,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	739,429.17	2.52%	(12,796.91)
8/1/18	8/3/18	2,900,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	2,859,973.56	2.54%	(49,296.87)
9/5/18	9/7/18	1,200,000	24422ETM1	JOHN DEERE CAPITAL CORP	1.65%	10/15/18	1,207,090.00	2.21%	(672.50)
9/6/18	9/7/18	3,200,000	09659CKK3	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	10/19/18	3,192,010.67	2.15%	(373.33)
Total SELL		8,550,000					8,491,223.96		-71,803.10

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 10/31/2014 1.500% 10/31/2019	912828F62	600,000.00	AA+	Aaa	9/8/2015	9/9/2015	602,414.06	1.40	3,766.30	600,644.66	592,429.80
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	505,000.00	AA+	Aaa	12/4/2015	12/7/2015	498,470.51	1.68	2,333.56	502,519.04	493,380.96
US TREASURY NOTES DTD 07/31/2013 2.000% 07/31/2020	912828VP2	1,585,000.00	AA+	Aaa	5/17/2016	5/18/2016	1,638,431.83	1.18	5,340.76	1,608,606.80	1,562,277.44
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	335,000.00	AA+	Aaa	6/28/2016	6/29/2016	341,124.22	0.93	394.46	337,840.37	326,023.01
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828Q78	2,570,000.00	AA+	Aaa	1/3/2017	1/5/2017	2,519,001.56	1.86	14,787.98	2,539,035.95	2,475,231.25
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	3,500,000.00	AA+	Aaa	3/15/2017	3/17/2017	3,409,082.03	2.02	16,173.16	3,441,557.18	3,366,016.50
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	3,900,000.00	AA+	Aaa	6/27/2017	6/29/2017	3,942,503.91	1.73	6,679.56	3,930,040.10	3,804,633.30
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,800,000.00	AA+	Aaa	4/3/2017	4/5/2017	1,813,921.88	1.82	3,082.87	1,809,347.67	1,755,984.60
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	2,700,000.00	AA+	Aaa	7/6/2017	7/11/2017	2,716,347.66	1.85	4,624.31	2,711,657.22	2,633,976.90
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	2,500,000.00	AA+	Aaa	10/5/2017	10/10/2017	2,442,089.84	1.85	13,077.45	2,455,633.13	2,379,590.00
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	3,000,000.00	AA+	Aaa	8/1/2017	8/3/2017	2,942,460.94	1.72	15,692.93	2,957,805.75	2,855,508.00
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	4,550,000.00	AA+	Aaa	8/30/2017	8/31/2017	4,478,195.31	1.64	23,800.95	4,496,439.54	4,330,853.80
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	7,500,000.00	AA+	Aaa	5/3/2018	5/7/2018	7,260,351.56	2.73	58,848.51	7,283,286.68	7,236,622.50
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	3,250,000.00	AA+	Aaa	1/3/2018	1/4/2018	3,208,740.23	2.18	25,501.02	3,215,560.40	3,135,869.75
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	2,150,000.00	AA+	Aaa	12/4/2017	12/6/2017	2,127,660.16	2.12	16,869.90	2,131,678.00	2,074,498.45

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	4,450,000.00	AA+	Aaa	9/5/2018	9/7/2018	4,263,308.59	2.76	9,235.56	4,266,258.34	4,238,451.45
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	2,900,000.00	AA+	Aaa	8/1/2018	8/3/2018	2,812,773.44	2.86	15,573.71	2,815,781.22	2,805,863.10
Security Type Sub-Total		47,795,000.00					47,016,877.73	2.10	235,782.99	47,103,692.05	46,067,210.81
Federal Agency Collateralized Mortgage Obligation											
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	273,284.00	AA+	Aaa	10/7/2015	10/30/2015	276,020.65	1.08	374.85	273,647.01	272,244.43
FNA SERIES 2014-M6 A2 DTD 06/01/2014 2.679% 05/25/2021	3136AJ7G5	3,029,603.63	AA+	Aaa	12/12/2016	12/15/2016	3,090,905.77	1.70	6,762.35	3,049,204.07	2,994,530.51
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	967,703.67	AA+	Aaa	4/11/2018	4/30/2018	986,952.26	2.27	2,870.85	984,842.01	976,832.02
FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	800,000.00	AA+	Aaa	4/4/2018	4/9/2018	806,812.50	2.61	2,060.00	805,969.58	797,353.52
Security Type Sub-Total		5,070,591.30					5,160,691.18	1.92	12,068.05	5,113,662.67	5,040,960.48
Federal Agency Bond / Note											
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	700,000.00	AA+	Aaa	8/31/2016	9/2/2016	698,908.00	1.05	641.67	699,664.52	689,910.90
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	550,000.00	AA+	Aaa	9/8/2016	9/9/2016	549,521.50	1.03	76.39	549,843.32	541,090.00
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	1,955,000.00	AA+	Aaa	2/24/2017	2/28/2017	1,953,748.80	1.52	2,688.13	1,954,405.66	1,921,565.59
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	2,700,000.00	AA+	Aaa	4/19/2017	4/20/2017	2,690,766.00	1.49	16,603.13	2,695,169.70	2,642,409.00
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	900,000.00	AA+	Aaa	7/28/2017	8/1/2017	897,273.00	1.60	2,287.50	898,319.30	879,516.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	365,000.00	AA+	Aaa	9/7/2017	9/8/2017	363,828.35	1.48	41.82	364,229.72	354,723.43
FHLMC NOTES DTD 09/29/2017 1.625% 09/29/2020	3137EAEJ4	990,000.00	AA+	Aaa	9/28/2017	9/29/2017	988,208.10	1.69	89.38	988,798.69	967,121.10
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	3,200,000.00	AA+	Aaa	7/14/2016	7/15/2016	3,180,540.80	1.25	7,700.00	3,189,003.14	3,051,353.60
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	2,675,000.00	AA+	Aaa	8/17/2016	8/19/2016	2,664,166.25	1.33	4,086.81	2,668,670.25	2,555,253.63
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	825,000.00	AA+	Aaa	8/17/2016	8/19/2016	822,177.68	1.32	1,260.42	823,351.23	788,068.88
Security Type Sub-Total		14,860,000.00					14,809,138.48	1.39	35,475.25	14,831,455.53	14,391,012.13
Corporate Note											
TOYOTA MOTOR CREDIT CORP DTD 01/09/2017 1.700% 01/09/2019	89236TDM4	800,000.00	AA-	Aa3	1/4/2017	1/9/2017	799,720.00	1.72	3,097.78	799,961.40	798,293.60
BERKSHIRE HATHAWAY INC GLOBAL NOTES DTD 08/14/2014 2.100% 08/14/2019	084670BL1	3,150,000.00	AA	Aa2	12/20/2016	12/23/2016	3,167,829.00	1.88	8,636.25	3,155,972.97	3,133,925.55
AMERICAN HONDA FINANCE GLOBAL NOTES DTD 09/09/2014 2.250% 08/15/2019	02665WAH4	3,150,000.00	A+	A2	12/15/2016	12/20/2016	3,165,655.50	2.06	9,056.25	3,155,251.46	3,135,406.05
TOYOTA MOTOR CORP NOTES DTD 10/18/2016 1.550% 10/18/2019	89236TDH5	1,150,000.00	AA-	Aa3	10/13/2016	10/18/2016	1,149,425.00	1.57	8,070.76	1,149,796.24	1,134,771.70
PFIZER INC CORP NOTE DTD 11/21/2016 1.700% 12/15/2019	717081EB5	2,080,000.00	AA	A1	11/14/2016	11/21/2016	2,078,502.40	1.72	10,411.56	2,079,398.61	2,051,994.88
CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020	172967LF6	1,575,000.00	BBB+	Baa1	1/4/2017	1/10/2017	1,574,370.00	2.46	8,682.19	1,574,726.74	1,561,250.25
MICROSOFT CORP NOTES DTD 02/06/2017 1.850% 02/06/2020	594918BV5	1,520,000.00	AAA	Aaa	1/30/2017	2/6/2017	1,518,981.60	1.87	4,296.11	1,519,535.78	1,501,562.40

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020	25468PDP8	660,000.00	A+	A2	3/1/2017	3/6/2017	659,828.40	1.96	965.25	659,916.94	651,023.34
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	1,325,000.00	AA+	Aa1	5/4/2017	5/11/2017	1,323,648.50	1.84	9,275.00	1,324,265.17	1,302,822.15
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	750,000.00	A	A2	5/24/2017	6/5/2017	749,565.00	1.82	4,350.00	749,753.89	738,011.25
MORGAN STANLEY CORP NOTE DTD 07/26/2010 5.500% 07/24/2020	6174467P8	3,150,000.00	BBB+	A3	11/7/2016	11/10/2016	3,516,187.50	2.21	32,243.75	3,332,978.33	3,268,219.50
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	1,100,000.00	A	A3	9/5/2017	9/7/2017	1,099,076.00	1.88	1,526.25	1,099,399.13	1,073,329.40
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	1,550,000.00	AA	Aa2	10/11/2017	10/20/2017	1,547,752.50	1.95	8,671.39	1,548,403.13	1,517,008.25
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	750,000.00	A-	A2	10/23/2017	10/26/2017	749,655.00	2.17	2,687.50	749,743.20	732,012.75
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	1,500,000.00	A+	A1	2/1/2018	2/6/2018	1,499,265.00	2.67	6,183.33	1,499,419.76	1,483,099.50
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	625,000.00	A	A2	2/21/2018	2/26/2018	624,306.25	2.94	805.56	624,443.39	620,650.00
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	875,000.00	A	A2	4/12/2018	4/19/2018	871,298.75	3.05	1,127.78	871,877.68	868,910.00
UNILEVER CAPITAL CORP NOTES DTD 03/22/2018 2.750% 03/22/2021	904764AZ0	1,200,000.00	A+	A1	3/19/2018	3/22/2018	1,193,868.00	2.93	825.00	1,194,903.19	1,188,436.80
TOYOTA MOTOR CREDIT CORP NOTES DTD 04/13/2018 2.950% 04/13/2021	89236TEU5	1,200,000.00	AA-	Aa3	4/10/2018	4/13/2018	1,199,520.00	2.96	16,520.00	1,199,591.95	1,194,500.40
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	1,015,000.00	A+	A1	10/5/2017	10/10/2017	1,014,797.00	2.01	9,360.56	1,014,850.92	987,897.47

