

San Mateo County Transportation Authority
1250 San Carlos Avenue, San Carlos, California
Minutes of Board of Directors Meeting

January 11, 2024

Members Present: E. Beach, N. Corzo, J. Mates, R. Medina (Chair), M. Nagales, R. Mueller,
(In Person) C. Romero (Vice Chair)

Members Present: None
(Via Teleconference)

Members Absent: None

Staff Present: A. Chan, J. Cassman, S. van Hoften, P. Skinner, J. Epstein, K. Jordan Steiner,
M. Reyes, D. Chazan, C. Fromson, J. Brook, D. Seamans

1. Call to Order

Chair Rico Medina called the meeting to order at 5:02 pm.

2. Swearing-in:

2.a. Emily Beach for a term ending 12-31-2025 (Cities-at-large Representative)

2.b. Mark Nagales for a term ending 12-31-2025 (Cities – Northern County Representative)

Dora Seamans, Authority Secretary, administered the Oath of Office to continuing Directors Emily Beach and Mark Nagales.

3. Roll Call/Pledge of Allegiance

Ms. Seamans confirmed that a quorum was present. Chair Medina led the Pledge of Allegiance.

Vice Chair Carlos Romero proposed and Board agreed to move Item 4 - Election of 2024 Officers to the end of the agenda.

5. Public Comment for Items Not on the Agenda

Giuliano Carlini, Belmont, said he was not supportive of the lane widening alternative for the Managed Lanes project North of I-380 and that the State is projecting an increase of 70 million VMT (vehicle miles traveled) per year.

6. Report of the Citizens Advisory Committee

Chair Medina noted that the report was posted on the website.

7. Consent Calendar

7.a. Approval of Minutes of the Board of Directors Meeting of December 7, 2023

7.b. Acceptance of Statement of Revenues and Expenditures for the Period Ending November 30, 2023

Regarding Item 7.b, Vice Chair Romero asked if reduced sales tax revenue is potentially a trend and requested to have reports on sales tax revenue fluctuations in the future.

Public Comment:

Giuliano Carlini said regarding Item 7.a that the December 7 Board minutes did not elaborate on the “No” vote at the December 5 TA CAC meeting on TA Board Item 14.b Programming and Allocation of \$135,916,790 in Measure A and Measure W Highway Program Funds for 11 Highway Projects due to its inclusion of a lane widening alternative.

Motion/Second: Mates/Beach

Ayes: Beach, Corzo, Mates, Medina, Mueller, Nagales, Romero

Noes: None

Absent: None

8. Report of the Chair

Chair Medina wished the Board and staff a happy new year.

9. SamTrans Board Liaison Report

Chair Medina said that the report was in the packet and posted on the website.

Director Ray Mueller arrived at 5:12 pm.

April Chan, Executive Director, noted the launch of the EPX express bus service going from East Palo Alto to various points, including the San Bruno BART (Bay Area Rapid Transit) station. She said the EPX would make use of the express lanes. Vice Chair Romero asked if electric buses would be used, which Ms. Chan confirmed. Director Emily Beach asked when the route was starting, and Ms. Chan said February 11.

10. Joint Powers Board Liaison Report

Ms. Chan said that the report was posted on the website. She said the JPB met on January 4. She said they received information on the Caltrain Corridor Crossing Strategy.

Director Noelia Corzo arrived at 5:18 pm.

She said the JPB Board also received an update on the status of the Caltrain Electrification Project.

11. Report of the Executive Director

Ms. Chan said the report was in the packet. She said there were two calls for projects in 2024 for the bike/ped (bicycle/pedestrian) and ACR/TDM (Alternative Congestion Relief/Transportation Demand Management) categories. She also noted that staff will need to update the TA Strategic Plan by the end of the year. She announced that Casey Fromson was resigning from her Chief Communications Officer position and starting as the Chief of Staff with Caltrain at the end of the month, and expressed her appreciation for Ms. Fromson’s contributions.

Public Comment:

Giuliano Carlini said that highway projects are corridor projects, while the bike/ped projects are more local. He said he hoped that the Board and staff could work to make the bike/ped projects more corridor projects.

12. State and Federal Legislative Update

Casey Fromson, Chief Communications Officer, thanked the Communications staff. She congratulated Jessica Epstein on her new position as Director, Government and Community Affairs. Ms. Epstein introduced legislative lobbyists Chris Kierig and Ben Miller, Kadesh & Associates, LLC, who provided a summary of state legislation.

Mr. Miller noted that Congress has not finished its work on the 12 fiscal year bills for 2024 and that they have two deadlines approaching by the end of the following week. He predicted a shutdown of the agencies covered by four of those annual funding bills, including the Department of Transportation, unless something changes very soon. He noted that House Speaker Johnson reached an agreement with Senate Majority Leader Chuck Schumer on an overall funding level about \$1.66 trillion for all discretionary spending, which is close to what was agreed to the previous year. He said that the Senate had started the process of setting up another stopgap continuing resolution (CR), which was the fourth CR since September.

