

CITIZENS ADVISORY COMMITTEE
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 San Carlos Avenue, San Carlos CA 94070, Bacciocco Auditorium, 2nd Floor

AGENDA

June 1, 2010 - Tuesday

4:30 PM

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Approval of Minutes from May 4, 2010
4. Public Comment
Public testimony by each individual speaker shall be limited to three minutes
5. Presentation: "SMCTA Local Shuttle Program – Part 1 of 2" (M. Lee, S. Cocke)
6. Transportation Authority Board Meeting Agenda for June 3, 2010
 - a. Authorize Adoption of the Fiscal Year 2011 Budget in the Amount of \$39,259,999 **(TA Item 3a)**
 - b. Approval of Minutes of May 6, 2010 **(TA Item 4a)**
 - c. Acceptance of Statement of Revenues and Expenses for April 2010 **(TA Item 4b)**
 - d. Authorize Adoption of Appropriations Limit for Fiscal Year 2011 in the Amount of \$506,713,853 **(TA Item 4c)**
 - e. SamTrans Liaison Report – May 12, 2010 **(TA Item 8)**
 - f. Authorize an Amendment to the Fiscal Year 2010 Budget in the Amount of \$54.1 million from \$68.61 Million to \$120.01 Million and Allocation of Measure A Funds to the Peninsula Corridor Joint Powers Board for the San Bruno Grade Separation Project **(TA Item 11a)**
 - g. Program Report: Transit: South San Francisco Ferry and Redwood City Ferry Projects **(TA Item 12a)**
 - h. Update on State and Federal Legislative Program **(TA Item 12b)**
 - i. Capital Project Status Report 3rd Quarter Fiscal Year 2010 **(TA Item 12c)**
7. Report of the Chair (P. Dixon)
8. Report from Staff (J. Hurley)

9. Member Comments/Requests

10. Date, Time and Place of Next Meeting: Tuesday, June 29 , 2010 at 4:30 p.m.,
San Mateo County Transit District Administrative Building, Bacciocco Auditorium,
2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070

11. Adjournment

All items on this agenda are subject to action

CAC MEMBERS: Barbara Arietta (Vice Chair) • Jim Bigelow • Pat Dixon (Chair) • John Fox • Rich Hedges • Randall Hees • Charles King • Austin Mader-Clark • Doris Maez • Daniel Mensing • Larry Shaine • April Vargas • James Whittemore • Paul Young • George Zimmerman

Members of the public are welcome to attend the teleconference location at
104 S. Benedict, Seneca, Kansas 66538, Tel: 650-619-2771.

INFORMATION TO THE PUBLIC

If you have questions on the agenda, please contact the Assistant District Secretary at 650-508-6223. Assisted listening devices are available upon request. Agendas are available on the Transportation Authority Website at www.smcta.com.

Date and Time of Boards and Advisory Committee Meetings

San Mateo County Transportation Authority (TA) Committees and Board: First Thursday of the month, 5 p.m. Transportation Authority Citizens Advisory Committee (CAC): Tuesday preceding first Thursday of the month, 4:30 p.m. Date, time and location of meetings may be changed as needed.

Location of Meeting

The San Mateo County Transit District Administrative Office is located at 1250 San Carlos Ave., San Carlos, which is one block west of the San Carlos Caltrain Station on El Camino Real, accessible by SamTrans bus Routes: 260, 295, 390, 391, KX. [Click here for map.](#)

Public Comment

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

Members of the public may address the Citizens Advisory Committee on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to three minutes 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 Rosemary Lake at San Mateo County Transportation Authority, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email to cacsecretary@smcta.com; or by phone at 650-508-6223, or TDD 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.