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	175,000.00	A-	A3	11/1/2017	11/3/2017	176,358.00	2.39	2,067.19	176,011.90	172,190.73
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	630,000.00	A	A1	5/3/2018	5/10/2018	629,565.30	3.12	7,649.25	629,620.99	629,759.97
AMERICAN EXPRESS CO DTD 05/17/2018 3.375% 05/17/2021	025816BU2	1,550,000.00	BBB+	A3	5/14/2018	5/17/2018	1,549,736.50	3.38	19,471.88	1,549,767.84	1,550,906.75
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	965,000.00	A	A2	5/17/2018	5/22/2018	964,971.05	3.25	11,238.23	964,973.95	965,119.66
GOLDMAN SACHS GROUP CORP NOTES DTD 07/27/2011 5.250% 07/27/2021	38141GGQ1	2,750,000.00	BBB+	A3	11/22/2016	11/28/2016	3,035,092.50	2.86	25,666.67	2,927,023.83	2,879,241.75
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	965,000.00	A-	A3	9/13/2017	9/18/2017	965,000.00	2.33	11,232.60	965,000.00	944,110.65
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	685,000.00	A	A2	3/10/2017	3/15/2017	681,979.15	2.75	4,286.01	682,917.24	671,186.29
JPMORGAN CHASE & CO CORP NOTES DTD 01/23/2012 4.500% 01/24/2022	46625HJD3	1,500,000.00	A-	A3	5/23/2017	5/26/2017	1,622,730.00	2.62	12,562.50	1,588,790.19	1,546,309.50
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	400,000.00	A-	A3	5/14/2018	5/17/2018	400,000.00	3.50	5,209.62	400,000.00	399,780.40
Security Type Sub-Total		38,745,000.00					39,528,683.90	2.34	246,176.22	39,188,295.82	38,701,730.94
Commercial Paper											
ING (US) FUNDING LLC COMM PAPER DTD 06/12/2018 0.000% 03/08/2019	4497W1Q82	3,700,000.00	A-1	P-1	7/2/2018	7/2/2018	3,635,764.92	2.55	0.00	3,659,240.36	3,657,853.30
MUFG BANK LTD/NY COMM PAPER DTD 06/14/2018 0.000% 03/11/2019	62479MQB2	1,500,000.00	A-1	P-1	6/14/2018	6/15/2018	1,471,082.50	2.63	0.00	1,482,692.49	1,482,793.50
DEXIA CREDIT LOCAL SA NY COMM PAPER DTD 06/25/2018 0.000% 03/18/2019	25214PJB0	3,200,000.00	A-1+	P-1	6/25/2018	6/26/2018	3,141,111.11	2.55	0.00	3,162,666.66	3,162,259.20

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 07/20/2018 0.000% 04/16/2019	62479MRG0	3,200,000.00	A-1	P-1	7/20/2018	7/20/2018	3,138,320.00	2.62	0.00	3,154,996.45	3,154,115.20
Security Type Sub-Total		11,600,000.00					11,386,278.53	2.58	0.00	11,459,595.96	11,457,021.20
Certificate of Deposit											
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	1,900,000.00	A-1	P-1	12/1/2016	12/5/2016	1,898,518.00	1.78	11,239.56	1,899,877.36	1,898,147.50
SVENSKA HANDELSBANKEN NY CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	3,100,000.00	A-1+	P-1	1/10/2017	1/12/2017	3,100,000.00	1.91	13,508.25	3,100,000.00	3,092,002.00
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	1,500,000.00	A-1	P-1	4/5/2017	4/6/2017	1,500,000.00	1.91	14,245.42	1,500,000.00	1,494,708.00
SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVN0	3,100,000.00	A-1	P-1	5/3/2017	5/4/2017	3,100,000.00	2.05	26,655.69	3,100,000.00	3,092,057.80
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	1,600,000.00	A+	Aa2	6/5/2018	6/7/2018	1,599,392.00	3.10	15,605.33	1,599,485.33	1,607,726.40
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	3,100,000.00	AA-	Aa2	11/16/2017	11/17/2017	3,100,000.00	2.30	26,975.17	3,100,000.00	3,038,988.90
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	2,750,000.00	AA-	Aa2	6/7/2018	6/8/2018	2,750,000.00	3.24	27,967.50	2,750,000.00	2,764,806.00
Security Type Sub-Total		17,050,000.00					17,047,910.00	2.32	136,196.92	17,049,362.69	16,988,436.60
Asset-Backed Security / Collateralized Mortgage Obligation											
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	2,650,000.00	AAA	Aaa	1/19/2017	1/26/2017	2,649,492.53	1.75	9,478.17	2,650,000.00	2,644,169.74
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	780,000.00	AAA	Aaa	3/7/2017	3/15/2017	779,908.19	1.74	599.73	779,943.39	774,479.39

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	2,200,000.00	NR	Aaa	1/18/2017	1/25/2017	2,199,991.86	1.67	1,632.89	2,199,995.69	2,180,175.58
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	673,524.25	NR	Aaa	1/24/2017	1/31/2017	673,465.38	1.70	508.88	673,489.05	668,795.57
TOYOTA ABS 2017-B A3 DTD 05/17/2017 1.760% 07/15/2021	89190BAD0	3,100,000.00	AAA	Aaa	5/9/2017	5/17/2017	3,099,762.23	1.76	2,424.89	3,099,838.40	3,065,543.19
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	2,485,000.00	NR	Aaa	3/21/2017	3/29/2017	2,484,707.02	1.79	1,965.91	2,484,812.88	2,466,381.14
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	580,000.00	AAA	NR	9/25/2017	9/29/2017	579,937.19	1.94	374.91	579,952.40	571,729.08
JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	1,000,000.00	NR	Aaa	7/11/2017	7/18/2017	999,926.80	1.82	808.89	999,945.58	986,298.00
AMERICAN EXPRESS ABS 2017-4 A DTD 05/30/2017 1.640% 12/15/2021	02582JHG8	1,200,000.00	AAA	NR	5/22/2017	5/30/2017	1,199,807.76	1.65	874.67	1,199,861.78	1,192,387.08
CITIBANK ABS 2017-A3 A3 DTD 04/11/2017 1.920% 04/07/2022	17305EGB5	1,600,000.00	AAA	NR	5/15/2017	5/22/2017	1,604,272.00	1.82	14,848.00	1,603,287.54	1,574,717.12
JDOT 2018-A A3 DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	485,000.00	NR	Aaa	2/21/2018	2/28/2018	484,965.13	2.66	573.38	484,969.93	481,442.82
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	700,000.00	AAA	Aaa	1/23/2018	1/31/2018	699,991.95	2.35	731.11	699,993.50	692,182.19
AMXCA 2018-1 A DTD 03/21/2018 2.670% 10/17/2022	02582JHQ6	2,610,000.00	NR	Aaa	3/14/2018	3/21/2018	2,609,696.98	2.68	3,097.20	2,609,730.75	2,599,630.99
ALLYA 2018-2 A3 DTD 04/30/2018 2.920% 11/15/2022	02004VAC7	1,100,000.00	NR	Aaa	4/24/2018	4/30/2018	1,099,800.24	2.93	1,427.56	1,099,817.18	1,097,487.16
CCCIT 2018-A1 A1 DTD 01/31/2018 2.490% 01/20/2023	17305EGK5	1,500,000.00	NR	Aaa	1/25/2018	1/31/2018	1,499,792.40	2.54	7,366.25	1,499,822.12	1,479,266.55
GMCAR 2018-3 A3 DTD 07/18/2018 3.020% 05/16/2023	36255JAD6	700,000.00	AAA	NR	7/11/2018	7/18/2018	699,836.76	3.03	880.83	699,843.31	698,661.18
CARMAX AUTO OWNER TRUST DTD 07/25/2018 3.130% 06/15/2023	14313FAD1	750,000.00	AAA	NR	7/18/2018	7/25/2018	749,897.78	3.36	1,043.33	749,901.49	749,990.55

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total		24,113,524.25					24,115,252.20	2.08	48,636.60	24,115,204.99	23,923,337.33
Managed Account Sub Total		159,234,115.55					159,064,832.02	2.14	714,336.03	158,861,269.71	156,569,709.49
Securities Sub-Total		\$159,234,115.55					\$159,064,832.02	2.14%	\$714,336.03	\$158,861,269.71	\$156,569,709.49
Accrued Interest											\$714,336.03
Total Investments											\$157,284,045.52

Bolded items are forward settling trades.

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed-income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at the time of issuance) is amortized on a straight-line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

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

SUBJECT: **PROGRAM REPORT: 25TH AVENUE GRADE SEPARATION PROJECT**

ACTION

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

SIGNIFICANCE

This presentation is part of a series of program reports presented to the Board. Each of the Transportation Authority's (TA) six program areas – Transit, Highways, Local Streets/Transportation, Grade Separations, Pedestrian & Bicycle, and Alternative Congestion Relief– will be featured individually throughout the year. This month features a report on the 25th Avenue Grade Separation Project.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

On October 6, 2016, the TA Board programmed and allocated \$65.3 million for the right-of-way and construction phases for the 25th Avenue Grade Separation Project. Since then, the construction contract was awarded to Shimmick/Disney Joint Venture in July 2017 and construction commenced in October 2017. Further project update will be presented via PowerPoint.



25th Avenue Grade Separation

November 1, 2018
TA Board of Directors
Agenda Item # 11 (a)

Agenda

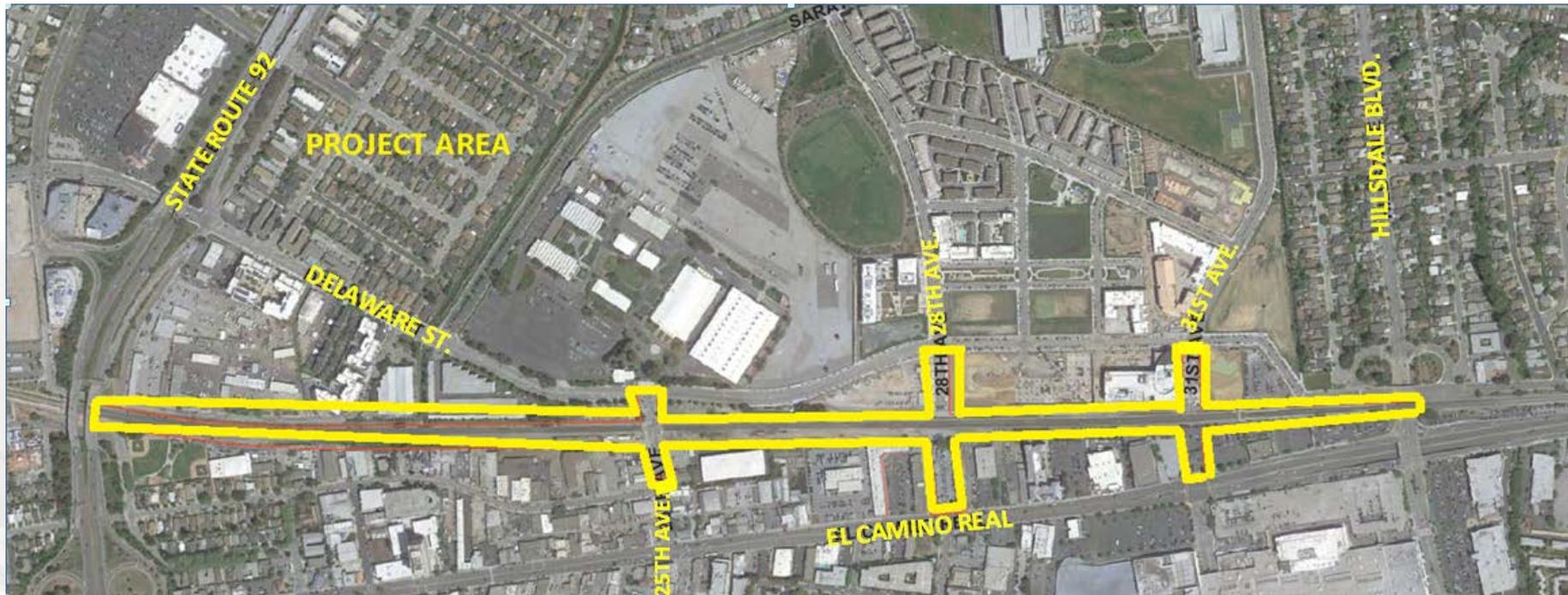
- I. Project Need and Description**
- II. Project Benefits**
- III. Schedule**
- IV. Construction**
- V. Next Steps**



