

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

**MINUTES OF MAY 31, 2011**

**MEMBERS PRESENT:** B. Arietta (Chair), J. Fox, R. Hedges, R. Hees, D. Maez, D. Mensing, L. Simonson, A. Vargas, J. Whittemore, P. Young, G. Zimmerman

**MEMBERS ABSENT:** J. Bigelow, E. Lasensky, A. Mader-Clark, L. Shaine

**STAFF PRESENT:** A. Chan, M. Choy, S. Cocke, J. Hurley, R. Lake, M. Lee, L. Snow

Chair Barbara Arietta called the meeting to order at 4:39 p.m. Rich Hedges led the Pledge of Allegiance.

**APPROVAL OF MINUTES**

A motion (Hees/Hedges) to approve the minutes of May 3, 2011 was passed. (Fox, Simonson and Vargas abstained).

**PUBLIC COMMENT**

None

**ITEMS FOR REVIEW – JUNE 2, 2011**

**Authorize Adoption of the Fiscal Year (FY) 2012 Budget in the Amount of \$83,524,899 – TA Item 3a**

George Zimmerman said the Highway 101/Broadway Interchange Project is mentioned in the staff report and asked if this is in Burlingame, and if so, what is the status is of the Environmental Impact Report (EIR). Director, TA Program Joe Hurley replied that the Project is in Burlingame. The project just received environmental clearance and project approval in March 2011. Staff is now embarking on the design phase of the project.

Mr. Zimmerman asked about the major components of TA investments in the County Pool. He asked what the status is of the county's suit against Lehman Brothers. Manager, Finance Treasury Lori Snow said the major component is US Treasury bond markets, which is 43 percent and the second largest component is Federal agencies, which composes 30 percent. Next are the A to AAA rated corporate bonds, which make up 12 percent. Repurchased agreements make up another

11 percent and the remaining is held in commercial paper and certificates of deposit. Ms. Snow said the most recent quote for the Lehman Brothers securities the TA holds through the County Pool as a participant is \$0.27 on the dollar. The court date is scheduled for July 20.

Mr. Zimmerman reiterated the TA's original investment in Lehman Brothers through the County Pool was about \$25 million.

A motion (Hees/Young) to support adoption of the FY2012 budget was approved.

**Acceptance of Statement of Revenues and Expenditures for April 2011 – TA Item 4b**

Jim Whittemore asked if the grant proceeds are now zero and why funds were anticipated at the beginning of the year. Mr. Hurley said there are no grant funds anticipated to be received by the TA. If this were to change during the fiscal year, there would be a budget amendment to reflect grant funds. The FY2011 Budget included \$4.2 million for the Broadway Interchange Project. No grant funding is expected in FY2012. It doesn't necessarily mean the projects won't receive grant funding; it means the grant funding won't pass through the TA like the \$4.2 million.

Mr. Zimmerman asked about a capital loss of \$34,000 for last month and an accumulative capital loss of \$462,000 noted on page 7 of 12. He asked if this was a realized capital loss or simply current market value. Ms. Snow said staff only adjusts market-to-market in June and at this point, hasn't accepted any actual losses or gains.

A motion (Whittemore/Hees) to support acceptance of the statement was approved.

**Annual Reaffirmation of the Investment Policy and Authorization to Invest Monies with the Local Agency Investment Fund – TA Item 4c**

Randy Hees asked if there were any changes from last year. Ms. Snow replied no.

Mr. Whittemore said he read the policies for running County Pool investments have changed. Ms. Snow said this item involves the TA's investment policy. The County Pool has updated and had approval on their investment policy but the two policies are not identical; the TA's is more conservative than the County Pool's new policy.

Mr. Whittemore said he understood the County Pool's policy was made more conservative and asked if a comparison was made of the County Pool and TA's investment policies. Ms. Snow said that the County Pool policies are different and she will provide a copy of the County Pool's policy.

Mr. Whittemore said about six months ago he asked about shifting more funds from the County Pool to CSI Capital Management, Inc. Ms. Snow said the major reason additional funds have not been moved is that the TA is outperforming on the portfolio side from investments that were purchased more than 12 months ago and the investment environment is relatively flat. Performance of new money invested either through the investment portfolio or the County Pool is about even.