**CITIZENS ADVISORY COMMITTEE
SAN MATEO COUNTY TRANSPORTATION AUTHORITY**
1250 San Carlos Avenue, San Carlos CA 94070
Bacciocco Auditorium, 2nd Floor

MINUTES OF MAY 4, 2010

MEMBERS PRESENT: B. Arietta, J. Bigelow, P. Dixon (Chair), J. Fox, R. Hedges, R. Hees, A. Mader-Clark, D. Maez, D. Mensing, L. Shaine, A. Vargas, P. Young

MEMBERS ABSENT: C. King, G. Zimmerman

STAFF PRESENT: L. Bhuller, A. Chan, J. Hurley, R. Lake, S. Murphy, T. Reavey

Chair Pat Dixon called the meeting to order at 4:35 p.m. and led the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion (Bigelow/Arietta) to approve the minutes of March 30, 2010 was passed.

Public Comment

None

ITEMS FOR REVIEW – MAY 6, 2010 TA BOARD AGENDA

There was no discussion on the following items:

1. Approval of Minutes of April 1, 2010 - TA Item 3a
2. Acceptance of Statement of Revenues and Expenses for March 2010 - TA Item 3b
3. SamTrans Liaison Report – April 14, 2010 – TA Item 8
4. Acceptance of the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended March 31, 2010 – TA Item 11a

Annual Adoption of the Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund – TA Item 3c

Director of Finance Trish Reavey said the policy has been amended this year to grant authority to the Authority's appointed investment advisor to choose the brokerage institutions from which to solicit bids for investment of Authority funds. This is part of the California government code, but when the Authority's investment advisor moved to CSI Capital Management, Inc., this was never expressly written in the investment policy. The amendment also reflects the name changes to the portfolio benchmarks made by Bank of America Corporation upon its acquisition of Merrill Lynch, Pierce, Fenner & Smith, Inc.

Rich Hedges asked if the TA is still dealing with Merrill Lynch. Ms. Reavey said the TA doesn't have any accounts with them.

A motion (Bigelow/Hedges) to support adoption of the investment policy was approved.

San Bruno Grade Separation Project – Funding Options – TA Item 11c

Director of Budgets and Grants April Chan provided details:

- The project scope involves eliminating three street-level crossings by lowering San Bruno, San Mateo and Angus avenues and raising the railroad tracks; building pedestrian underpasses at Euclid, San Bruno and Sylvan avenues; and replacing the existing station at Sylvan Avenue with a new elevated station between San Bruno and San Mateo avenues.
- The project scope does not include High Speed Rail (HSR) elements.
- The total project cost estimate of a two-track structure is \$165 million. A Request for Proposals has been released and staff hopes to receive bids in the next few weeks and award a construction contract at the July 1 Joint Powers Board meeting.
- Project status: final design – March 2010; invitation for bid process – March-June 2010; contract award anticipated for July 1, 2010; and construction – July 2010 to June 2012.
- Secured funding includes:
 1. \$100 million budgeted: \$60 million existing Measure A funds; \$30 million Proposition 1B Highway Railroad Crossing Safety Account (HRCSA)-Grade Separation funds; and \$10 million of Public Utility Commission (PUC) 190 Grade Separation funds.
 2. Options for \$65 million: \$9.25 million is available to the TA over the life of the Proposition 1B program. Of this amount, \$3.75 million has been appropriated by the State's budget process; and \$19.2 million State Transportation Improvement Program (STIP), which was redirected from the South San Francisco Station project, for a total of \$22.95 million.

Austin Mader-Clark arrived at 4:44 p.m.

- Funding options include:
 1. HSR funding from the American Recovery and Reinvestment Act; Federal earmarks; and Federal Jobs Legislation.
 2. Original Measure A: \$3 million in grade separation category.
 3. New Measure A: Fifteen percent or approximately \$9 million per year for grade separation projects. If non-Measure A funds are not available, the project will need up to \$62 million in new Measure A funds (\$13 million expected to be collected through the end of FY2010 and will also need \$49 million from FY2011 through the middle of FY2016).
- New Measure A funding criteria for special circumstances specify inclusion in the Expenditure Plan; the project addresses safety and/or security concerns; and leverages non-Measure A funds with certain expenditure or other deadlines.
- Staff recommends \$65 million required can be funded by:
 1. Non-Measure A total of \$22.95 million.
 2. Measure A total of \$42.05 million (\$3 million original Measure A plus \$39.05 million in new Measure A).