Director Beach noted that San Mateo County struggles with funding for grade separations. She noted that the County has a \$1.6 billion funding gap for transportation projects. She asked how it looks for California and Caltrain regarding federal funding assistance. Mr. Kierig said he believed there were opportunities available. Director Beach emphasized that the TA needs the projects to be socialized prior to application.

Ms. Epstein provide a summary of state legislation. She said the Governor released his FY 2024-25 budget of \$291.5 billion and said the Legislative Analyst's Office predicts that the deficit will be \$68 billion, but the Governor's office is predicting a \$38 billion deficit. She said the Governor is proposing some belt-tightening, including for ATP (Active Transportation Programs), which includes bike/ped projects. She said the Legislature is working on the funding and a more realistic update will come with the May revise of the budget. She provided a summary of leadership changes. She said the Transit Transformation Task Force includes several transit representatives from the Bay Area. She noted that the bill from Senator Aisha Wahab that proposed consolidating Bay Area transit agencies was pulled but may come back as a study bill. She said they were happy to see some of the infrastructure projects including grade separations and sea level rise come in as potential eligible projects for the regional transportation ballot measure.

Vice Chair Romero asked if the deferral of some money over two years would affect transportation funding. Ms. Epstein said the transit advocacy funding, other than some operations funding for Caltrain, is not intended to come to San Mateo County. She said there is also a zero-emission capital program that has all been redirected to transit operations for those transit agencies facing a fiscal cliff. She noted that due to Measure W, SamTrans has not needed funding for its fiscal cliff.

13. Adoption of 2024 Legislative Program

Ms. Epstein noted that they had made two changes based on comments brought by CAC members that they thought were beneficial to improving the program. She said the first one was to elevate safety as a key priority for the TA. She said they had also added a new subsection under the General section that says, “facilitate the conversion of general-purpose lanes to toll lanes,” which would allow the TA to engage in that issue.

Public Comment:

Mike Swire opined that if the Board is interested in keeping all of its options open for future highway projects involving the conversion of general-purpose lanes to express lanes, it needs to look into legislation or other options that will allow the TA to implement a conversion in a timely and cost effective fashion.

Chair Medina asked what changes staff recommended be made to the program language. Ms. Epstein said the recommended language from staff would allow the TA to engage in this issue at the time that it was appropriate. Based on a one-hour discussion at the TA CAC meeting, she said that they distilled the wording down to what makes sense for the TA to take the actions necessary to move forward with legislation.

Director Julia Mates asked which section in the program was affected. Ms. Epstein said it was the General section, where “Support opportunities to move barriers to and improve the ability to conduct safe, efficient transportation” now has “and facilitate the conversion of general-purpose lanes to toll lanes” added to the end of it. She said they try to keep the language high level to avoid confusion.

Motion/Second: Corzo/Romero

Ayes: Beach, Corzo, Mates, Medina, Mueller, Nagales, Romero

Noes: None

Absent: None

14. Program

14.a. Safe Routes to School Program Report

Martin Reyes, Planning Administrator, introduced Theresa Vallez-Kelly, Safe Routes to School Program Coordinator, who provided the presentation.

Director Mates asked what “Materials and Supplies” referred to, and Ms. Vallez-Kelly said that referred to supplies such as tools for the bike shed program. Director Mates asked what the program and the cities do with the results of the walk audit. Ms. Vallez-Kelly said it takes some time to compile all the data and receive feedback and the cities are just getting their reports from the fall, which they can in turn use to apply for funding to put their recommendations into place.

Vice Chair Romero said the Safe Routes to School program was vital to the community and said TA needs to explore how they can augment the budget for the program.

Director Mark Nagales said the cities need to provide the infrastructure to have safer routes and that funding is key.

Director Beach said getting children in the habit of active transportation is important for the future. She asked what percentage of the Safe Routes to School budget was the TA is responsible for. Ms. Vallez-Kelly said the TA contributes \$400,000 over two years, which amounts to approximately \$200,000 annually. Director Beach asked if Safe Routes to School could compete for bike/ped projects. Mr. Skinner said that schools are not eligible sponsors, but they can work with cities, which are eligible under both the bike/ped and the ACR/TDM categories. He said the TA could help with outreach on Safe Routes to School via its social media channels.

Public Comment:

Giuliano Carlini noted that large amounts of money are being spent on projects such as lane widening, but only \$150,000 is being spent on the Safe Routes to School program.

Vice Chair Romero asked if funding from other revenue streams could support the program. Joan Cassman, Legal Counsel, said the plan approved by the voters restricts how funding is expended.

14.b. Caltrain Corridor Crossing Strategy

Jill Gibson, Consultant, Kimley-Horn, provided the presentation.

Discussion Questions

1. Do you agree with the coordinated delivery approach, is there anything else that should be considered?
2. How does the TA see its role evolve in terms of funding and overseeing grade separation projects under a coordinated program?
3. What strategies could enhance individual jurisdiction buy-in to the coordinated approach?

Ms. Chan said regarding Question #1 that they do not prioritize projects but take them as they come.