A motion (Hees/Whittemore) to support reaffirmation of the investment policy was approved.

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

Manager, Government Affairs Seamus Murphy reported:

High-Speed Rail (HSR)

The Legislative Analyst's Office (LAO) released a report on HSR and staff is monitoring results to see if there will be changes in deadlines for Federal funding that the California High-Speed Rail Authority (CHSRA) received and if there will be a change to perhaps, move the governance structure of the CHSRA under the direction of Caltrans. There were hearings last week to approve the CHSRA budget for FY2012. It appeared the Caltrain Memorandum of

Understanding was removed but funds were restored, which will fund the coordination between Caltrain and eventual HSR.

### State

State Transit Assistance (STA) funding is projected to increase to \$416 million from an estimated \$300 million due to an increase in the consumption and cost of diesel fuel. The share for both Caltrain and SamTrans could increase compared to previous estimates. These funds are critical because they are eligible to be used for operating expenses.

### Federal

The main issue is reauthorization of the Surface Transportation Program. The administration's blueprint is very favorable for transportation and transit in particular and would double the amount of funding that transportation receives today. The Senate blueprint is a bit less but more than what is received today.

Chair Arietta said she noticed on May 6 that the CHSRA rejected Caltrain's route plan. She said there is also a proposal to combine construction to the existing track so there is no bail out of Caltrain. She said the Feds said the September 30, 2012 deadline must be met and construction is to begin in the valley, which is in direct opposition to San Francisco's interpretation of ending the tracks at 4<sup>th</sup> and King in San Francisco and could violate State law, voter-approved Proposition (Prop) 1A. This requires the first phase of the 800-mile statewide system connect the Transbay Terminal in San Francisco and Union Station in Los Angeles. Mr. Murphy said regarding the May 6 meeting, staff's recommendation is to move forward with the study of phased implementation on the Peninsula and have the CHSRA see if it's feasible and whether there are any benefits in terms of impacts on surrounding communities or project cost benefits associated with that approach. A preliminary analysis was presented to the CHSRA and the Board voted to continue the item and did not vote to reject the study of phased implementation on the Peninsula. There is a proposal by Congresswoman Anna Eshoo, State Senator Joe Simitian and Assemblyman Rich Gordon to scale down the full build of the project, which would establish a phase one and then subsequent phases to eventually end up with a full build.

Chair Arietta said CHSRA Director Jim Hartnett is arguing that the amount of money to end HSR at 4<sup>th</sup> and King in San Francisco would be \$400 million for land so it may as well go to the Transbay Terminal because Prop 1B states it must be from there to Union Station. Mr. Murphy said Prop 1A requires the terminus in San Francisco be at the Transbay Terminal.

Chair Arietta asked about waivers for construction deadlines. Mr. Murphy said the Federal Railroad Administration (FRA) has said the deadlines are there in Federal law as part of the American Reinvestment and Recovery Act and cannot be changed except at Congress' direction and there is no effort underway to do that.

Mr. Zimmerman asked how much of this relates to the purview of the TA, which also reflects on the purview of the CAC. Mr. Murphy said as a major funding partner in the Caltrain system, the TA is saddled with some of the same challenges as the three Joint Powers Board (JPB) partners are struggling with when it comes to funding Caltrain operations.

Chair Arietta asked about Congresswoman Lynn Schenk's comment that she didn't want HSR funds to bail out any regional transportation system. Mr. Murphy said Caltrain has a significant amount of money pledged to electrification. That funding could work towards a project that includes HSR or just a project that is Caltrain electrification. The resources are significant and are to match Prop 1A dollars and the Federal HSR dollars that the CHSRA would deliver. Chair Arietta asked about AB 147, which allows cities and counties to impose developer impact fees for transit. Mr. Murphy said this is moving along.

Chair Arietta said the JPB has joined other agencies calling for the State to conduct a bond sale as soon as possible. Mr. Murphy said this is correct.

