



AGENDA

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos, CA 94070

June 2, 2016 – Thursday

5:00 p.m.

1. Pledge of Allegiance
2. Call to Order/Roll Call
3. Public Hearing – Fiscal Year 2017 Budget
 - a. Authorize Adoption of the Fiscal Year 2017 Budget in the Amount of \$102,534,460 RESOLUTION
4. Report of the Citizens Advisory Committee
5. Consent Calendar RESOLUTIONS

Members of the public or Board may request that an item under the Consent Calendar be considered separately

 - a. Approval of Minutes of May 5, 2016
 - b. Acceptance of Statement of Revenues and Expenditures for April 2016
 - c. Authorize Adoption of the Appropriations Limit for Fiscal Year 2017 in the Amount of \$656,398,964
 - d. Authorize Allocation of \$42,536 in Measure A Pedestrian and Bicycle Program Funds for the South San Francisco Sunshine Gardens Safety and Connectivity Improvements Project
 - e. Authorize Amendment to Existing Funding Agreement for the Half Moon Bay Main Street Bridge Bike and Pedestrian Improvements Project
6. Public Comment
Public comment by each individual speaker shall be limited to one minute
7. Nominating Committee Report for the Citizens Advisory Committee (Johnson, Matsumoto)
 - a. Appointment of Six Citizens Advisory Committee Members MOTION
8. Chairperson's Report
9. San Mateo County Transit District Liaison Report – K. Matsumoto INFORMATIONAL

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

- 10. Joint Powers Board Report – J. Hartnett INFORMATIONAL
- 11. Report of the Executive Director – J. Hartnett INFORMATIONAL
- 12. Finance
 - a. Authorize Approval of a Seven-Party Regional Funding Supplement to the 2012 Nine-Party Memorandum of Understanding with the Peninsula Corridor Joint Powers Board and Approval of a Budget Amendment and Allocation to Provide an Additional \$20 Million in Original Measure A Funds for the Peninsula Corridor Electrification Project RESOLUTION
 - b. Authorize Minor Amendment to the 2004 Measure A Transportation Expenditure Plan to Include the San Mateo County Transportation Authority as an Eligible Sponsor for Highway Program Supplemental Roadway Projects RESOLUTION
 - c. Authorize Funding Agreements with the San Mateo County Economic Development Association to Supplement Funding for the Project Approval/Environmental Document Phase of the 101 Corridor Managed Lanes Project, Adding the TA as a Co-Sponsor to the Project, and Increasing the Fiscal Year 2016 Budget by \$3 Million RESOLUTION
- 13. Program
 - a. Program Report: Transit – Caltrain Modernization Program INFORMATIONAL
 - b. Capital Projects Quarterly Status Report – 3rd Quarter Fiscal Year 2016 INFORMATIONAL
 - c. Update on State and Federal Legislative Program INFORMATIONAL
- 14. Requests from the Authority
- 15. Written Communications to the Authority
- 16. Date/Time of Next Meeting: Thursday, July 7, 2016, 5 p.m. at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070
- 17. Report of Legal Counsel
 - a. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Pacificans for a Scenic Coast vs. California Department of Transportation, Respondents and Defendants, and San Mateo County Transportation Authority and City of Pacifica, Real Parties in Interest and Defendants. Case No. CIV 523973

18. Adjournment

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

INFORMATION FOR THE PUBLIC

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

If you have questions on the agenda, please contact the Authority Secretary at 650-508-6242. Assisted listening devices are available upon request. Agendas are posted on the Authority Website at www.smcta.com. Communications to the Board of Directors can be e-mailed to board@smcta.com.

Location, Date and Time of Regular Meetings

Regular meetings are held at the San Mateo County Transit District Administrative Building located at 1250 San Carlos Ave., San Carlos, which is located one block west of the San Carlos Caltrain Station on El Camino Real. The building is also accessible by SamTrans bus routes ECR, FLX, 260, 295 and 398. Additional transit information can be obtained by calling 1-800-660-4287 (TTY 650-508-6448) or 511.

The Transportation Authority (TA) meets regularly on the first Thursday of the month at 5 p.m. The TA Citizens Advisory Committee (CAC) meets regularly on the Tuesday prior to the first Thursday of the month at 4:30 p.m. at the San Mateo County Transit District Administrative Building.

Public Comment

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

Members of the public may address the Board on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to one minute 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 the Authority Secretary at the San Mateo County Transportation Authority, 1250 San Carlos Avenue, San Carlos, CA 94070-1306 or emailed to board@smcta.com; or by phone at 650-508-6242, or TTY 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.

Proposed expenditures for FY2017 fall into four categories:

Annual Allocations (line 15)

In accordance with the 2004 Transportation Expenditure Plan (2004 TEP) approved by the voters, annual allocations have been budgeted to four plan categories according to percentages of projected sales tax revenue as listed below.