John Fox said the project was noted as being \$40 million short but much more than \$40 million is being added. He asked if some of this was in the original proposal. Ms. Chan said if the project receives Proposition 1B State/local partnership money and STIP funding, the project will only need \$40 million. She said, given the state of the State, if the project doesn't receive STIP funding, there would be a need for the full \$62 million from the new Measure A plus \$3 million to total \$65 million.

Ms. Chan said staff is considering programming new Measure A funds to the project under criteria for special circumstances, similar to what was done with the Belmont pedestrian/bike overcrossing project. The San Bruno Grade Separation project meets all criteria. She said the primary action staff would be asking the TA Board to take is to program and budget up to \$42.05 million for the project to help fully fund the remaining \$65 million. It is important to line up the funding before the contract award planned for July 1, 2010.

Randy Hees said since staff doesn't have bids, are they taking into account that apparently a number of large projects are coming in substantially lower than construction estimates. He asked how comfortable staff is that the bid estimate reflects what will be received. Ms. Chan said staff is currently budgeting more conservatively and if the bids do come in lower, it will require less of the local funding.

Mr. Hees asked if the project was fast-tracked because of HSR money; what are the chances of receiving HSR money; and what amount would be received. Ms. Chan said certain parts of the project would benefit HSR but, ultimately, the \$165 million project is still the two-track grade separated project. She said, in terms of back tracking this project, it actually had to do with other funding sources, one of which was Proposition 1B - \$30 million grade separation account money, and the project has a requirement to award a contract by July 1, 2010.

Larry Shaine asked if funding assumptions assume the sale of State bonds and if the bonds are marketable. Ms. Chan said Proposition 1B bonds basically rely on the sale of State bonds and the California Transportation Commission is due to allocate the \$30 million to the TA. What is not certain is the \$3.75 million because the request was just made. She said it is up to the State to be able to sell bonds and staff's concern is the State's ability to give the money to the TA.

Director of TA Program Joe Hurley said, as far as the State and TA are concerned, \$30 million of Proposition 1B funding has been identified for this project. There are concerns associated with bond sales but Ms. Chan has a plan in the event those funds don't come through.

April Vargas said since the grade separation ranking has not been determined, and given the criteria for special circumstances, would this project be ahead of all other grade separation projects. She asked if cities with grade separation projects have asked for equal consideration. Ms. Chan said staff received the ranking list today and this project is ranked fifth statewide on the Fiscal Year 2011 list of railroad crossings in the State. In terms of ranking, the project has some high safety concerns.

Ms. Vargas asked if any San Mateo County grade crossings were ranked in the top four. Ms. Chan replied yes, and said there are a couple of bridges in San Mateo ranked in the 30s and a bridge in San Francisco ranked in the 90s.

Mr. Hurley said there are two variables the TA uses to prioritize grade separation projects: the PUC score, which is number one in the Caltrain corridor and number five statewide, and city support for the project. The city of San Bruno has demonstrated strong support for the project.

Mr. Fox said the concept of pulling projects out before they are prioritized within the county is a troubling precedent. He asked how difficult it is to complete that priority ranking and when the process would be completed. Mr. Hurley said staff is working on a Footprint Study, which looks at alternatives on all grade separations on the Caltrain corridor in terms of both horizontal alignments

and whether it's road over rail, road under rail, or a combination. Much of this was put on hold because of the uncertainty of HSR. Based on the PUC's ranking, support of the city of San Bruno and the availability and timing requirements associated with the Proposition 1B, funding became a top priority project.