Mr. Whittemore asked what is on the table regarding electrification independent of HSR. Mr. Hurley said this is a question best posed to the JPB and staff will follow up. Mr. Murphy said an EIR has been certified at the Federal level for Caltrain only electrification.

**Authorize Adoption of Appropriations Limit for Fiscal Year 2012 in the Amount of \$523,795,603 – TA Item 4d**

Mr. Hurley said the California Constitution requires each local agency review its appropriation limits on an annual basis. This is the amount of tax proceeds the local agency can incorporate during that particular fiscal year. The appropriations for FY2012 increased 3.4 percent from FY2011 and most of the increase can be attributed to per capita personal income and population increases.

Mr. Hees said the TA has a budget less than \$84 million and a spending authority of \$525 million. He asked if this is because the budget is an operating budget and the other contains the potential for capital projects or is it completely a mathematical process. Director, Budgets and Grants April Chan said it is a mathematical process.

A motion (Hees/Whittemore) to support adoption of the appropriations limit was approved.

**Authorize Allocation of \$297,977 in New Measure A Local Shuttle Program Category Funds for Fiscal Year 2012 – TA Item 4e**

Mr. Hurley said this involves a two-year call for projects and this is year two of the call that the TA Board approved in spring 2010.

Mr. Whittemore said the East Palo Alto Youth Shuttle was dropped and picked up by the Metropolitan Transportation Commission (MTC). He said there has been talk about eliminating the Foster City Red Line Shuttle and he thinks the city has decided to extend it another year and impose a fee of \$1 per ride. He asked if this would impact TA funding. Senior Planner, Stacy Cocke said the city has decided to extend the shuttle for another year and plans to impose a \$1 fee. It's still open to the public and not inconsistent with TA policy or the funding agreement. The money is proposed to fulfill the city's portion and won't impact the TA's portion of funding, which is 25 percent.

Mr. Whittemore asked if the TA ever considered imposing a fee for the shuttles. Ms. Cocke said it has been considered.

Mr. Hedges said this will be problematic for the use of the Red Line Shuttle because most riders are seniors and they can ride SamTrans Route 251 for \$1. Ms. Cocke said staff will monitor this.

Mr. Whittemore asked if there has been additional interest in shuttle programs. Ms. Cocke said she is not aware of any. She said there would be additional outreach next year.

A motion (Hees/Whittemore) to support the shuttle allocation was approved.

### **SamTrans Liaison Report – May 11, 2011 – TA Item 8**

No comment

### **Authorization to Receive up to \$3.7 Million in San Mateo County Transit District's Proposition 1B State Local Partnership Program (SLPP) Funds in Order to Assist in a Fund Swap for Local Caltrain Operating Funds – TA Item 11a**

Mr. Zimmerman asked if the proposed transfer of \$4.9 million from TA funds for operations is consistent with the framework of the new Measure A and if so, how is it consistent. Ms. Chan said it is consistent. She understands 16 percent can be allocated for Caltrain improvements and up to one-half of that amount, 8 percent, can be allocated for Caltrain operations. The amount the TA is proposing to allocate to Caltrain in FY2012 for the Operating Budget is up to that 8 percent, which is equivalent to \$4.9 million.

Ms. Chan said the San Mateo County Transit District (SamTrans) has been asked to participate in a \$3.7 million fund swap to allow SamTrans to contribute \$3.7 million in addition to the \$4.9 million the TA puts into the Caltrain Operating Budget. The TA would receive \$3.7 million in SamTrans State SLPP grant funds as the funding recipient. The Santa Clara Valley Transportation Authority (VTA) agrees to provide an equivalent amount up to \$3.7 million to the FY2012 Caltrain Operating Budget in lieu of providing local match in an equivalent amount to the FY2012 Caltrain Capital Budget. This is basically swapping capital dollars for operating dollars to put towards Caltrain's Operating Budget. Every Prop 1B dollar used has to have a match with the sales tax that made it eligible in the first place and the budget for the TA was approved to allow up to \$4 million for the Caltrain Capital Budget. The TA is taking that money to match it to the SLPP so there will be a fully funded Caltrain Capital Budget.