Project Need and Description



Project Location



E. 25th Ave Railroad Crossing

- 92 Caltrain trains each weekday use this crossing, in addition to freight
- Lack of grade separation increases delays along corridor

Project Elements

Construct Grade Separation (elevated rails, lowered roads) between Hillsdale Blvd and Highway 92

- Five bridges
- Approx. 1 mile of MSE Wall
- New elevated station at Hillsdale

Elevated Track



Grade Separation (25th Ave)



East-West Connection (28th Ave)



East-West Connection (31st Ave)



Relocated Hillsdale Station





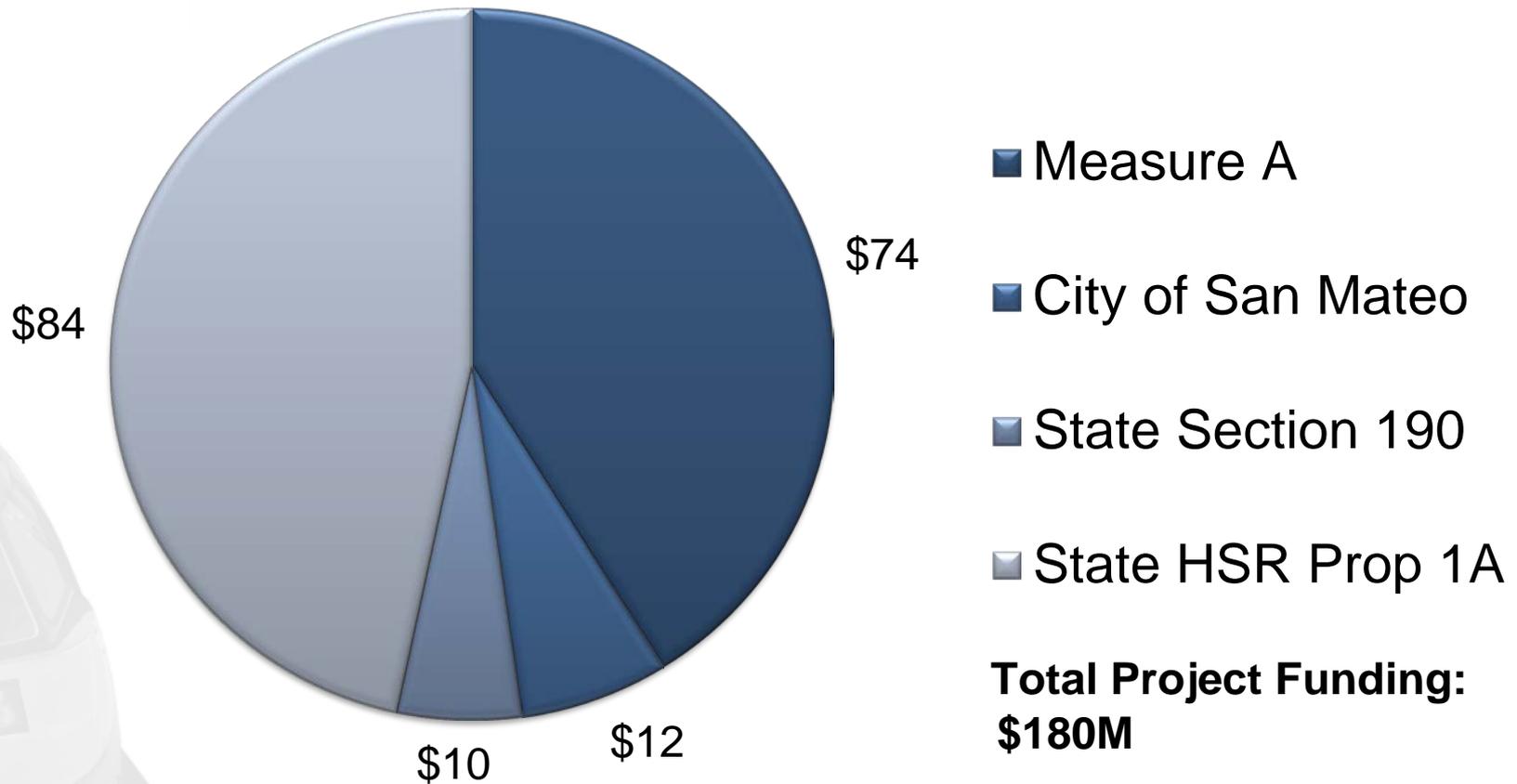
Project Benefits



Project Benefits

- Safe rail operations
- Fewer system-wide delays
- Improved traffic flow
- Enhanced E-W connectivity
- Improved pedestrian and motorist safety
- Support Caltrain electrification

Project Funding, in Millions





Schedule



Schedule

Activity	Date
MSE Wall Construction	Sep 2018 - Oct 2019
Station Closed	Sept 2019 – Feb. 2020
Roads Completed	Feb. 2020 – 28 th Ave Aug. 2020 – 31 st Ave April 2020 – 25 th Ave
Project Completed	Oct. 2020

Hillsdale Station Closure

- Enhanced train service provided at Belmont Station
- Enhanced Samtrans bus and shuttle service provided between Hillsdale and Belmont Stations



Construction



Project Updates

Bridges

Beresford Creek – Complete

25th Ave – Abutments & Columns Complete

28th Ave – Abutments on going

Pedestrian U/P – Installed bridge girders

31st Ave – Ready to install TPFOC Protection

Relocate Utilities:

- Third Party Utilities: On Going
- JPB Utilities: On Going

MSE Wall construction has begun

28th Ave Bridge



28th Ave Bridge



31st Ave Bridge



Pedestrian Underpass Bridge



PG&E Gas Line Relocation





Next Steps

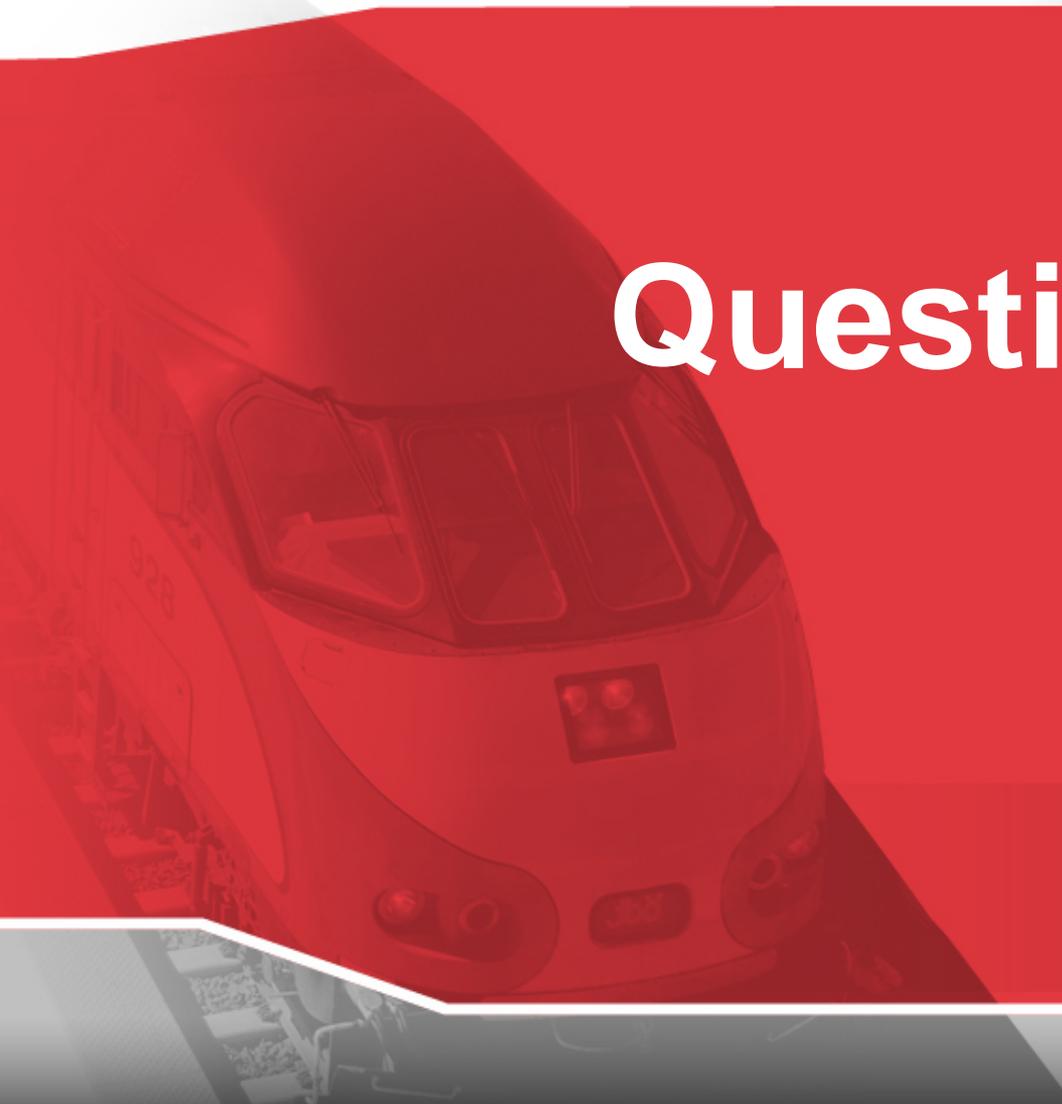


Next Steps

- Finalize settlement of time and cost impacts related to the Fiber Optic delay
- Review project estimates
- Return to the JPB board with a recommendation
- Public outreach



Questions



**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Michelle Bouchard
Chief Rail Officer

SUBJECT: **CALTRAIN BUSINESS PLAN**

ACTION

Staff recommends the Board receive a PowerPoint presentation providing a quarterly update on Caltrain Business Plan activities and progress covering late summer and early fall, 2018.

SIGNIFICANCE

Caltrain staff has prepared a Caltrain Business Plan quarterly update describing project activities and progress from July through the end of September of 2018. An expanded version of this presentation was given to a special session of the Peninsula Corridor Joint Powers Board that held in advance of the Board's regularly scheduled October meeting. The full version of the quarterly update presentation is available here: http://www.caltrain.com/Assets/___Agendas+and+Minutes/JPB/2018/2018-10-04+BUSINESS+PLAN+SPECIAL+MEETING.pdf.

This update on the Business Plan is an opportunity for interested stakeholders to ask questions about project activities and to provide feedback on the Business Plan Process.

BACKGROUND

In 2017, the JPB secured full funding for the Peninsula Corridor Electrification Project and issued notices to proceed to its contractors for corridor electrification and purchase of Electric Multiple Unit railcars. Now that construction on this long-awaited project is underway, the agency has the opportunity to articulate a long-term business strategy for the future of the system.

The initial concept for a Caltrain "Business Plan" was brought to the Board in April of 2017. The Board reviewed a draft scope of work for the Business Plan in December of 2017 and adopted a final Business Strategy and Scope of Work in February of 2018. The Business Plan has been scoped to include long-range demand modeling, and service and infrastructure planning, as well as organizational analysis and an assessment of

Caltrain's interface with the communities it traverses. It is an extensive planning effort that includes outreach in multiple venues. The plan will be completed in 2019.