Jim Bigelow said he and Doris Maez attended community outreach in San Bruno and the neighborhood people seemed very interested and positive about the project. He asked how electrification fits in or does not fit in with this project because the Joint Powers Board allocated \$42 million to the Electrification project at its April meeting. Ms. Chan said this has no bearing on this project because that was basically for the environmental approval process for electrification. Electrification of Caltrain could potentially affect this project, and when the grade is separated it would still be able to accommodate wires and overheads.

Mr. Bigelow said a comment was made at community outreach that a cement foundation would be included in the project for electrification but no poles, so this is an opportunity to prepare for electrification.

Mr. Hees supports the project and said the worst case scenario would be if the TA had to come up with \$65 million. He thought that would be roughly six years of TA grade crossing money in the new Measure A.

Mr. Hees asked what would happen if the 25th Avenue grade crossing project in San Mateo fit everyone's plan. He asked if the city would have to wait for the funding or could the TA use essentially highway money now and pay back the highway portion of Measure A. Mr. Hurley said those are options on the table. He said there is the opportunity to borrow between a highway program and a grade separation program or transit program, but there is also the opportunity to bond as well.

Ms. Maez said the presentation did not show a visual representation of what the project will look like during construction. She said this would be a tough sell to the Belle Air neighborhood near First Avenue because the construction will be basically in their front yards. She said it is very important to engage these neighbors.

Ms. Maez attended the HSR outreach in Redwood City and said if HSR doesn't come to this area, Caltrain won't continue. She is concerned because it's like colleges busy building buildings that can't offer classes. Mr. Hurley said that is the color of money and the TA is maxing out in terms of Measure A's ability to contribute towards the operating expenses of Caltrain. He said the money is limited to capital improvement so the TA doesn't have the flexibility to move capital dollars.

Mr. Shaine asked if there is a reason the TA is holding off 30 days for the final request to the TA Board. Ms. Chan said the primary reason is because staff wanted the Board to have input from staff and the CAC so there would be time to work with Board members in the event there wasn't agreement. She said staff will have a better idea of funding sources by the June Board meeting.

A motion (Bigelow/Hees) to support the San Bruno Grade Separation funding options was approved.

Daniel Mensing arrived at 5:14 p.m.

Public Comment

Pat Giorni, Burlingame, said the TA-funded Footprint Study was circulated to cities in the county but never took HSR into consideration. She asked if it would be expanded. Mr. Hurley said staff is waiting for more specifics from HSR to fold into the study.

Ms. Giorni asked if the TA will be asked for more money to expand the study or if that will be part of the alternatives analysis of HSR. Mr. Hurley said staff might ask HSR for money to finish the study.

Preliminary Budget for Fiscal Year 2011 – TA Item 11d

Manager of Budgets Ladi Bhuller said staff has combined the Operating and Capital budgets into one budget statement. She provided the following details.

- FY2011 revenues include: \$60 million sales tax; \$5.6 million interest income; \$1.1 million rental income; and \$4.2 million in grant proceeds for the Broadway Interchange; for total revenues of \$70.9 million.
- Sales tax revenues remain flat at \$60 million. Interest income is projected to increase \$300,000 and grant proceeds by \$900,000.
- Annual allocations included: \$13.5 million for local entities; \$2.4 million for paratransit; \$1.5 million for San Mateo County shuttles; \$4.8 million transfer to SamTrans for Caltrain operations; and \$1.2 million for BART; for total allocations of \$23.4 million.
- Program expenditures included: \$600,000 for alternative congestion relief; \$400,000 for Dumbarton Rail; \$3 million for Caltrain; \$1.8 million for pedestrian and bicycle; \$900,000 for shuttles; and \$6.2 million for streets and highways; for an expenditure total of \$12.9 million.
- FY2011 expenditures include: \$23.4 annual allocations; \$12.9 program expenditures; \$1 million oversight; and \$900,000 administration costs; for total expenditures of \$38.2 million.
- Expenditure changes include: \$103.5 million decrease in program expenditures; \$200,000 increase in oversight and administration, which includes projected resources to deliver board-approved strategy for various calls for projects, with a net decrease of \$103.3 million. The major decrease is due to significant allocations, which will be made in FY2010 and include: \$46 million for the San Bruno Grade Separation Project; \$30 million for the Route 101 Auxiliary Lane Marsh Road to Embarcadero Road; and \$15 million for the South San Francisco Ferry Terminal Project.

