

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

MINUTES OF MAY 3, 2011

MEMBERS PRESENT: B. Arietta (Chair), J. Bigelow, P. Dixon, R. Hedges, R. Hees, E. Lasensky, A. Mader-Clark, D. Maez, D. Mensing, L. Shaine, J. Whittemore, P. Young, G. Zimmerman

MEMBERS ABSENT: J. Fox, A. Vargas

STAFF PRESENT: L. Bhuller, A. Chan, M. Choy, A. Ho, J. Hurley, R. Lake, L. Snow

Chair Barbara Arietta called the meeting to order at 4:33 p.m. Pat Dixon led the Pledge of Allegiance.

APPROVAL OF MINUTES

Larry Shaine asked, on page five of eight, to strike “the” and interchange” from the sentence: “if priorities could change and ~~the~~ Woodside Road ~~interchange~~ could be included.”

A motion (Zimmerman/Bigelow) to approve the minutes of April 5, 2011 was passed with this change.

PUBLIC COMMENT

None

PRESENTATION: NEW MEASURE A HIGHWAY PLAN (PLAN) UPDATE

Manager, Programming and Monitoring Melanie Choy said the update included input from the previous presentations to the CAC. Ms. Choy provided the following details:

- The purpose of the Plan is to guide funding decisions, develop a five to 10 year Plan, and prioritize funding. It is designed as a living document to be updated every two years.
- The overall Highway Program requirement is to reduce congestion and increase throughput on roads and highways with the Plan split into Key Congested Corridor projects (KCC) and Supplemental project categories.
- There is a firewall of funding between these two categories: The KCC has a set list of projects split by corridors and has 17.3 percent of all revenues. The Supplemental category is only a candidate project list with 10.2 percent of all revenues and nothing regarding corridors.
- The Plan assumes local match assumptions with the expectation that the KCC would have a 50:50 match, which means the project would be funded 50 percent with Measure A monies and the other 50 percent from State or any other available funding sources. The Supplemental program is shifted more towards Measure A with 70 percent Measure A funding and 30 percent other dollars.
- Phase I of the Plan, which was completed in 2010, involved development of criteria and project ranking of the KCC and Supplemental projects. Twenty-seven candidate projects in the candidate list were evaluated on merit-based analysis including need, readiness, policy consistency, effectiveness and sustainability.

- Phase II involved developing the funding strategy. Estimates were made on total program project costs and funding sources, which showed an estimated \$655 million funding gap.
- Prior to final prioritization of projects, the Plan proposes developing a Capital Improvement Program over time with a project solicitation information collection process for the KCC and a call for projects for the Supplemental program. This will provide structure and flexibility in collecting data over the next ten years. It is proposed that the 1988 Measure A program be rolled into this process.
- Project solicitation/call for projects will be based on interchange, freeway and arterial type categories and will be done annually for project development and biennially for right of way/construction because they are long-term phases.
- Additional project considerations include economies of scale, project readiness, small projects implemented quickly, geographic equity, leveraging of funding and resource constraints.
- There will be funding benchmarks for project development and construction for the KCC projects.
- The Plan will be presented at the June TA Board meeting with project solicitation scheduled in September. The goal is to present a project list for recommendation to the TA Board at the end of the year.

Randy Hees said he was happy with the flexibility of the development process versus construction.

Mr. Shaine asked if lower than estimated contractual costs will affect the funding gap. Ms. Choy said the intent of doing a project solicitation is to get a better handle of project scopes for better cost estimates.

Mr. Shaine asked if there was a chance of combining Environmental Impact Report (EIR) requests for economic benefits.

Jim Bigelow said the presentation should include a slide that defines what information will be solicited because a project could be cold, hot, on hold, etc. The City/County Association of Governments Technical Advisory Committee will want to know what form to fill out, what information is needed, etc. He said there is also a need to recognize political will involved if a city isn't moving ahead as needed. Ms. Choy said this will be taken into account.

Rich Hedges prefers this approach to the Metropolitan Transportation Commission (MTC) 2035 Plan approach, which continually reviews projects even after cities and counties have spent tremendous amounts of money on EIRs. He said it's horrible if the city or contractor has spent substantial money upfront for the project and then somewhere along the line, the project is killed. Ms. Choy said the Board will have a better context of what kind of tradeoff decisions they will be making because once a decision is made by the Board, there is money for that project.