Prepared By: Sebastian Petty, Senior Policy Advisor

650.622.7831

Caltrain Business Plan

OCTOBER 2018

Quarterly Update





Business Plan Overview



**Business Plan
Overview**



A Vision for
Growth



Crafting the Vision



Next Steps



What is the Caltrain Business Plan?

What Addresses the future potential of the railroad over the next 20-30 years. It will assess the benefits, impacts, and costs of different service visions, building the case for investment and a plan for implementation.

Why Allows the community and stakeholders to engage in developing a more certain, achievable, financially feasible future for the railroad based on local, regional, and statewide needs.

What Will the Business Plan Cover?

Technical Tracks



Service

- Number of trains
- Frequency of service
- Number of people riding the trains
- Infrastructure needs to support different service levels



Business Case

- Value from investments (past, present, and future)
- Infrastructure and operating costs
- Potential sources of revenue



Community Interface

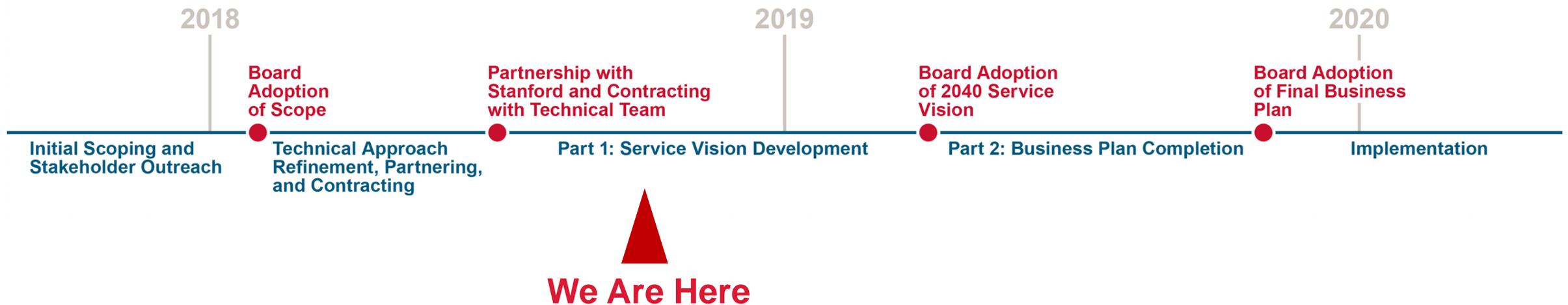
- Benefits and impacts to surrounding communities
- Corridor management strategies and consensus building
- Equity considerations



Organization

- Organizational structure of Caltrain including governance and delivery approaches
- Funding mechanisms to support future service

Where Are We in the Process?





A Vision for Growth



Business Plan
Overview



**A Vision for
Growth**



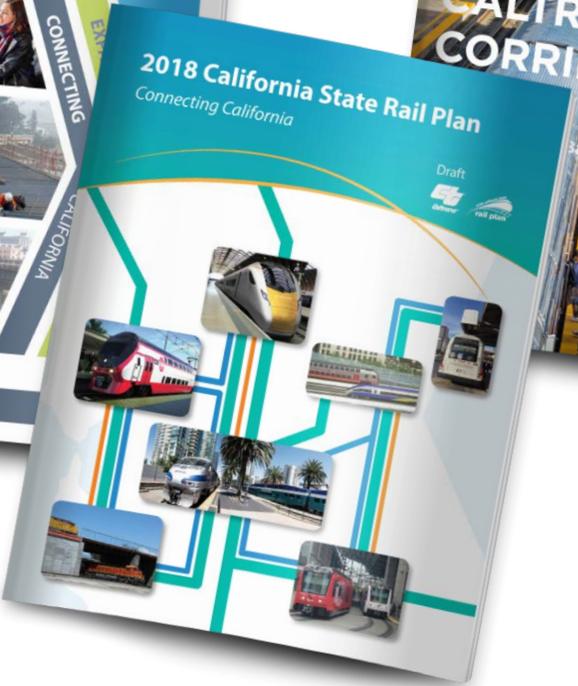
Crafting the Vision



Next Steps



Electrification is the Foundation for Growth with Plans for More



Choosing a Vision- How Will the Railroad Grow?

What In the Spring of 2019 the team will present two growth scenarios to the Board. One will generally reflect past and ongoing Blended System planning efforts while another will explore a higher level of growth. Each scenario will provide a detailed picture of how the railroad could grow over the next 20-30 years. The Board will be asked to choose one of these growth scenarios as the “Service Vision” for the corridor

Why In selecting a long range Service Vision the Board will answer the question “How should the railroad grow?” This will allow Caltrain to further optimize and refine the Vision while developing a Business Plan that builds towards the future in a consistent and efficient manner



Crafting the Vision



Business Plan
Overview



A Vision for
Growth



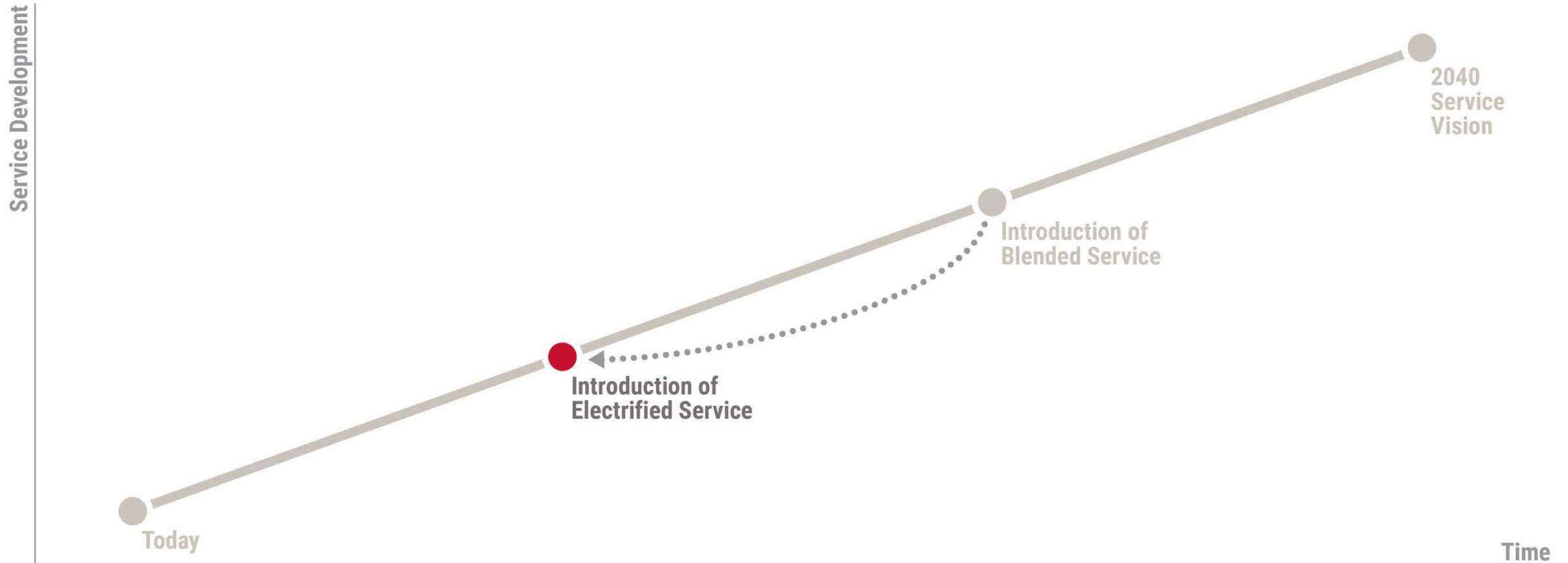
Crafting the Vision



Next Steps

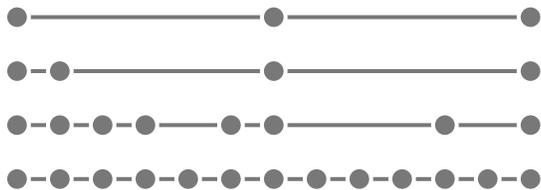


Working Backwards from 2040



Planning within Constraints

Decisions and commitments that have already been made on the corridor bring three fundamental service planning questions into tension with one another:



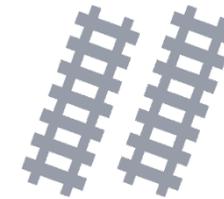
1. Service Differentiation

How can local, regional and high speed services be blended and balanced on the corridor to best serve multiple markets?



2. Peak Service Volume

How much growth in peak train traffic volume can the corridor support and what kinds of growth may be required to meet long term demand?



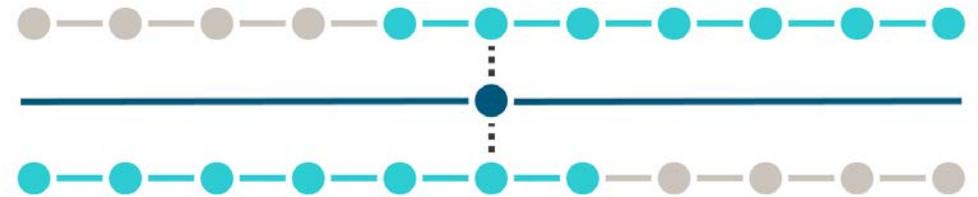
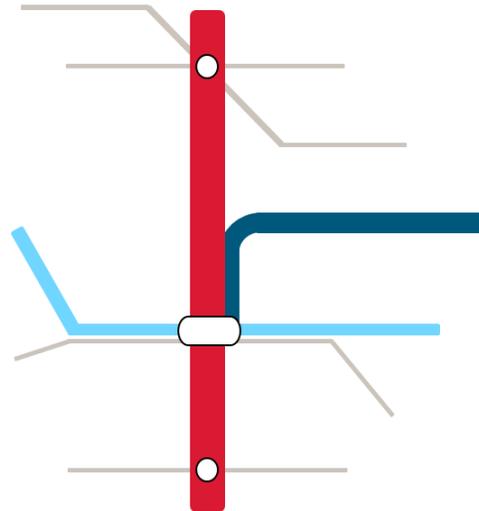
3. Service Investments

What types of investments into operations, systems and infrastructure will be required to achieve the desired types and volumes of service?

Planning for the Service we Want

Network Integration

Caltrain is part of a local, regional and statewide transportation network. Planning for enhanced connectivity and a seamless customer experience is a priority.



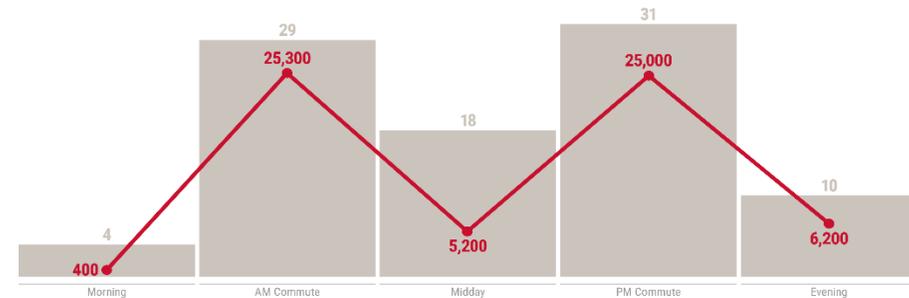
Coordinated Transfers

Timed, well-coordinated transfers increase the usability of the rail system and help provide high quality service to a larger range of travel markets.