Mr. Shaine asked if BART has a life through the life of Measure A. Ms. Bhuller said through the life of the new Measure A.

Mr. Hurley commented on the significant difference between last year's expenditures and those projected for FY2011. Staff is in the process of developing a Highway Capital Improvement Program so staff will come back with a mid-year capital budget amendment to reflect that program.

Mr. Hees asked if these things are tied to a percentage of what the TA receives, for example, 8 percent for Caltrain, 2 percent for BART, etc. He asked if staff monitors this throughout the year and adjusts those numbers if the income experience is radically different. Mr. Bhuller replied yes, and said staff will come back to the Board to amend the budget for the sales tax projection and the other expenditure line items accordingly. She said the TA budget was revised in the last couple of months for FY2010.

Mr. Hurley said notifications of these budget adjustments are sent to cities regarding local share information.

Mr. Bigelow sits on the Congestion Management and Environmental Quality Committee of the City/County Association of Governments of San Mateo County (C/CAG) and said there are plans underway for major projects like freeway interchanges, but because of the status of finances in the State, projects were shuffled and moved back to later dates for major construction. The TA and C/CAG discussed moving back some of the projects and identifying monies where things could progress in planning and engineering, so when things turn around these projects are still in line waiting for funding.

Mr. Shaine said this is the second year in history the TA budget has Caltrain operations, which was not allowed in the old Measure A.

Mr. Hedges said fuel prices may be affected by oil issues in Louisiana and asked if there are long-term contracts for Caltrain fuel allotment. Ms. Reavey said staff is working on the fuel hedge policy for FY2011 and negotiating with interested parties. Caltrain is currently under contract with a cap option and the cap for FY2010 is \$2 per gallon. Caltrain has received payments for that over the last couple of months. Caltrain and SamTrans adopted a fuel hedge policy this spring. She said staff isn't expecting a cap of \$2 per gallon for FY2011 but is able to cap 50-75 percent of expected fuel usage.

Mr. Shaine asked if a cap would save money with electrification. Ms. Reavey said it could, but fewer people would be interested because diesel fuel use would be less.

Ms. Maez said one of the benefits of electrification is much lighter weight trains that use less energy to move. Ms. Reavey said fuel costs will go down but diesel fuel will still be used to run to Gilroy and for fleet vehicles. The combined cost of electricity and diesel fuel will be less than current costs.

Authorization to Enter into a Cooperative Agreement with Caltrans Regarding the Route 101 Auxiliary Lanes Between Marsh Road and Embarcadero Road, Amendment to the Fiscal Year 2010 Capital Budget in the Amount of \$30,000,000 and Allocation of the Subject Funding in the Amount of \$32,584,000 – TA Item 11b

Mr. Hurley provided details on the Auxiliary Lane Project.

- This section of Route 101 is at full capacity during morning and afternoon peak periods. The goal is to relieve congestion on Highway 101 by improving traffic operations and efficiency.
- The project will be almost a complete link from county line to county line except for a portion from Oyster Point in South San Francisco to the San Francisco County line.
- The project will increase travel time reductions, and reduce carbon emissions and fuel consumption.
- Total project costs are \$112,933,000 with construction costs of approximately \$92 million.
- Project features include auxiliary lanes on southbound and northbound Highway 101; replacement of an overcrossing in Menlo Park; and modifications to the Willow and University avenue interchanges.
- Total costs of the three segments of \$112.9 million include: Segment one from Marsh Road to University Avenue will cost \$73.4 million; Segment two from University Avenue to Embarcadero Road will cost \$36.5 million; and Segment three replacement landscaping Marsh

to Embarcadero roads will cost \$3 million.