Director Noelia Corzo said she liked the idea of a coordinated delivery approach.

Chair Medina said there was a more holistic approach to delivery that the LPMG (Local Policy Maker Group) and Staff Level Group had discussed over the previous year. He said the coordinated program approach really is this holistic methodology for implementing crossings and it recognizes and respects the unique characteristics along the corridor.

Director Mates said regarding Question #1 that it sounds like the coordinated delivery approach would not be a one-size-fits-all solution for the whole corridor. Ms. Gibson said they have been in discussion with the cities and other agencies to strike a balance of having the jurisdiction drive the vision of the locally preferred alternative of what the crossing will look like with having a stronger delivery integrated with the Caltrain system as a whole.

Director Mates asked who “staff” refers to in the footnote where it says, “cannot currently be accommodated with existing staff resources,” and Ms. Gibson said it referred to Caltrain staff. Director Mates said regarding Question #3 that she would need to know what the jurisdiction’s concerns are.

Director Ray Mueller said regarding Question #2 that the amount of time that cars can cross the tracks is limited. He asked how much leeway is there for local jurisdictions to have variation in crossing to accommodate emergency response. Ms. Gibson said that leveraging existing construction efficiencies in building the crossings has been part of the discussion about the design and right of way of the corridor. Director Mueller said he was not clear how to implement a coordinated approach when multiple agencies have high-priority projects. Ms. Gibson said they use equity considerations when setting priorities.

Director Beach said that with more trains passing through our communities, it becomes essential to build grade separations. She noted that a top priority of the LPMG has been to ask Caltrain to address grade separations. She also said it was crucial for San Mateo County agencies, including the TA, to advocate for the local cities and that a coordinated approach could quickly become political; there needs to be a nonpolitical, rational approach to establishing priorities. She said that San Mateo has its own policy approach to funding grade separations that varies between the Caltrain counties and there needs to be a fair and equitable approach to funding these projects. She said that a policy consideration could be the future use of Caltrain category funds for grade separation infrastructure needs if the funds were not needed for Caltrain's operational and systemwide projects, and emphasized that the TA's role should be one of advocacy.

Vice Chair Romero said the coordinated delivery approach made sense but questioned its fairness. He said the TA's dollars could go further in the short run by thinking about the jurisdictions' coordination piece during planning.

Director Mueller noted that the east-west connectivity between East Palo Alto and hospitals and other lifeline infrastructure is going to be more severely impacted.

15. Finance

15.a. Acceptance of the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023

Annie To, Director, Accounting, introduced Joe Escobar, Partner, Eide Bailly LLP, who provided the portion of the presentation summarizing the audit process [see presentation]. Ms. To reviewed the slide highlighting Fiscal Year 2022-2023.

Vice Chair Romero asked for an explanation of Footnote 12. Mr. Escobar said it is important that GAAP (Generally Accepted Accounting Principles) accounting is consistent across all the agencies.

Regarding Note 2, Page 145 of the report, Vice Chair Romero noticed that both local agency investment fund and the County pool fund are not rated and asked why because they are investing in rated securities. Ms. Escobar said it was likely that they did not want to incur the additional cost of being rated and added that unrated funds are not more or less risky. Vice Chair Romero asked if CAMP (California Asset Management Program) was included, and Mr. Escobar confirmed that it was. Regarding the last sentence of the first paragraph of Note 11, Long-Term Liability, Page 37 of the audit, Vice Chair Romero asked how realistic can the TA be regarding future long-term liabilities in light of market fluctuations and what the auditors used

to calculate that liability. Mr. Escobar said that paragraph was specific to implementation of new auditing standards to determine potential impacts of interest rates.

Motion/Second: Romero/Beach

Ayes: Beach, Corzo, Mates, Medina, Mueller, Nagales, Romero

Noes: None

Absent: None

16. Requests from the Authority

There were no requests.

17. Written Communications to the Authority

Chair Medina noted that the correspondence was available on the website.

18. Date/Time of Next Regular Meeting

Chair Medina announced the next meeting would be on Thursday, February 1, 2024, 5:00 pm in person at the SamTrans Auditorium and via Zoom teleconference.

19. Report of Legal Counsel

Joan Cassman, Legal Counsel, wished everyone a happy new year.

4. Election of 2024 Officers

Chair Medina recommended Director Romero as Chair and Director Mates as Vice Chair for 2024.

Motion/Second: Medina/Beach

Ayes: Beach, Mates, Medina, Nagales, Romero

Noes: None

Absent: Corzo, Mueller

Chair Romero and the other directors thanked Director Medina for his service as Chair over the previous two years.

Chair Romero said he appreciated having had both Directors Beach and Medina as role models for the position of Chair during his tenure on the Board.

20. Adjourn

The meeting adjourned at 7:16 pm.

An audio/video recording of this meeting is available online at <https://www.smcta.com/about-us/board-directors/video-board-directors>. Questions may be referred to the Authority Secretary's office by phone at 650.508.6242 or by email to board@smcta.com.