Planning for the Service we Want

Clock-Face Scheduling

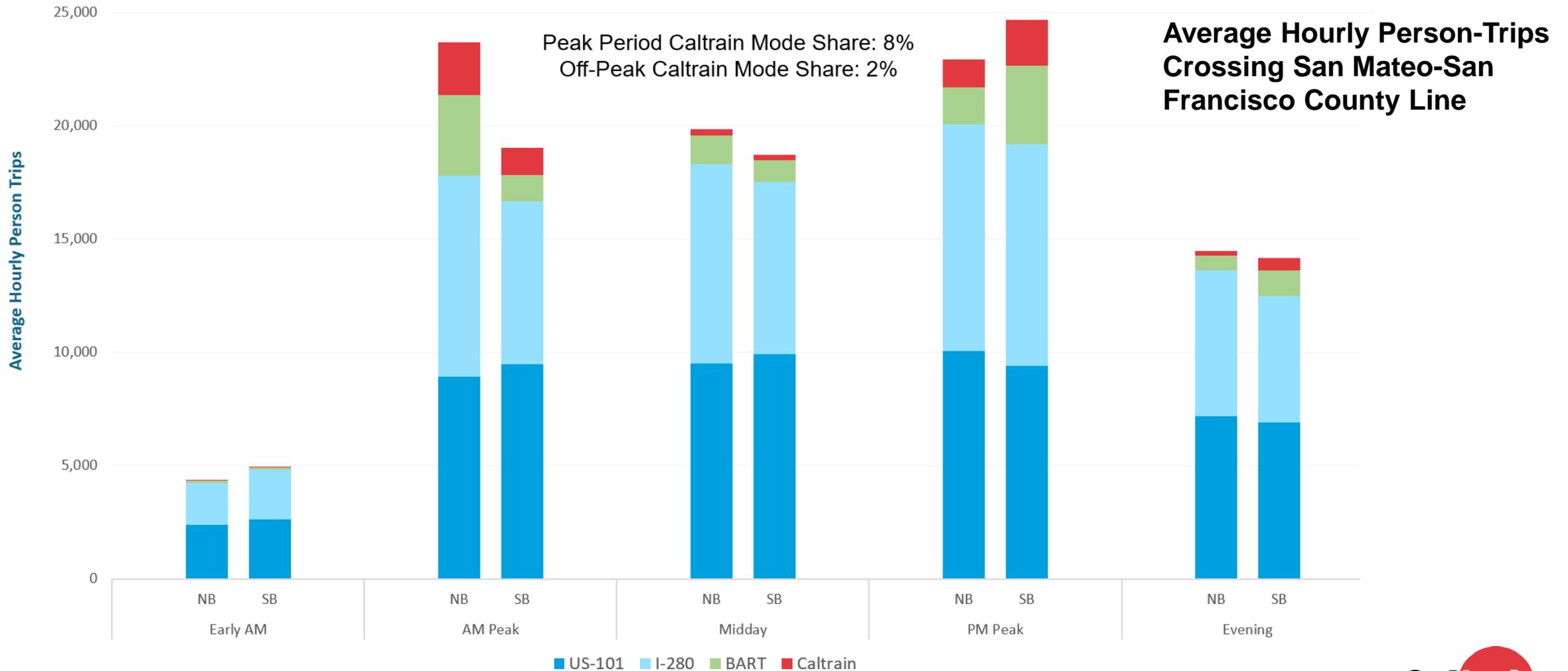
With clock-face scheduling, trains arrive and depart at consistent intervals, like every 10 minutes. This simplicity makes it easy for customers to remember train schedules, which cuts down on travel planning complexity.



All-Day Service

Expanded all-day service makes the system more useful to a range of different customers and helps build new markets

Today, Caltrain Captures a Modest Percentage of the Regional Travel Market



What is the Potential, Long-Term Demand for Caltrain Service?

Purpose

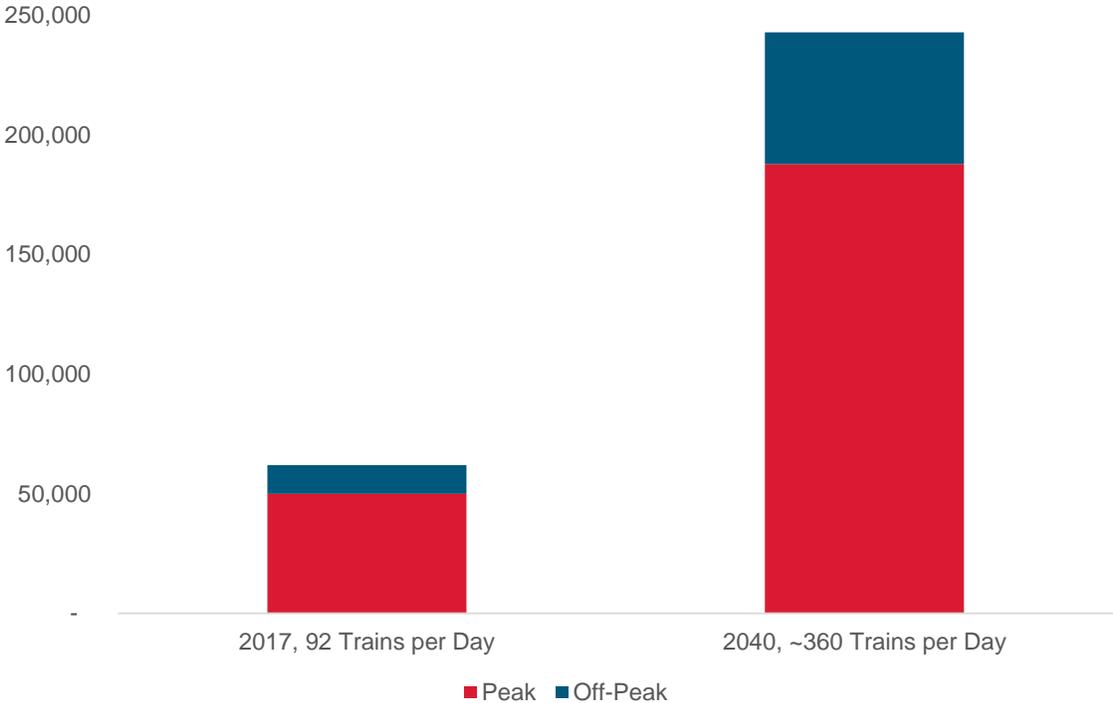
- Understand the underlying long range, order-of-magnitude demand for rail service in the Caltrain corridor.
- Establishes a rough, quantified benchmark that informs how a long range service vision can be calibrated and scaled

Methodology

- Use VTA – C/CAG Model updated with latest Plan Bay Area land use forecasts
- Develop a sensitivity test using an imaginary, high frequency, unconstrained service plan that includes;
 - Realistic train times (60-80 minutes SF-SJ)
 - High level of sustained all-day service (8 to 16 trains per hour per direction. These frequencies are comparable to many sections of the BART system)

Exploring the Potential Long Term Demand for Caltrain Service

This sensitivity test suggests that providing BART-like frequencies on the Caltrain Corridor has the potential to yield BART-like ridership. Today, Caltrain serves approximately 1,300 daily passengers per mile between San Francisco and Tamien Stations, while BART serves approximately 5,200 passengers per mile along its Richmond-Daly City and Fremont-Daly City trunk lines. The sensitivity test suggests Caltrain has a long term (2040) unconstrained demand of about 4,600 passengers per mile, comparable to BART’s core service in San Francisco and the inner East Bay. However, demand per mile south of Tamien is approximately 1/10th demand north of Tamien.



Description	2017, 92 Trains/Day	2040, ~360 Trains/Day
Daily	62,000	243,000
Peak	50,000	188,000
Off-Peak	12,000	55,000
Mainline (SF-SJ)	61,500	231,000
South of Tamien	500	12,000



Why Do We Need A Business Case?

A Framework for Decision-making

The business case helps the JPB Board select a 2040 Service Vision with a fully informed understanding of what their choice means for the long-term costs and benefits of the system. Once the Board has selected a long range Service Vision the business case can then be further optimized and detailed.

Major Inputs to the Business Case Include



Railroad
Network



Fleet



Current and
Future
Operations



Ridership
and Travel
Demand



Finances



Policy
Assumptions



Infrastructure
Investments

Why Do We Need A Business Case?

The Business Case will also consider User Benefits and Regional Economic Benefits:



Direct & Indirect Jobs

Economic impact model captures effects on regional employment



User Benefits

Benefits from travel time/cost savings as well as safety improvements



Societal Benefits

Societal benefits including public health and environmental benefits



Land Value

Influence of increased rail service on the value of land arounds stations

Caltrain's Corridor is Complex and Constrained



Mostly 2 Tracks

Some 4-Track Sections



Width Varies



Multiple Tenants



At-Grade Crossings



Bridges & Tunnels



Ownership Varies

Especially at Stations

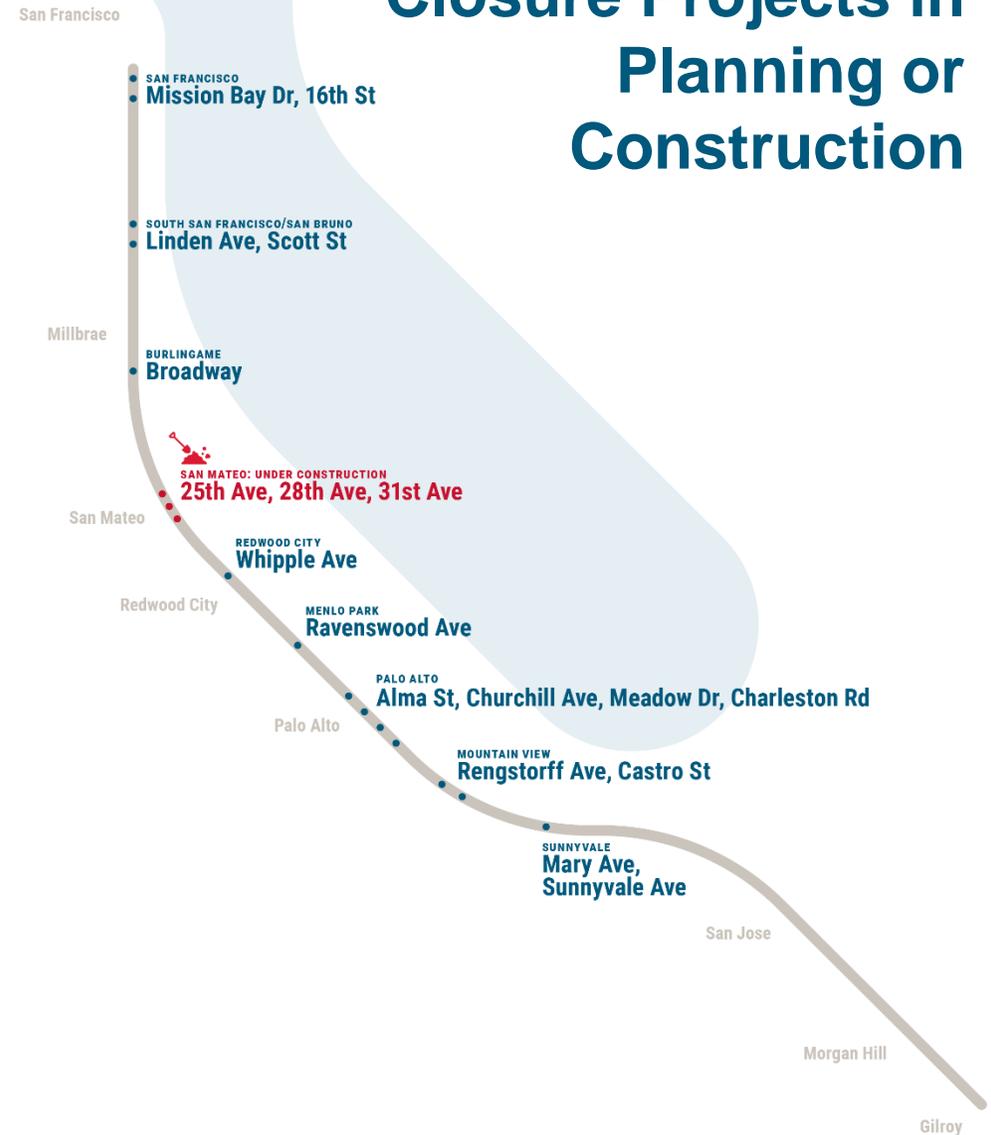


Caltrain Owns Tracks

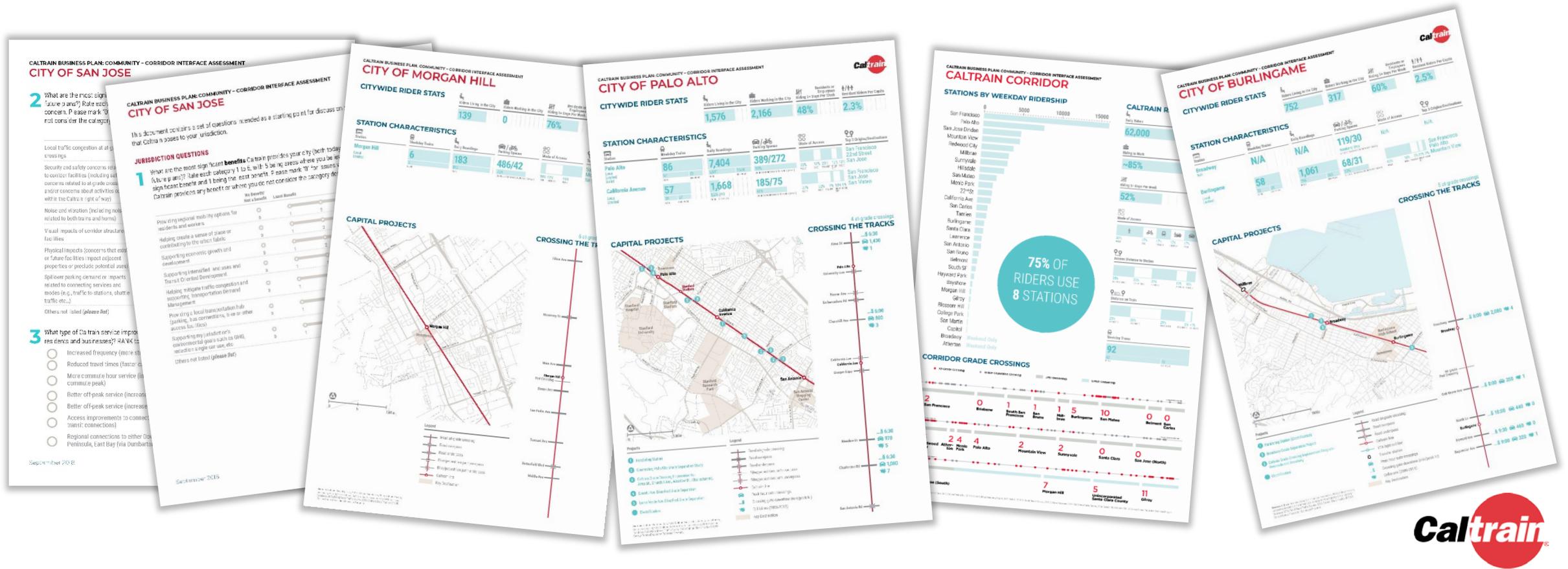
Union Pacific Railroad Owns Tracks. Caltrain Has Access Rights

At Grade Crossings are a Particularly Pressing and Difficult Issue within the Corridor – Community Interface

Grade Separation or Closure Projects in Planning or Construction



Direct Engagement with Local Jurisdictions is Central to this Effort



Organizational Assessment

How will the Caltrain Organization Support the Service Vision?

Key Concepts

Service Delivery

- How Caltrain operates and manages service (both on and off the corridor)
- Includes activities like train operations, maintenance, capital project delivery, joint development, planning, and budgeting

Governance

- The manner in which Caltrain is overseen by the Board
- Focus on the agency's decision making process and the Board's oversight of the Caltrain organization

Organizational Assessment

How will the Caltrain Organization Support the Service Vision?

Analysis

- Initial organizational assessment and interviews with stakeholders
- Organizational “mapping” and analysis of current Caltrain structure
- Analysis of national and international peer railroads

Outcomes

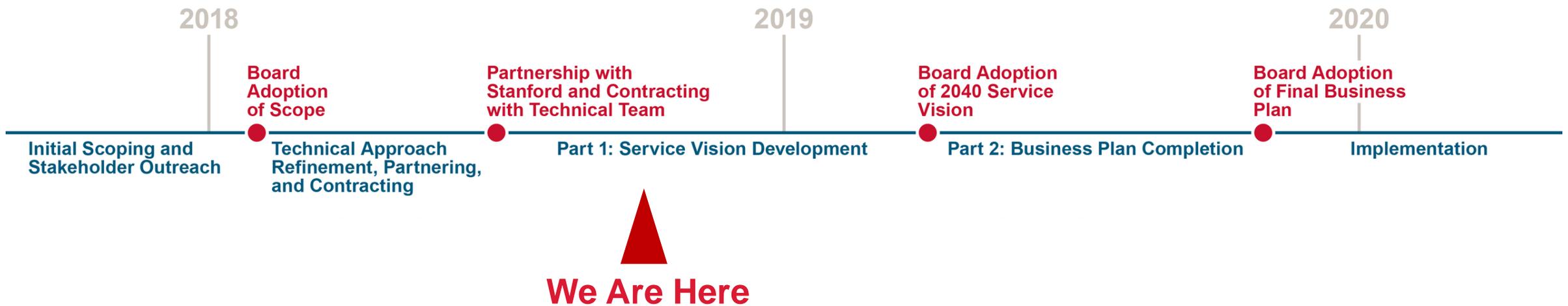
- Understand the range of potential organizational structures for both service delivery and governance and evaluate at a high level
- Work with JPB and JPA members to determine strategy and next steps
- Identify near term priorities related to Business Plan implementation



Next Steps



Project Schedule - Overview



FOR MORE INFORMATION

WWW.CALTRAIN.COM



**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 2018 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.

Prepared By: Casey Fromson, Government and
Community Affairs Director

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Holland & Knight LLP | www.hklaw.com

San Mateo County Transportation Authority Federal Update September 2018

CONGRESS

President Signs Two Appropriations Minibus Packages, Avoiding Shutdown: Ahead of the 2018 mid-term elections on November 6, President Trump has signed into law two FY 2019 appropriations packages finalizing five of the 12 appropriations bills (75 percent of the federal government appropriations). The second spending package included a continuing resolution (CR) that extended FY 2018 funding for the unfinished appropriations bills—including the Transportation-Housing and Urban Development (THUD) bill—through December 7, averting a government shutdown before the end of FY 2018 on September 30.

Though the Senate is expected to remain in session for most of October, House Republicans announced on September 28 that they were recessing with two weeks left on their October schedule to provide candidates with more time to campaign before the midterm elections on November 6. Therefore, the THUD bill will not be considered until after the 2018 mid-term elections. Lawmakers will return to Washington on November 13. The House and Senate Appropriations Committees have been conferencing on the THUD bill and are considering about \$71.1 billion for the THUD conference report (the House bill included \$71.8 billion and the Senate bill included \$71.147 billion).

On September 21, the President signed the first minibus spending package for FY 2019 appropriations, including spending for Military Construction-Veterans Affairs (VA), Energy-Water, and Legislative Branch bills. The \$147 billion package had been approved in the House and Senate in August. On September 28, the President approved the second minibus package. [H.R. 6157](#), which includes the \$674.4 billion Department of Defense Appropriations bill and the \$178.1 billion Labor-Health and Human Services (HHS)-Education Appropriations bill. The Senate passed the measure in a [93-7 vote](#) earlier in September, and the House passed it in a [361-16 vote](#) on September 26.

FAA Reauthorization Signed Into Law: On October 5, the President signed into law a bill ([H.R. 302](#)) that included a five-year reauthorization through FY 2023 of the Federal Aviation Administration (FAA). The Senate passed the conference report on October 3 by a vote of 93 to 6, and the House passed the legislation on September 26 by a vote of 398 to 21.

The measure would expand the eligible uses of federal grants at airports, create new protections for passengers on commercial airlines, expand oversight of the NextGen technology upgrade program, streamline aircraft certification procedures, and further regulate drone use. The bill would not extend beyond FY 2018 a requirement that money in the Airport and Airway Trust Fund equal 90 percent of estimated receipts and interest for that fiscal year and unspent funds

from the preceding year. It would repeal a requirement that provides additional funding for airport planning and development in fiscal years when amounts authorized for facilities and equipment exceed the level provided. It would extend current tax rates on aviation fuel, tickets, and air freight that support the Airport and Airway Trust Fund through September 30, 2023. Additionally, the bill does not make any changes to the PFC. Other provisions in the measure:

- Provide additional funds for disaster relief and federal disaster programs;
- Reauthorize the National Transportation Safety Board (NTSB) and the Transportation Security Administration (TSA);
- Authorize \$1.02 billion for grants in FY 2019 for a new discretionary grant program for airports;
- Allow the Department of Transportation (DOT), until the end of FY 2023, to decide whether certain drones could fly over people, beyond their operator's line of sight, or at night without a waiver or certificate, as is currently required for those activities;
- DOT would have to enter into agreements with agencies to provide expedited reviews and a one-time approval of federal drone operations;
- Expand the definition of public aircraft to include drones operated by Native American tribes;
- Give the Departments of Homeland Security (DHS) and Justice (DOJ) limited authority to intercept dangerous drones. The FAA would have to review those agencies' use of counter drone systems; and
- Omit provisions relating to changing pilot training hours and preempting state meal and rest requirements for truckers.

2019 Transportation Agenda: The two members of Congress who are running for chairman of the House Transportation Committee, Reps. Jeff Denham (R-CA) and Sam Graves (R-MO), both predicted that infrastructure will be a majority priority in 2019, for both Congress and the Administration. Specifically, the members noted that a fix for the Highway Trust Fund (HTF) would be a committee priority. They noted that there are several ideas on the table, including a battery tax, a tire tax, and increasing the fuel tax to a vehicle-miles-traveled system. Department of Transportation Undersecretary for Policy Derek Kan has also indicated that there will be in-depth discussion on a major infrastructure bill in early 2019, and he expects to see legislation in the next two years.