Doris Maez said VTA funds are not restricted as to whether they can go to operating or capital and the TA couldn't do this because they are not allowed within Measure A. Ms. Chan agreed and said VTA's money comes from their general fund.

Mr. Whittemore asked if the proposed action was consistent with the intent of Prop 1B funds. Ms. Chan said Prop 1B funds can only be used for capital improvement projects and only the construction phases of the projects and the money can only be received if the county has its own tax measure. There is a full one-cent sales tax in the county: 0.5 percent goes to the San Mateo County Transit District and 0.5 percent to the TA Measure A. Ms. Chan said the original intent of this grant program is to fund capital improvements.

Mr. Whittemore asked if the funds flow through the TA in order to get the match on the sales tax. Ms. Chan said the TA's portion of Prop 1B stays with the TA and they can still decide whether the money goes to highway or other transit projects.

Mr. Whittemore said he is nervous about the TA being used as a conduit because he thinks this action could be perceived as inconsistent with the intent of Prop 1B. He said he didn't see the word train or railroad anywhere in Prop 1B. He asked if staff has a legal opinion. Ms. Chan said staff consulted with the Caltrans who administers the program, and Legal Counsel David Miller to make sure everything was done properly.

Ms. Maez asked what the Prop 1B money would have been used for if it wasn't going to Caltrain. She also asked where funding would come from to fill the remaining \$3.5 million gap in the Caltrain budget. Ms. Chan said the money can only be used for capital and not for preconstruction purposes. SamTrans could have used the money to potentially buy buses but 80 percent of those funds for a bus purchase would come from Federal funding. Ten percent could be used for the total project cost because it would still need to match with sales tax. The money could be used for facilities improvements but there is no immediate need for that. There is no need for this money for three to five years and that is why it is available to offer it for a fund swap.

Ms. Chan said the MTC is proposing to give Caltrain \$3.5 million of preventative maintenance funding for the Operating Budget. Action is planned at their June meeting.

Mr. Whittemore asked what capital projects could receive funding from the swap. Ms. Chan said approved Caltrain projects such as Caltrain's Positive Train Control Project or two bridge projects through the construction phase.

Paul Young asked how Caltrain will deal with budget issues from 2013 to 2015. Ms. Chan said staff is working on the FY2013 budget with the other JPB partners and the MTC to find a long-term sustainable funding source to support Caltrain operations.

Ms. Maez said the general taxpayer will look at this and say, "You're crying wolf again." It will be an uphill battle getting a dedicated funding source because of all the declared fiscal emergencies.

Mr. Whittemore said everything that supports the resolution is tenuous and he will vote against it and would stress to the TA Board that they hold off on this if possible.

A motion (Hedges/Vargas) to support the fund swap was approved. (Hees and Whittemore voted no. Young abstained.)

Mr. Hees said one of the things that made the original Measure A so successful was because the original Measure A spending plan was so simple and difficult to subvert. As a result, there was an incredibly high level of trust. He said while this is a good thing, it makes him nervous that the TA is setting a standard where it looks like the TA is playing with money, in which case, the TA is not being as clear about the way the money is spent.

**Update: Pedestrian and Bicycle Call for Projects – TA Item 12b**

Executive Officer, Planning and Development Marian Lee said the presentation would focus on the process and staff recommendations.

- There was excellent outreach for the project, which resulted in receipt of 41 applications and meant the funding request was oversubscribed. One application was dropped because it was only a planning effort in San Bruno.
- In administering the project, the policy was anchored by the 2004 Expenditure Plan and 2009 Implementation Plan.
- The purpose was to encourage and improve bicycle and walking conditions; three percent of Measure A revenues are available to this program; and the call for projects is for FY2012 and FY2013.
- The San Mateo County Bicycle and Pedestrian Plan was used as a resource in evaluating projects.
- This was a joint effort between the TA and the City/County Association of Governments (C/CAG) with one-application process but with a two decision-making process. The TA has \$3 million in Measure A funding for the project and C/CAG has \$1.1 million of Transportation Development Act (TDA) Article 3 funds.
- Issuing the request for proposals and site visits were done together and project scoring and approval was done separately.
- Evaluation criteria included basic eligibility requirements and scoring criteria included need, policy consistency, readiness, effectiveness and sustainability.
- Funding was applied beginning with the highest ranked project with the TA and C/CAG taking turns as they moved down the list of ranked projects. Twelve TA projects and five C/CAG projects were proposed for funding.