ITEMS FOR REVIEW – MAY 5, 2011 TA BOARD AGENDA

Statement of Revenues and Expenditures for March 2011 – TA item 3b

Jim Whittemore asked about the check listed for \$55,000 to Chicago Title Company. Manager, Finance Treasury Lori Snow will follow up.

Mr. Whittemore asked if there is an annual allocation for consultants or is this cost incorporated into projects. Director, TA Program Joe Hurley said it is on a per project basis that may span multiple years depending on the phase of work.

A motion (Shaine/Whittemore) to support acceptance of the Statement was approved.

SamTrans Liaison Report –TA Item 8

a) **March 24, 2011**

b) **April 13, 2011**

No comment

Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook for the San Mateo County Transportation Authority for the Quarter Ended March 31, 2011 – TA Item 11a

George Zimmerman asked what 77 percent agency security meant on page four of 12. Ms. Snow said in the financial world, this refers to Freddie Mac, Fannie Mae and Federal Home Loan Bank. These funds are backed by the Federal government who will step in and provide whatever revenues or capital are required.

A motion (Zimmerman/Hees) to recommend acceptance of the report was approved.

Assignment of Contract from CSI Capital Management, Inc. to SunTrust Bank for Providing Investment Management Services – TA Item 11b

Mr. Zimmerman asked what functions the Wealth Management Group will provide to CSI.

Ms. Snow said SunTrust Bank is the Wealth Management Group parent and in the list of the top 15 banks in the country. The only difference with CSI today, as a boutique financial advisory organization based in San Francisco, is that it will have a very large institution behind it and will see benefits in shared resources like accounting and finance, human resources, training, etc.

Mr. Zimmerman asked if there will be an increase in fees charged. Ms. Snow said the fees are under contract for the remainder of the term.

Mr. Whittemore asked about the age and retirement plans of CSI Investment Advisor Bill Osher. Ms. Snow said the TA feels Mr. Osher is doing a great job and isn't ready to retire.

Mr. Whittemore asked how much of a bail out did SunTrust have to take and would there be any implied liability if CSI is taken over by someone. Ms. Snow said she will follow up on this and said staff has checked their stock price and they are doing very well.

A motion (Hedges/Shaine) to support assignment of the contract was approved.

Preliminary Fiscal Year (FY) 2012 Budget – TA Item 11c

Manager of Budgets Ladi Bhuller reported:

- FY2012 revenues of \$68 million include: \$61.5 million sales tax, \$5.4 million interest income, and \$1.1 million rental income.
- Sales tax revenues are expected to increase by \$1.5 million. Interest income is projected to decrease by \$136,000 due to a slight decrease in interest rate projections and grant proceeds are projected to decrease by \$4.2 million because of no projected grant revenues for FY2012. The net change in revenue is expected to decrease by \$2.8 million.
- Annual allocations of \$23.8 million include: \$13.8 million for local streets/transportation, \$4.9 million for Caltrain operating that are the funds provided to SamTrans for its Joint Powers

Board member share, \$2.5 million for accessible services/Paratransit, \$1.4 million for local shuttle service, and \$1.2 million for the SFO BART extension.

- Program expenditures of \$58.1 million include: \$615,000 for alternative congestion relief, \$4 million for Caltrain for San Mateo County's local share for the Systemwide Improvement Program, \$1.3 million for pedestrian and bicycle, \$971,000 for shuttles, and \$51 million for streets and highways.
- Expenditures of \$83.4 million include: \$23.8 million for annual allocations, \$58.1 million for program expenditures, \$485,000 for oversight, and \$947,000 for administrative costs, which is less than 1 percent allowed for such expenditures.
- Expenditure changes from the previous year include: an increase in annual allocations of \$530,000 due to the projected 2.5 percent increase in the one-half cent sales tax, programmed expenditures are expected to increase \$32.7 million, oversight and administration costs are expected to decrease by \$489,000 for a net change in expenditures to increase by \$32.7 million.