Local Streets/Transportation - 22.5%	\$18.7 million
Caltrain Improvements - Operating - 8%	\$6.6 million
Accessible Services/Paratransit - 4%	\$3.3 million
San Francisco International Airport Bay Area Rapid Transit Extension - 2.0%	\$1.7 million
San Mateo County Ferry Services - Up to 2.0%	\$0

Total annual allocations are projected at \$30.3 million, an increase of \$1.1 million (3.8 percent) from the FY2016 revised budget.

Program Expenditures (line 17)

Program expenditures include projects with FY2017 funding requirements as detailed in Attachment B.

Program Expenditures include the following categories:

- **Alternative Congestion Relief** – The \$830,000 budgeted for FY2017 is the full 1 percent of projected sales tax outlined in the 2004 TEP. Of the \$830,000, \$445,000 is proposed to be set aside for the Peninsula Traffic Congestion Relief Alliance's Transportation Demand Management Program. The remainder is reserved for the use after SamTrans completes its Mobility Management Plan, which will provide planning guidance for non-fixed route mobility options.
- **Dumbarton** – The Dumbarton Maintenance of Way project (TA project #745) is budgeted at \$250,000, based on projected needs in FY2017.
- **Caltrain** – The San Mateo County Local Share (TA project #605) for the system-wide improvement program for FY2017 is budgeted at \$6.6 million. System-wide capital improvements anticipated to be undertaken in FY2017 for the Caltrain system include: State of Good Repair rolling stock, signal, track and station work. These funds will be matched with monies from Caltrain partners, the Santa Clara Valley Transportation Authority and the city and county of San Francisco.
- **Pedestrian and Bicycle** – The Pedestrian and Bicycle line item for \$2.5 million represents the projected 3 percent of sales tax revenues designated for this category in the 2004 TEP. These funds will be used for projects selected through future calls for projects.

- **Local Shuttle** – The \$10.5 million for this line item represents the funds available for shuttles receiving allocations through the FY2017 Shuttle Program call for projects.
- **Streets and Highways** – In accordance with the 2004 TEP, the Streets and Highways Program expenditures include funding for key congested corridors in the amount of \$30.7 million, and for supplemental roadway projects in the amount of \$18.1 million.

Oversight (line 19)

The oversight category contains \$1.2 million for TA costs associated with implementing the various TEP categories of the Original and New Measure A programs. This number is unchanged from the FY2016 revised budget. Oversight includes programming and monitoring of projects, calls for projects and administration of the policies and procedures from the 2004 Measure. These expenditures will be funded from interest earned on the investment of fund balances.

Administrative (line 25)

Total administrative expenditures are projected to **increase** by \$180,300 or 13.3 percent from the FY2016 revised budget. Of the total costs for Administrative in FY2017, it is proposed that \$827,100 be used for staff support, which is below the 1 percent of the projected sales tax revenues permitted for such expenditures in the 2004 TEP.

True Ups on Attachment B

To account for the higher-than-projected sales tax revenues collected since the inception of the new Measure A, true-up adjustments for two programs were included. This adjustment provides additional budget to the Shuttles and Streets and Highway programs, \$7.2 million and \$25.9 million, respectively.

BACKGROUND

The TA was formed in 1988 with voter passage of Measure A, the half-cent sales tax for countywide transportation projects and programs. The original Measure A expired December 31, 2008. In 2004, county voters overwhelmingly approved a New Measure A, reauthorizing the tax through 2033. The TA's role is to administer the proceeds from Measure A to fund a broad spectrum of transportation-related projects and programs.

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**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
FY2017 PROPOSED BUDGET**

	<u>FY2015 ACTUAL</u> A	<u>FY2016 ADOPTED</u> B	<u>FY2016 REVISED</u> C	<u>FY2017 PROPOSED</u> D	<u>FY17 PROPOSED TO FY16 REVISED Increase (Decrease) E = D-C</u>	<u>BUDGET PERCENT CHANGE F = E/C</u>	
REVENUE:							
1 Sales Tax	80,974,178	77,000,000	80,000,000	83,000,000	3,000,000	3.8%	1
2							2
3 Interest Income	2,971,594	2,985,683	2,985,683	2,974,480	(11,203)	-0.4%	3
4							4
5 Miscellaneous Income	2,461,886	-	-	-	-	#DIV/0!	5
6							6
7 Rental Income	1,218,595	1,232,840	1,232,840	1,193,686	(39,154)	-3.2%	7
8							8
9							9
10 TOTAL REVENUE	87,626,253	81,218,523	84,218,523	87,168,166	2,949,643	3.5%	10
11							11
12							12
EXPENDITURES:							
13							13
14							14
15 Annual Allocations	29,555,575	28,105,000	29,200,000	30,295,000 (1)	1,095,000	3.8%	15
16							16
17 Program Expenditures	45,952,847	33,895,000	41,792,555	69,522,015 (1)	27,729,460	66.4%	17
18							18
19 Oversight	1,077,370	1,185,000	1,185,000	1,185,000 (1)	-	0.0%	19
20							20
21 Administrative:							21
22 Staff Support	523,880	739,869	739,869	827,084	87,215	11.8%	22
23 Measure A Info-Others	1,066	16,500	16,500	15,000	(1,500)	-9.1%	23
24 Other Admin Expenses	682,081	595,813	595,813	690,361	94,548	15.9%	24
25 Total Administrative	1,207,026	1,352,182	1,352,182	1,532,445	180,263	13.3%	25
26							26
27 TOTAL EXPENDITURES	77,792,818	64,537,182	73,529,737	102,534,460	29,004,723	39.4%	27
28							28
29 EXCESS/(DEFICIT)	9,833,435	16,681,341	10,688,786	(15,366,294)	(26,055,080)	-243.8%	29
30							30
31 BEGINNING FUND BALANCE	459,220,186	424,848,697	469,053,621	479,742,406	10,688,786		31
32							32
33 ESTIMATED ENDING FUND BALANCE	469,053,621	441,530,038	479,742,406	464,376,112	(15,366,294)	-3.2%	33
34							34
35							35
36 FUND BALANCE (2)							36
37							37
		<u>1988 Measure</u>	<u>2004 Measure</u>	<u>Aggregate</u>			
38 Beginning Fund Balance		257,037,289	222,705,118	479,742,406			38
39 Excess/(Deficit)		(31,353,876)	15,987,582	(15,366,294)			39
40 Ending Fund Balance		<u>225,683,412</u>	<u>238,692,700</u>	<u>464,376,112</u>			40
41							41
42 (1) See Attachment B for details.							42
43 (2) Fund Balance is based on FY2015 audited figures, and budgeted figures for FY2016 and FY2017.							43