John Fox asked if the dollar amount of the grant included in the ranking is independent of the dollar amount that was sought in terms of the ranking. Ms. Lee replied yes.

Chair Arietta asked for clarification of projects not eligible for TDA Article 3 funding. Manager, Programming and Monitoring Melanie Choy said TDA funding has restrictions and funds the construction phase of a project. Measure A funds can be used for environmental and preconstruction phases.

Rich Hedges said this addresses some of the most dangerous areas, especially for bicycling, which also link people from east to west for transit.

Mr. Hees asked if C/CAG's criteria are essentially identical with the exception it had to be a true construction project. Ms. Lee replied yes. She said both agencies used the same scoring sheet and one variable was the different parameters of the two programs and the other variable was who scored.

Chair Arietta asked what part geographical equity played in the process. Ms. Lee said there was in-depth discussion with C/CAG. There was an idea to cap the number of projects per city but it didn't seem fair to pass a project that scored higher to fund a project that scored lower. Staff recommended focusing on achieving geographic equity over the life of the program and not equity by city. Staff will monitor investment decisions by geographic sections: north, central, south and the coast. If patterns of inequity are recognized, specific strategies will be applied to encourage and assist with project participation.

Laurie Simonson said there are probably some cities that are further behind as far as bike/pedestrian projects; geographic equity would be great but some cities have more infrastructure. She said the scoring sheets were the same but the ranking came out differently from C/CAG and asked how it ended up that the ranking was changed at some point before today. Ms. Lee said when the TA and C/CAG completed the rankings, it was not changed. Because some projects were ranked differently, the groups felt uncomfortable putting the lists together.

Mr. Zimmerman said the projects should be examined on a regional or subregional basis because bicyclists and pedestrians aren't looking at city boundaries.

Daniel Mensing said safety is a paramount issue. He agreed projects should be considered for an area greater than a city.

Mr. Hedges was pleased these projects will address safety and thought this should be a criterion.

Mr. Hees asked if there was a point the projects fell off in the ranking substantially. Ms. Lee said there were projects at the top that were fundable and projects more towards the bottom that weren't as good but tried to bring the money down as far as possible.

Mr. Hees asked if there will be a process for organizations that brought projects that did not succeed in order to reword what might be a very positive project. Ms. Lee said if staff sees subregional areas that are not submitting projects they can do targeted outreach and prep work. Some cities may have fewer resources than others and staff could work more closely with them.

John Fox left at 6:07 p.m.

Chair Arietta said Pacifica has almost 40,000 residents, which is about a minimum of two of the cities along the Peninsula. She said Pacifica has been waiting since 1988 for a lot of things and it is of paramount importance to give a little better consideration to the coastside. There are trails people would love to ride and walk and that should have been taken into stronger consideration.

Ms. Simonson asked how the TA worked with C/CAG to come up with who is going to do which ranking. Ms. Lee said the agencies took turns. There were two pots of money and C/CAG started going down their list and the TA did the same with their list and pulled down the money at the same rate. There were a top number of projects that both agencies wanted to fund and projects below that may have been ranked differently.

April Vargas spoke on behalf of Mr. Fox: He said there are cyclists that commute and others that are interested in recreational cycling and hopes that those different types of uses were considered as criteria so there was equal weight for both categories of riders. She said the Mirada Road project in Half Moon Bay was number 40. The project is in an area of incredible erosion. She said geotechnical information should state that any kind of money put into a facility should not preclude it lasting 40-50 years. Ms. Choy said effectiveness was considered on this project and a major portion of the cost was for borings, which staff thought were more rehab-related.