ADMINISTRATION

NHTSA Reports Decrease in Traffic Deaths: The National Highway Traffic Safety Administration (NHTSA) reported a 1.8 percent decrease in traffic deaths over the prior year. Traffic crashes killed 37,133 people in the United States last year, according to new data from NHTSA's [Fatality Analysis Reporting System](#). The agency simultaneously released a statistical projection of traffic fatalities for the first half of 2018, which also indicated a significant decline. NHTSA estimates that 17,120 people died on the roadways in the first half of 2018, a decrease of about 3.1 percent from the first half of 2017. The National Safety Council, which uses slightly different metrics to count roadway deaths, has estimated that 40,100 people lost their lives on U.S. roads in 2017. NHTSA Administrator Heidi King warned that this reduction in fatalities

does not constitute a trend. However, the report does note that the number of large truck fatalities was the largest it has been since 1989.

DOT Set to Issue Repeal of Brake Requirements: The Department of Transportation (DOT) issued a final rule repealing Obama Administration safety regulations for rail cars carrying oil. The rule would eliminate a 2015 requirement established in the FAST Act that crude oil rail cars be equipped with electric pneumatic brakes by the middle of the next decade. The repeal follows a study from the Government Accountability Office (GAO) that found complying with the electronically controlled pneumatic brake rule would cost more than its benefits. Removing the provision would save between \$280 million and \$372 million over 20 years, according to the study. The repeal will go into effect 90 days after its publication in [the Federal Register](#), which was on September 25.

DOT Releases AV 3.0 Guidance: Department of Transportation (DOT) Secretary Elaine Chao introduced the third iteration of the agency's voluntary guidelines for autonomous vehicles (AV), called [AV 3.0](#), on October 4. The guidance builds upon the [previous versions](#) released by the agency and incorporates broad stakeholder input, such as that of regional transportation agencies, industry leaders, safety advocates, and public sector representatives. AV 3.0 provides updated voluntary guidance and policy considerations for a range of industry sectors, including: manufacturers and technology developers, infrastructure owners and operators, commercial motor carriers, bus transit, and State and local governments. It seeks to support safe development of AV technology by updating DOT AV initiatives by:

- Stating that the Department will interpret and, consistent with all applicable notice and comment requirements, adapt the definitions of “driver” or “operator” as appropriate to recognize that such terms do not refer exclusively to a human, but may include an automated system.
- Identifying and supporting the development of automation-related voluntary standards developed through organizations and associations, which can be an effective non-regulatory means to advance the integration of automation technologies.
- Affirming that the Department is continuing its work to preserve the ability for transportation safety applications to function in the 5.9 GHz spectrum.

The guidance also announces several actions that DOT plans to take to ensure that automation will be safely integrated in vehicles, such as:

- The National Highway Traffic Safety Administration (NHTSA) will request public comment on a proposal to streamline and modernize the procedures it will follow when processing and deciding exemption petitions.
- The Federal Motor Carrier Safety Administration (FMCSA) will initiate an Advance Notice of Proposed Rulemaking to address automated vehicles, particularly to identify regulatory gaps, including in the areas of inspection, repair, and maintenance for Automated Driving Systems (ADS).
- The Federal Highway Administration (FHWA) plans to update the 2009 Manual on Uniform Traffic Control Devices (MUTCD), taking into consideration new connected and automated vehicle technologies.

- The Federal Railroad Administration (FRA) is initiating research to develop and demonstrate a concept of operations, including system requirements, for the use of automated and connected vehicles to improve safety of highway-rail crossings.
- The Maritime Administration (MARAD) and FMCSA are evaluating the regulatory and economic feasibility of using automated truck queuing as a technology solution to truck staging, access, and parking issues at ports.
- The Pipelines and Hazardous Materials Administration (PHMSA) is researching the ability to enable the digital transmission of information to first responders before they arrive at an incident that involves hazardous materials.
- The Federal Transit Administration (FTA) has published a five-year research plan on automating bus transit.

AV 3.0 was [published](#) in the Federal Register on October 9, which will begin a 60-day public comment period.

Grants

Bus and Bus Facilities Infrastructure Awards Announced: On September 25, the Federal Transit Administration (FTA) awarded [\\$366.2 million](#) in bus and bus facilities grants. A total of 107 projects in 50 states and territories will receive funding from FTA's Buses and Bus Facilities Infrastructure Investment Program. The state of California received a total of \$29,303,452 for 13 grants. 75 percent of the funding was given in grants of \$4 million or more, and the average grant size for 2018 was \$3.4 million after dropping to \$2.0 million in 2017. FTA stated that it received applications for 339 eligible projects totaling approximately \$2 billion in funding requests, from a total of 255 applicants in 51 states and territories.

AV Grants Will Be Announced Soon: During DOT's AV 3.0 announcement, the agency said that NHTSA will soon issue a NOFO for \$60 million in AV testing grants that were created in the FY 2018 Omnibus Appropriations bill. DOT has said that private companies are investing billions of dollars in testing autonomous vehicles and DOT believes its role is to support public and private investment and avoid artificially limiting HAV testing. Please find below the relevant language from the FY 2018 Omnibus joint explanatory statement highlighted in yellow governing the NOFO that will be released:

Highly automated vehicle research and development program.-The agreement provides \$100,000,000, to remain available until expended, for a highly automated vehicle research and development program to fund planning, direct research, and demonstration grants for highly autonomous vehicle (HAV) technologies and advanced driver-assistance systems (ADAS). The agreement does not include directives included in House Report 115-237 under the paragraph entitled "Highly automated commercial vehicle research and development program" and instead replaces those directives with those contained herein.

Of the total amount provided, not less than \$60,000,000 shall be used for grants and cooperative agreements to fund demonstration projects that test the feasibility and safety

of HAV and ADAS deployments, as well as necessary administrative expenses. The Secretary is directed to solicit applications within 180 days of enactment of this Act and to make funding awards within one year of enactment of this Act. The Secretary is directed to include state, local, and tribal governments, transit agencies and authorities, metropolitan planning organizations, other subdivisions of state or local governments, or a multijurisdictional group thereof, including entities designated as automated vehicle proving grounds, as eligible applicants. The Secretary may also include academic institutions or research institutions as eligible, but shall not award funds to private companies. The Department is expected to include as eligible activities the following: technologies associated with autonomous vehicles and other collision avoidance technologies, including systems using cellular technology; advanced safety systems, including vehicle-to-vehicle and vehicle-to-infrastructure communications; advanced mobility and access technologies, such as dynamic ridesharing and information systems to support human services for elderly and disabled individuals; dynamic road network mapping; roadway marking and signage; community education and outreach; and transportation data collection and analysis. In reviewing applications and making funding awards, the Secretary is directed to award no more than \$10,000,000 to a single grantee, no more than \$15,000,000 to grantees within a single state, and not less than \$20,000,000 to entities designated as automated vehicle proving grounds. The Secretary is directed to select projects that serve a variety of communities, including urban, suburban, and rural environments, and that serve a variety of transportation markets including freight, personal mobility, and mass transit. The Secretary is directed to prioritize projects that test applications with the greatest potential to serve transportation-challenged populations, including the elderly and individuals with disabilities. For all funded projects, the Secretary is expected to require grantees to gather and share relevant data with the Department, subject to appropriate protections for confidential business information, to aid DOT research efforts, and to inform future policies and standards.

FTA Announces New Grant Opportunities: This month, the Federal Transit Administration (FTA) announced several new grant opportunities:

- [**Access and Mobility Partnership Grants; Human Services Coordination Research \(HSCR\)**](#): The FTA has made available \$2,434,767 in funding to support the implementation of innovative strategies in the coordination of human services transportation to provide more effective and efficient public transportation services to seniors, individuals with disabilities, and low-income individuals. Proposed research projects should address gaps identified in the locally developed Coordinated Public Transit-Human Services Transportation Plan. The funds will finance operating and capital project expenditures to develop and deploy projects that improve transportation services for targeted populations as noted above through methods that effectively and efficiently coordinate human services transportation. Eligible applicants for awards are state and local governmental entities, providers of public transportation, private or nonprofit organizations. Proposals may contain projects the recipient or its subrecipients will implement. Eligible subrecipients include public agencies, private nonprofit organizations and private providers engaged in public transportation. **All applications are due November 13, 2018.**

- **Access and Mobility Partnership Grants; Innovative Coordinated Access and Mobility (ICAM) Pilot Program**: The FTA has made available \$3,903,715 for the ICAM Pilot Program. Funds will be awarded competitively to finance innovative capital projects for the transportation disadvantaged that will improve the coordination of transportation services and nonemergency medical transportation services. **All applications are due by November 13, 2018.**
- **Expedited Project Delivery Pilot Program**: The Expedited Project Delivery Pilot Program is aimed at expediting delivery of new fixed guideway capital projects, small starts projects or core capacity improvement projects that utilize public-private partnerships, are planned to be operated and maintained by employees of an existing public transportation provider, and have a federal share not exceeding 25 percent of the project cost. **Expressions of interest to become one of the participants in this Pilot Program must be submitted to FTA by November 13, 2018.**



October 12, 2018

TO: Board Members, San Mateo County Transportation Authority
 FROM: Gus Khouri, Principal
 Khouri Consulting

RE: STATE LEGISLATIVE UPDATE – NOVEMBER 2018

On August 31, the legislature concluded its business and adjourned for the 2017-18 Legislative Session. Governor Brown had until September 30 to sign or veto legislation. The November bill matrix summarizes final actions on bills of interest to SMCTA.

Proposition 6

On September 26, the Public Policy Institute of California released results from a statewide survey on Proposition 6. The findings suggest that when likely voters read the Proposition 6 ballot title and label, 52 percent say they would vote no, 39 percent would vote yes, and 8 percent are undecided about the measure, which would repeal the tax increases on gasoline and diesel fuel signed into law last year to fund road repairs and public transportation, and require future tax proposals to be decided by electorate.

Republican likely voters (50%) would vote yes, while independents (42%) and Democrats (33%) are less likely to do so. Across all demographic groups, fewer than half of likely voters say they would vote yes. Asked about the importance of the outcome of the vote on the measure, 47 percent of likely voters say it is very important to them (37 percent say it is somewhat important). Among those who would vote yes, 55 percent say the outcome is very important, while 45 percent of those who would vote no express this view. Republicans voters (61%) are much more likely than Democrats and independents (43% each) to say the outcome of Proposition 6 is very important. The chart below summarizes the survey findings.

	Voters	Yes	No	Undecided
Party	Likely Voters	39%	52%	8%
	Democrats	33%	62%	5%
	Republicans	50%	41%	9%
	Independents	42%	47%	11%
Region	Central Valley	45%	50%	5%
	Inland Empire	38%	57%	5%
	Los Angeles	43%	50%	7%
	Orange/San Diego	35%	50%	15%
	Bay Area	43%	51%	6%

Household Income	Under \$40,000	47%	44%	9%
	\$40,000 - \$80,000	39%	57%	5%
	\$80,000 & Up	37%	55%	8%

A key concern among voters is whether funds would be diverted for other purposes. Proposition 22 of 2010 (constitutionally protects the gas tax from diversion) and Proposition 69 (constitutionally protects the vehicle registration fee and sales tax on diesel revenue), which statewide voters approved with over 81% of the vote in June, ensures that SB 1 revenues will not be diverted for other purposes.