Mr. Shaine asked if there were any Federal funds in the grant budget. Mr. Hurley said there are TA projects that include Federal funds but those funds go directly to the project and do not pass through the TA. For this reason, these funds are not captured in the budget.

Mr. Zimmerman asked what the line item Caltrain Improvements-Operating refers to under Annual Allocations and what the line item Caltrain refers to under Program Expenditures because he didn't recall the TA Expenditure Plan was to provide operating funds to Caltrain. Mr. Hurley said the new Expenditure Plan specifies up to half the funding identified for Caltrain can be used for operating expenses.

Mr. Hees asked how much money was historically funded to the Caltrain Capital Budget and how much is currently proposed. Ms. Bhuller said the TA is proposing \$4 million for the FY2012 Capital Budget and \$4.9 million is the maximum amount that can be put towards operating Caltrain. Director, Budgets and Grants April Chan said the TA has contributed about \$3 million to \$4 million a year to the Caltrain Capital Budget for systemwide improvements.

Mr. Hedges said Mr. Bigelow made it perfectly clear at the April 7 Peninsula Corridor Joint Powers Board meeting that it is the TA, not SamTrans, that is funding money to Caltrain operations.

Mr. Hedges asked if 101/Willow Interchange project funding went into the overall budget to fill a hole or if it is still reserved for that project. Ms. Bhuller said there were some funds designated for that project in FY2011 and the funding is still reserved and available to this project.

Mr. Bigelow suggested on the Annual Allocations slide of the budget presentation line item that "Caltrain Improvements-Operating" be called "Caltrain-Operating," and suggested on the Program Expenditures slide that the "Caltrain" item be called "Caltrain Capital."

Doris Maez asked who is funding San Mateo County's allocation for Caltrain operating this year. Ms. Bhuller said SamTrans is proposing to make a contribution of \$10.6 million, of which \$4.9 million is coming from the TA. Two million dollars is coming from the Santa Clara Valley Transportation Authority (VTA) repayment of the Caltrain right of way and \$3.7 million is coming from a capital operating swap of funds.

Ms. Maez asked if the \$3.7 million represents one-half cent sales tax revenue and if the money is being moved from capital to operating. Ms. Chan said the \$3.7 million is capital money from SamTrans so SamTrans is going to offer up \$3.7 million from its capital money and is trying to get \$3.7 million in local operating money so SamTrans can contribute the full \$10.6 million. Only \$4.9 million is coming from the TA; \$3.7 million is actually SamTrans money and the other \$2 million is also SamTrans money when VTA repays.

Ms. Maez said the TA can't move capital money to operating but it sounds like SamTrans is doing that. Ms. Chan said staff is taking an item to the May SamTrans Board meeting to ask the Board for permission to do that, which will allow swapping out capital money to get some very flexible operating money that can be put towards Caltrain.

Mr. Shaine asked, for clarification, if a pie chart could be developed to show total expenditures, totals for the year and percentages for each element, which would also provide clear data for the media.

Mr. Whittemore asked what the change was in the TA contribution to Caltrain from 2011 to 2012. Ms. Chan said \$3.0 million was given to Caltrain in FY2011 for capital and \$4.8 million for operating. She said each of the JPB partners contributes equally to the capital program and Caltrain needs a total of \$12 million in local funds for the capital program. San Mateo County's share is proposed to be \$4 million.

Mr. Hees asked the chair to compliment the Board at its June meeting because the information provided answered all questions and gave a high comfort level in all things the CAC was asked to approve.

Chair Arietta asked if San Mateo County's share has increased by \$100,000. Ms. Bhuller said the \$4.8 million projection was based on a sales tax projection of \$60 million but staff revised the sales tax projection to \$61.5 million and this bumped up the increase.

Program:

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

Government Affairs Manager Seamus Murphy could not attend the meeting but will follow up on any questions or concerns from the CAC.

Mr. Zimmerman asked if the TA previously endorsed bills under consideration. Mr. Hurley said the far right column on the legislative matrix notes any position taken on a bill.

Mr. Hees asked if a position of support is indicated, does that mean the Board supported the bill. Mr. Hurley said the TA legislative program has parameters adopted by the Board and as long as these pieces of legislation are consistent with what the Board adopted, that is the recommendation for staff to come back and put these before the Board.

