

SamTrans Board Liaison Report

Meeting of March 5, 2024

Board Received/Actions

- Approved AB2449 for Director Chuang and Director Fraser to attend remotely
- Authorized Amendment of the General Manager/CEO's Employment Agreement and Awarded Performance Pay for the November 1, 2023-24 Contract Year
- Approved Minutes of the Regular Board of Directors Meeting of February 5, 2025
- Accepted Statement of Revenues and Expenses for the Period Ending January 31, 2025
- Accepted Quarterly Fuel Hedge Update for Quarter 2 of Fiscal Year 2025
- Approved a Proclamation Declaring March as International Women's History Month
- Adopted a District Debarment Policy
- Approved Legislative Proposals: Senate Bill 272 (Becker), Senate Bill 71 (Wiener), and Assembly Bill 394 (Wilson)

Board Highlights

April Chan, General Manager/CEO, provided the following highlights under her General Manager's Report,

- Completion of the bond refinancing transaction and a successful bond sale
- Discussion of the Regional Measure proposed by the MTC, and SamTrans and the TA's roles being intertwined, as responsibility to fund Caltrain as one of the three partner agencies come from SamTrans, but with the money needed coming from the Transportation Authority's Measure A
- Successful attendance of the League of Women's Voters Panel and meeting with Legislators in Sacramento
- Sharing information on the pilot program formed by operations team to provide mentorship for the operators

Monthly New Headquarters Construction Status Update – Kris McGee, Managing Principal at Urban Hive Development, and Joshua Mello, Executive Officer of Planning and Development, provided the presentation on the updates on the new headquarters in Millbrae. Permits from the City of Millbrae will be pursued while drawings will be adjusted based on the City of Millbrae's feedback. Staff is working on furniture procurement and interior design improvements. Early work on items is being utilized to minimize costs imposed by tariffs. Going through procurement process to acquire a general contractor to complete the non-tenant improvement work. Off-site parking, Caltrain leasing, and retail/rental leasing have yet to be solidified, and those items will be brought back to the Board at a later date for approval.

Innovative Clean Transit Plan and Emission Zero Program Update – David Olmeda, Chief Operating Officer, Bus Operations, and Heather Salem, Manager, Grants and Fund Programming, provided the presentation on the status of the Board-approved conversion of diesel fleets to zero emission buses (ZEB). Current fleet consists of 322 buses and 155 ZEB, which 167 buses remain undecided. Greater capacity at North Base to accommodate ZEBs and will need a permanent hydrogen station. Need to increase capacity at South Base through an

increase of power and charging stations. Federal, state, local, and agency funds will be used to establish a permanent charging station, in addition to expanding capacity for both bases. Board discussed concerns related to sea level rise, financial risks from federal grant reimbursement and the overall federal political climate, and possible increasing costs due to tariffs. Chair Jee directed staff to host an ICT ad hoc committee to further discuss alternative plans.

Community Relations Committee

Accessible Services Update – Tina Dubost, Manager, Accessible Services, provided an update on the success and the promotion of Same-Day Paratransit Service.

Paratransit Advisory Council Update – Ben McMullan, Paratransit Advisory Council (PAC) Chair, provided an update on PAC bylaws.

Monthly State of the Service Report – Jonathan Steketee, Manager, Operations Planning, provided the report that included SamTrans' average ridership increased 13.1 percent and had a Year-to-Date (YTD) Vehicle Revenue Miles Recovery Rate of 97.1 percent, with adult ridership being at 115 percent. Student and youth ridership growth have not caught up to adult ridership growth. On-time performance increased by 0.7 percent.

Quarterly State of Service Report | Quarter 2 Fiscal Year 2025 – Mr. Steketee reported that ridership increased 8.9 percent, with on-time performance increasing 2.1 percent year-over-year (YoY). Preventable accidents decreased by 6.3 percent YoY.

Finance Committee

Adopting a District Debarment Policy – Kevin Yin, Director, Contracts and Procurement, provided the presentation. Need to establish procedures to fairly review contractors who are at risk of debarment.

Receive Quarterly Financial Report Fiscal Year 2025 Quarter 2 Results and Annual Outlook – Kate Jordan Steiner, Chief Financial Officer, provided the presentation. Fiscal Year (FY) 2025, YTD deficit was a \$2.2 million favorable budget. Sales Tax and Measure W slows down with decline in growth; Moderate growth for sales taxes is projected to resume in FY26-FY27. Investment income has seen higher-than-expected returns and forecasted to remain favorable for FY25. FY25 forecasted \$2.4 million unfavorable operating revenue, a \$9.7 million favorable operating expenses, and a \$5.9 million projected better-than-budget net position with \$36.6 million deficit. Going forward, expenses are increasing at a quicker and higher rate due to costs of labor, non-labor, and contracted service costs. Sales tax forecasted to increase in FY26 (2.5 percent) and FY27 (3.5 percent).

Strategic Planning, Development, and Sustainability Committee

This Committee was cancelled for the month as there were no business items.

Legislative Committee

Legislative Update and Approve Legislative Proposals: Senate Bill 272 (Becker), Senate Bill 71 (Wiener), and Assembly Bill 394 (Wilson) – Jessica Epstein, Director, Government and Community Affairs, provided a summary of federal legislation, which included the following:

- Congress continues working budget resolution reconciliation process however House and Senate are far apart to address 2017 Tax Cut and Jobs Act
- At the state level, initial committee hearing on bills, with \$2 billion for funding transportation to be discussed
- Senate Bill (SB) 272 - cost reduction for construction projects costing less than \$5 million
- SB 71 - CEQA exemption for transit property (bus shelter, lighting, shuttle and ferry service, and comprehensive operational analysis) and elimination of a sunset date
- Assembly Bill 394 - transit safety bill to enhance safety and security for all CA public transit employees

Ms. Epstein, continued the presentation, which included the following:

- Regional Transit Measure polling results from MTC
- Robust discussion from the Board on alternatives for agencies with fiscal cliffs
- Recommended to Board to focus attention on the reauthorization of Measure A, but with parallel path to stay engaged on the regional measure. Also insist on a path to opt-in to the regional measure instead of a mandate.

Closed Session – There was none.