SMCTA Bill Matrix – November 2018

Measure	Status	Bill Summary	Recommended Position
AB 1405 Mulin (D) Digital Sign Demonstration Project	Failed passage prior to policy committee deadline (June 29)	This bill would require Caltrans to establish a digital sign demonstration program. As part of the program, the bill would authorize Caltrans, subject to federal approval, to enter into agreements with local jurisdictions until January 1, 2024, to install and operate up to 25 digital signs displaying commercial advertisements and public service announcements within the right of way of the state highway system. The signs could be used to display emergency messages, traveler information, motorist safety campaigns, and other messaging desired by the state, without providing compensation to the contracting entity. Last amended on 6/13/18	Watch
AB 1756 Brough (R) Repeal of Transportation Funding	Failed passage prior to house of origin deadline for fiscal bills (May 11)	This bill would repeal SB 1, which provides \$5.2 billion annually in transportation funding for repairing local streets and roads, public transportation, and repairing and providing congestion relief on highways.	Opposed 2/1/18
AB 1759 McCarty (D) Housing Element Production: Withholding Transportation Funding	The bill was gutted and amended for a non-germane purpose and is no longer relevant to SMCTA	This bill would withhold transportation revenue for a city or county's failure to meet housing production goals. This proposal is similar to last year's MTC proposal tying STIP funding to RHNA numbers.	Watch
AB 2418 Mullin (D) Transportation: Advanced Technologies Grant Program	Failed passage prior to house of origin deadline (June 1)	Existing law creates the California Transportation Commission (CTC), with various powers and duties relative to the programming of transportation capital projects and allocation of funds to those projects pursuant to the state transportation improvement program and various other transportation funding programs. This bill would establish the California Smart City Challenge Grant Program to enable municipalities to compete for grant funding for emerging transportation technologies to serve their transportation system needs, and would specify certain program goals. The bill would require the CTC to form the California Smart City Challenge Workgroup, on or before July 1, 2019, to provide the CTC with guidance on program matters, as specified. The bill would require the CTC, in consultation with the workgroup, to develop guidelines for the program on or before March 1, 2020, which would not be subject to the Administrative Procedure Act, and to revise them as necessary. The bill would make the implementation of the program contingent upon an appropriation in the annual budget act. Last amended on 4/9/18	Watch

SMCTA Bill Matrix – November 2018

Measure	Status	Bill Summary	Recommended Position
<p>AB 2535 Obernolte (R)</p> <p>Toll Evasion</p>	<p>9/17/18</p> <p>Signed by the Governor</p> <p>Chapter 435, Statutes of 2018</p>	<p>This bill would require a notice of toll evasion violation to include a copy of all photographic evidence on which the toll evasion determination was based if the vehicle was found, by automated devices, to have evaded the toll through failure to meet occupancy requirements in a high-occupancy toll lane. Amended on 3/19/18</p>	<p>Watch</p>
<p>AB 2865 Chiu (D)</p> <p>HOT lanes: Santa Clara Valley Transportation Authority</p>	<p>9/18/18</p> <p>Signed by the Governor</p> <p>Chapter 510, Statutes of 2018</p>	<p>This bill would authorize the Santa Clara Valley Transportation Authority (VTA) to apply to the California Transportation Commission and with the consent of the San Francisco County Transportation Authority, operate a value pricing high-occupancy toll lane program on State Highway Route 101 and a specified portion of State Highway Route 280 in the City and County of San Francisco. Last amended on 8/24/18</p>	<p>Watch</p>
<p>AB 2919 Frazier (D)</p> <p>Transportation: Permits</p>	<p>Failed passage prior to house of origin deadline for fiscal bills (May 11)</p>	<p>This bill would require the Department of Fish and Wildlife, the State Water Resources Control Board, and the California Coastal Commission, upon receipt of a completed request from the Department of Transportation for a permit for a project, to complete its review of the request no later than two years after receipt. If a resource agency does not complete the review of the request for a permit within this timeframe, the bill would provide that the permit is deemed approved for purposes of the project.</p> <p>SMCTA is currently participating in a Task Force established by the California State Transportation Agency, pursuant to AB 1282 (Mullin), Chapter 643, Statutes of 2017, for the same purpose. Amended on 3/19/18.</p>	<p>Support in Concept</p> <p>5/3/18</p>
<p>AB 3059 Bloom (D)</p> <p>Congestion Pricing Demonstration Projects</p>	<p>Failed passage prior to house of origin deadline for fiscal bills (May 11)</p>	<p>This bill would authorize two congestion pricing demonstration projects in northern California and two in southern California. The bill would define "congestion pricing" to mean the assessment of a charge on motor vehicles using local streets and roads in a participating jurisdiction, which charge could vary based on the time of day or the day of the week. The bill would require the governing body of an eligible participating jurisdiction, as defined, to adopt a congestion pricing ordinance containing various elements, and would require the proposed ordinance to be approved by the applicable congestion management agency subject to a finding that the proposed demonstration project is likely to be successful. The bill would require a charge by a congestion-pricing ordinance to be imposed consistent with the California Constitution and federal law. The bill would enact other related provisions. Amended on 4/16/18.</p>	<p>Watch</p>

SMCTA Bill Matrix – November 2018

Measure	Status	Bill Summary	Recommended Position
<p>SB 760 Wiener (D)</p> <p>Urban Street Design: Guidance</p>	<p>Failed passage prior to policy committee deadline (June 29)</p>	<p>Existing law authorizes Caltrans to issue a permit to the owner or developer of property adjacent to or near a state highway, including the associated right-of-way, to construct, alter, repair, or improve any portion of the highway for the purpose of improving local traffic access, as provided. Existing law specifies that the permit may be issued only if the work within the highway right-of-way is to be performed in accordance with plans and specifications approved by the department.</p> <p>If the improvement would not affect the operation of the state highway and the associated work would be performed in accordance with local agency plans and specifications, this bill would prohibit Caltrans from denying an application for a permit solely because the associated work is not to be performed in accordance with plans and specifications approved by Caltrans. This bill failed passage from committee. Last amended 6/4/18</p>	<p style="text-align: center;">Watch</p>
<p>SB 1262 Beall (D)</p> <p>CM/GC</p>	<p>9/17/18</p> <p>Signed by the Governor</p> <p>Chapter 465, Statutes of 2018</p>	<p>This bill would remove the cap on the number of projects for which Caltrans is authorized to use the construction manger/ general contractor CM/GC method (currently 24), and make conforming changes to existing provisions. The bill would require the department to submit an interim report no later than July 1, 2021, that describes each Construction Manager/General Contractor project approved under these provisions as of January 1, 2021, and that provides specified relevant data with respect to those projects. The bill also requires Caltrans to submit a final report to the Legislature no later than July 1, 2025, that provides the same relevant data for projects approved under these provisions as of January 1, 2025. The bill would require both the interim and final reports to include a comprehensive assessment on the effectiveness of the Construction Manager/General Contractor project delivery method relative to project cost and time savings. Last amended on 8/6/18</p>	<p style="text-align: center;">Supported</p> <p style="text-align: center;">4/5/18</p>
<p>SB 1427 Hill (D)</p> <p>HOV and HOT Lanes</p>	<p>The bill was gutted and amended for a non-germane purpose and is no longer relevant to SMCTA</p>	<p>This bill would provide that it is the intent of the Legislature to enact legislation to improve the performance of HOV and HOT lanes by providing additional resources for, and authorizing new approaches to, the enforcement of lane occupancy requirements.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix – November 2018

Measure	Status	Bill Summary	Recommended Position
<p>SCA 6 Wiener (D)</p> <p>Local Transportation Measures: Special Taxes, Voter Approval</p>	<p>Failed passage prior to fiscal committee deadline (May 25)</p>	<p>The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of 2/3 of the voters of the city, county, or special district voting on that tax, except that certain school entities may levy an ad valorem property tax for specified purposes with the approval of 55% of the voters within the jurisdiction of these entities.</p> <p>This measure would require that the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for transportation purposes, as specified, be submitted to the electorate and approved by 55% of the voters voting on the proposition. The measure would also make conforming and technical, non-substantive changes.</p>	<p>Supported</p> <p>6/7/18</p>

Ballot Measures

<p>Proposition 69</p> <p>Transportation Taxes & Fees Lockbox</p>	<p>Placed on June 5, 2018 statewide ballot by the State Legislature through the enactment of ACA 5 (Frazier), Chapter 30, Statutes of 2017</p> <p>Approved by 80% of all statewide voters.</p>	<p>Proposition 69, was placed on the ballot by the State Legislature as part of a legislative package that included SB 1. SB 1, which was also known as the Road Repair and Accountability Act of 2017 enacted an estimated \$5.2 billion annual increase in transportation-related taxes and fees, including a \$0.12 cents per gallon increase of the gasoline excise tax, a \$0.20 cents per gallon increase of the diesel excise tax, a 4 percentage points increase of the diesel sales tax, an annual \$25 to \$100 Transportation Improvement Fee, and an annual \$100 zero-emission vehicles fee. The state constitution already prohibits the diversion of gasoline or diesel excise tax revenues for general non-transportation purposes.</p> <p>The main feature of Proposition 69 is that it also protects proceeds derived from the Transportation improvement Fee (\$1.6 billion in vehicle registration fees, which funds competitive programs) and the sales tax on diesel, which funds the Public Transportation Account. The zero-emission fee is left unprotected.</p>	<p>Supported</p> <p>4/5/18</p>
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SMCTA Bill Matrix – November 2018

Measure	Status	Bill Summary	Recommended Position
<p>Proposition 6</p>	<p>Qualified for placement on the November 6, 2018 statewide ballot through the initiative process.</p>	<p>If approved by a majority of statewide voters, this measure would repeal SB 1, also known as the Road Repair and Accountability Act of 2017, which enacted an estimated \$5.2 billion annual increase in transportation-related taxes and fees, including a \$0.12 cents per gallon increase of the gasoline excise tax, a \$0.20 cents per gallon increase of the diesel excise tax, a 4 percentage points increase of the diesel sales tax, an annual \$25 to \$100 Transportation Improvement Fee, and an annual \$100 zero-emission vehicles fee.</p> <p>The measure would also require the Legislature to submit any measure enacting specified taxes or fees on gas or diesel fuel, or on the privilege to operate a vehicle on public highways, to the electorate for approval.</p> <p>The Legislative Analyst's Office and Director of the Department of Finance estimate reduced annual state and local transportation tax revenues of \$2.9 billion in 2018-19, increasing to \$4.9 billion annually by 2020-21. These are revenues that are primarily being used to support state highway maintenance and rehabilitation, local streets and roads, and mass transit. In addition, potential lowering of future transportation tax revenues by requiring both legislative and voter approval of such tax increases.</p>	<p>Opposed</p> <p>8/2/2018</p>

Budget Items

<p>Indirect Cost Rate Proposal</p> <p>SB 848 (Committee on Budget)</p>	<p>6/27/18</p> <p>Signed by the Governor</p> <p>Chapters by the Secretary of State, Chapter 46, Statutes of 2018</p>	<p>Caltrans does work on behalf of Self-Help Counties who develop projects on the state highway system, in addition to cities, regional transit and transportation agencies, certain state agencies, and private entities. Caltrans recovers the cost of these services and charges these entities a rate that covers the cost of both administrative and program functional rates. A portion of this rate however is not applicable to the direct costs affiliated with the project in question. These "indirect costs" add as much as 20%-30% to the cost of a project and erode the value of local sales tax revenue that self-help counties bring to the table, while making Caltrans less competitive in securing work.</p> <p>The purpose of this item, which is sponsored by the Self-Help Counties Coalition, is to either eliminate or cap the amount of indirect costs assessed on a project. A compromise was reached to cap the indirect costs at 10% for a period of 3 years.</p>	<p>Supported</p> <p>6/7/18</p>
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