REPORT OF THE CHAIR – BARBARA ARIETTA

- The JPB adopted the current 86-train schedule at its April 21 meeting, which keeps all stations open and continued baseball service.
- Mr. Bigelow, Mr. Hedges, Ms. Maez and the chair attended the Contra Costa Transit Village tour in the Walnut Creek/Pleasant Hill area. JPB Director Adrienne Tissier attended. The project

includes 2.4 million square feet of office space, 422 hotel rooms and 2,700 multi-family residential units, of which 422 are said to be accessible. There are low-speed vehicle segways, electric bicycles, computerized stopping stations, car sharing and shuttle service. She encouraged everyone to visit www.youchoosebayarea.org to get information on planning, transportation and housing impacts in the Bay Area for the future.

- Attended Envision Bay Area, which is led by the Silicon Valley Community Foundation and is an initiative to strengthen the ability of residents and community leaders to make informed decisions about the building and growth that will shape the future environment, economy and everyday life in our communities.

Discussion on the Contra Costa Transit Village included BART access, ratio of commercial and residential space, occupancy, connectivity to surrounding neighborhoods and cities, restaurants, Americans with Disabilities Act accessibility, and parking availability.

Mr. Shaine said he thought the Hayward Park developer was encouraged to reduce the number of parking spaces in order to encourage use of public transportation.

REPORT FROM STAFF – JOE HURLEY

- Met with the Water Emergency Transportation Authority (WETA) and water transit advocates on April 6, 2011 and received an update on San Mateo County ferry program. Construction on the South San Francisco ferry terminal is visible, the project is scheduled for completion this December and service is to begin in spring 2012. WETA is coordinating with the Peninsula Congestion Relief Alliance (Alliance), SamTrans and surrounding employers to study potential feeder bus service and shuttle service to support the ferry service. Details on actual service are under development. WETA has a firm and contract to develop conceptual design for the Redwood City ferry terminal. Ridership models are being updated for the entire ferry network system in San Mateo County.
- Bids opened on April 13 for the Highway 101 Auxiliary Lane Project from Marsh Road to University Avenue. Ten bids were received below the engineer's estimate, ranging from \$15.3 million to \$19 million.
- Caltrans has approved the environmental document on the Highway 101/Broadway Interchange Project and the next phase is the design phase. There are \$4 million of State funds programmed for the project to be matched by TA funds for a total of \$8 million. Staff does not expect an allocation of the State funds agendaized for next week's California Transportation Commission meeting until the next round of bond sales. Staff has received pre-spending authorization, which will allow the TA to advance the project and spend its own money, which would be reimbursed when State funding is available. This type of authorization is a benefit of the Self-Help Counties Coalition.

Mr. Shaine asked if there has been any resolution for public or private employer shuttles.

Mr. Hurley said this is a work in progress in a partnership with SamTrans, the Alliance and employers.

Chair Arietta said the mayor of South San Francisco said a lot of people would like to see a ferry to AT&T Park to get to San Francisco.

COMMITTEE COMMENTS

Pat Dixon asked about the opening celebration for the Belmont bike/pedestrian overcrossing. Mr. Hurley said it will probably be a July date.

Elizabeth Lasensky asked who is responsible for cleaning up litter along the Caltrain tracks. Mr. Hurley suggested she call the customer service number on the Caltrain website.

Ms. Maez said she attended one of the Plan Bay Area/You Choose Workshops that discuss future growth options and felt seniors and children were not represented. She said coastside residents don't seem interested because all the action is along El Camino Real. She said the demand for single family homes has diminished, which will affect their value.

Mr. Hees said the value of a single family home in Maryland and Virginia is directly related to the its proximity to a commuter stop to get to Washington, D. C.

Mr. Hedges said the MTC has been doing polls for about six years on where people want to live and the percentage of people choosing to live closer to their work or transit has been increasing and they would trade off a smaller home or apartment for this. He said the developments in San Mateo County will have many more services than those offered in the Contra Costa Transit Village.

Chair Arietta said TA Chair Rosanne Foust said she holds the CAC in high esteem and said it is the best CAC in the county.

Date and Time of Next Meeting

Tuesday, May 31, 2011 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

ADJOURNMENT – 6:03 p.m.