The crucial funding is the \$56 million Corridor Mobility Improvement Account (CMIA) funding, which has funding time constraints.

- Thirty-three percent of the cost is TA funding. The TA leveraged the other dollars and none would have come to fruition without the early seed money from Measure A.
- Construction of the first segment must begin in April 2011 and is to be completed in 2013 to meet CMIA funding constraints.
- Project completion for the three segments: Segment one-March 2012; Segment two-November 2013; and Segment three-November 2017. Segmentation allows more firms to compete for the project.

Rich Hedges asked about flooding of San Francisquito Creek. Mr. Hurley said the San Francisco Joint Powers Authority is pursuing improvements to San Francisquito Creek to address flooding

Chair Dixon asked about the underpass in the project. Mr. Hurley said this is the Henderson Bridge underpass south of Marsh Road. There were negotiations with Caltrans that would have required replacing the bridge at significant project costs. The TA was able to negotiate design exemptions to go with narrower shoulder widths and the Henderson Bridge will be allowed to remain in place.

Ms. Maez is concerned about the Metropolitan Transportation Commission's (MTC) focus on high occupancy lanes and the affect on county auxiliary lanes. Mr. Hurley said MTC is collecting data and is looking at two types of scenarios: construction of additional lane for High Occupancy Vehicle (HOV) lane /High Occupancy Toll (HOT) lane or the potential conversion of a single occupancy lane to either a HOV or HOT lane. Auxiliary lanes only go from interchange to interchange and are not through lanes.

Mr. Hees said this project is included in the Strategic Plan and compliant with everything being done.

A motion (Hees/Arietta) to support the auxiliary lane project was approved.

Mr. Bigelow said Senator Joe Simitian was instrumental in obtaining \$60 million of Proposition 1B funding for the project.

Mr. Shaine asked if the TA would be involved in management of this project. Mr. Hurley said the TA prepared the preliminary work but Caltrans will administer the construction work.

Update on State and Federal Legislative Program – TA Item 12a

Government Affairs Manager Seamus Murphy reported:

There were two legislative subcommittee budget hearings in the last few months on California High Speed Rail Authority's (rail authority) request for FY2011 funding in addition to a State audit report. Legislative staff and audit reports have been very critical of the way the rail authority managed the project. Staff feels it is likely some legislation will be passed this session that provides more legislative oversight to the project and provides for more fiscal accountability in light of the billions of dollars received in Federal money and with the \$2.25 billion in Proposition 1A match.

Staff is following SB409 – Passenger Rail Programs (Ducheny), which would reorganize the rail authority within Caltrans and all Board members would need to be reappointed and confirmed by the Senate.

AB 1375 – High Speed Rail (Galgiani) was recently amended to put the CHSRA under Business, Transportation and Housing and on par with Caltrans within the State bureaucracy as its own department of railroads and preserve the rail authority as it exists today with the power to make decisions regarding alignment and funding. It is likely the rail authority will support AB1375 and oppose SB409.

SB 965 – High Speed Rail (DeSaulnier) would authorize the rail authority to spend Federal funding awarded through the American Recovery and Reinvestment Act (ARRA), authorize the Proposition 1A match and require the rail authority to meet conditions to receive that authorization to spend the funding. Staff hopes to work with District delegations to make sure the bill reflects the goals of ARRA and the jobs agenda and requires funding be spent on ready-to-go projects. Caltrain has several projects ready to go as part of the HSR application.

The focus on the State level is the gas tax swap and appropriations for transit. Staff hopes the May Revise doesn't affect transportation funding. The initiative to protect local government funding including transportation funding has been filed and the campaign is confident there are enough signatures to qualify for the November ballot. The initiative would protect half-cent sales tax for Self-Help counties and Transportation Development Act funding.

The major Federal issue is the Climate Bill sponsored by Senator Barbara Boxer. There is an effort by a bipartisan senator group to present alternative legislation. The funding component of this bill is uncertain but may include some sort of fee on gasoline that would be allocated to various greenhouse gas reduction targets. Staff is working with the American Public Transportation Association to make sure clean transportation is part of whatever funding strategy evolves.