Ms. Vargas referenced the Pacifica Headlines Project (No. 20) and said there will be a lot of recreational use when the Devil's Slide tunnel opens and asked if it would be more difficult to do



this project once the Devil's Slide Project is completed rather than now when possible efficiencies for construction could be recognized. Ms. Choy said the project's isolated component was reviewed in terms of scope but there was a link recognized to the future Devil's Slide Project.

Ms. Maez asked what the term sharrows meant in the South San Francisco stripping project (No. 15). Ms. Simonson said it is the mark on the pavement that is a picture of a bicycle with two arrows ahead of it, which is used when cars and bikes share the same space or in an area without a separate bike lane.

Mr. Whittemore said geographic equity is impossible to achieve. He is more concerned about economic equity along the coastside, in East Palo Alto and in unincorporated portions of the county that have dismal pedestrian access.

Mr. Hees suggested the C/CAG list be included for informational purposes in the package as the project moves forward.

A motion (Hedges/Hees) to support recommendations to the TA for the pedestrian/bicycle call for projects was made.

#### Public Comment

John Langbein, Redwood City, has been a cyclist in San Mateo County for 30 years. He has been tracking TA and TDA Article 3 funding for the bike/pedestrian projects. He said the county has an open, public process to evaluate proposals and takes advantage of the expertise offered by bike and pedestrian advocates who have served on C/CAG's Bicycle and Pedestrian Advisory Committee (BPAC). The BPAC evaluated the 40 applications at a public meeting in April but he understands the TA evaluated and ranked the same projects with their own employees in a non-public meeting. He suggested the TA and C/CAG merge the existing BPAC into one countywide body that reports to both boards and the BPAC charter be changed to be more proactive in bringing issues. He thinks the county should hire a full-time bicycle/pedestrian coordinator. He said the county bike plan is only a draft.

Matt Grocott, chair of BPAC, read an email from a BPAC member that thanked all staff involved in the call for projects. On May 26 BPAC saw the two lists of bike/ped projects proposed for funding and noticed disparity between recommendations and expectations, which resulted in a lack of support for any recommendation for funding either list. The issue will be revisited at the July 28 BPAC meeting. Mr. Grocott asked that the TA CAC take no action on this item. He said two projects with the biggest disparity with BPAC were the County of San Mateo Alpine Road Resurfacing and Bicycle Route Project and South San Francisco E. Grand Avenue Bike Lanes Project, which were ranked No. 25 and No. 26 with the TA. He said the Alpine Road Project in the area where a cyclist fatality occurred was not funded. He said the Pacifica Headlands Project entails purchase of right of way and no construction.

The motion to support recommendations to the TA for the pedestrian/bicycle call for projects was approved. (Arietta and Vargas voted no).

**Capital Projects Quarterly Status Report – 3<sup>rd</sup> Quarter Fiscal year 2011 – TA Item 12a**

Mr. Hurley said there are two projects with lights that have gone from yellow to green. One was the San Mateo Railroad Bridge Retrofit Project (Poplar, Santa Inez, Monte Diablo and Tilton). The project was rebaselined with a new schedule to account for the additional micropiling design reviews. The Calera Parkway Project was rebaselined because the public meeting was rescheduled from mid summer to September to provide as much opportunity as possible for public participation in the meeting which was rescheduled to September with an extended review period for the environmental document.

**REPORT OF THE CHAIR – BARBARA ARIETTA**

- June 16 is “National Dump the Pump Day,” which encourages everyone to use public transportation.
- There is recruitment for the Bicycle Advisory Committee for a San Mateo County Caltrain bike passenger-general public representative. An application is on the Caltrain website and applications are due June 13, 2011.
- David Pine was elected from District 1 to the Board of Supervisors on May 3.
- Requested the meeting be adjourned in memory of San Carlos Mayor Omar Ahmad.

**REPORT FROM STAFF – JOE HURLEY**

Welcomed new CAC member Ms. Simonson.

**COMMITTEE COMMENTS**

Ms. Simonson said she is an avid recreational cyclist.

**Date and Time of Next Meeting**

Tuesday, July 5, 2011 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2<sup>nd</sup> Floor, San Carlos, CA 94070.

The meeting was adjourned at 6:46 p.m. in memory of Omar Ahmad.