Mr. Shaine asked if the governor has the authority to reduce or waive environmental controls during dire or emergency situations. Mr. Murphy said he could not without urgency legislation passed by the State Legislature.

Paul Young left at 5:36 p.m.

Mr. Fox asked about the gas tax swap. Mr. Murphy said the gas tax swap eliminated the sales tax on gas, increased, in an equivalent amount, the excise tax on gasoline and removed the revenue stream for transit. The package signed by the governor preserved the sales tax on diesel fuel for transit and that is the State Transit Assistance program (STA). The program begins in FY2012. The governor made an appropriation of \$400 million to cover the remainder of FY2010 and FY2011. The sales tax on diesel fuel has been increased and preserved for transit and is \$350 million a year, which is more than the STA program has ever received but not nearly what the STA program was eligible to receive when spillover was also included in that program.

Mr. Hedges asked about voter-approved sales tax on gasoline for transit, Proposition 42 and Proposition 1A efforts, and asked if the Legislature could wipe this out. Mr. Murphy said none of these ballot measures prevents the State from eliminating the source of the funding completely.

Barbara Arietta asked about staff's analysis on AB 1375. Mr. Murphy said the only downside for the Caltrain system with rail authority reorganization is the potential elimination of the agreement that Caltrain has with the rail authority. Legislatures involved have offered to include amendments that would preserve Caltrain's Memorandum of Understanding with the rail authority. Mr. Murphy said staff might have an issue in a proposal that reorganizes the rail authority and includes it in a department with resources that could be watered down because of focus on inter-city rail or other transportation projects.

REPORT OF THE CHAIR – PAT DIXON

Chair Dixon encouraged everyone to register to vote.

REPORT FROM STAFF – JOE HURLEY

Mr. Hurley said the groundbreaking ceremony for the Belmont pedestrian/bike overcrossing will be held at the Belmont Sports Complex on May 12 at 1 p.m.

COMMITTEE COMMENTS

Ms. Vargas is concerned about audits on HSR and the reaction by local press. She thinks some people may use this as negative information about the project.

Mr. Hedges said there is more support for HSR the farther away from the route. He is concerned these people may now express concerns.

Mr. Bigelow said there is a meeting on Dumbarton Rail at the Union City Council Chambers on May 7 at 1 p.m. Key issues are ridership issues, budget and costs.

Mr. Bigelow said there will be two lawsuits filed momentarily against HSR; one is Atherton et al. v. HSR. He named attorneys for several other lawsuits against HSR. He said a key group filing suits is from Menlo Park.

Mr. Shaine said he is concerned Caltrain is declaring the second state of fiscal emergency in two years, which means Caltrain doesn't need to have State oversight in cutting service and raising fares.

John Fox left at 6:09 p.m.

Mr. Hees said every transit agency has problems. Mr. Hurley said Caltrain puts forth an extraordinary effort to produce quality service and has a very high farebox recovery, which makes the problems very frustrating.

Ms. Maez said there needs to be a strong effort to keep the people along the San Bruno Grade Separation corridor happy especially if HSR comes along with more construction.

Mr. Hedges said AC Transit's M line has benefited the mid-Peninsula and provides a good connection to East Bay BART.

Mr. Bigelow said the Santa Clara Valley Transportation Authority tentatively pulled \$44 million from the Dumbarton Rail Project. He requested the chair schedule a HSR meeting for the CAC.

Chair Dixon said there were eight new applicants for TA CAC recruitment. Mr. Hurley said there were excellent candidates and he recognized John Fox, Ms. Maez, Ms. Mader-Clark and Mr. Zimmerman for their reappointment to the CAC.

NEXT MEETING

The next regular meeting of the TA CAC will be held on Tuesday, June 1, 2010 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

Adjournment – 6:16 p.m.