RESOLUTION NO. 2016 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

ADOPTING A BUDGET IN THE AMOUNT OF \$102,534,460 FOR FISCAL YEAR 2017

WHEREAS, Section 131265(a) of the California Public Utilities Code requires the Board of Directors to adopt an annual budget for the San Mateo County Transportation Authority; and

WHEREAS, in accordance with Section 131266 of the California Public Utilities Code, the Authority conducted a public hearing concerning the annual budget at its meeting on June 2, 2016; and

WHEREAS, the Executive Director has prepared and presented to the Board of Directors the proposed budget for Fiscal Year (FY) 2017 which includes Annual Allocations in the amount of \$30,295,000, Program Expenditures in the amount of \$69,522,015, Oversight in the amount of \$1,185,000, and Administrative Expenses in the amount of \$1,532,445.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority adopt the budget for FY2017, a copy of which is attached to and incorporated herein as Attachments A and B.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

MINUTES OF MAY 5, 2016

MEMBERS PRESENT: M. Freschet, C. Groom (Chair), D. Horsley, K. Ibarra, C. Johnson, K. Matsumoto

MEMBERS ABSENT: M.A. Nihart

STAFF PRESENT: J. Averill, S. Bhatnagar, M. Bouchard, J. Cassman, A. Chan, G. Harrington, J. Hartnett, J. Hurley, E. Kay, M. Martinez, N. McKenna, S. Murphy, M. Simon, J. Slavitt, S. van Hoften

Chair Carole Groom called the meeting to order at 5:03 p.m. and led the Pledge of Allegiance.

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

Barbara Arietta, CAC Chair, reported on the meeting of May 3, 2016 (see attached).

APPROVAL OF CONSENT CALENDAR

- a) Approval of Minutes of April 7, 2016
- b) Acceptance of Statement of Revenues and Expenditures for March 2016
- c) Call for Public Hearing for Preliminary Fiscal Year (FY) 2017 Budget on June 2, 2016

Motion/Second: Horsley/Ibarra

Ayes: Freschet, Horsley, Ibarra, Johnson, Matsumoto, Groom

Absent: Nihart

PUBLIC COMMENT

None

CHAIRPERSON'S REPORT

Chair Groom said applications for the TA CAC are available on the website and back table. Applications are due on May 6 and appointments will be made at the June 2 meeting.

SAN MATEO COUNTY TRANSIT DISTRICT (DISTRICT) LIAISON REPORT – K. MATSUMOTO

The May 4 report is in the reading file.

PENINSULA CORRIDOR JOINT POWERS BOARD (JPB) REPORT – J. HARTNETT

The May 5 report is in the reading file.

Presentation on Annual Caltrain Passenger Counts

Michelle Bouchard, Chief Operating Officer, Rail, presented:

- Purpose
 - Provide a measurement relative to previous years
 - Data for evaluating service changes
 - Allocate resources to address capacity issues

- Validate revenue-based ridership estimates
- Data Collection Methodology
 - Headcount on every weekday train averaged over five weekdays
 - Headcount on every weekend train for one weekend
 - Differs from monthly revenue-based average weekday ridership calculations
 - Fifth year for “bikes denied boarding” count
- Challenges
 - Surveys suspended during special events and construction activities
 - Surveys extended into mid-March
 - More rain in 2016 than in past several years
- AWR is 62,416, a 7.2 percent increase from last year
- Riders by Time Period 2015 versus 2016
 - Traditional peak difference is 2,805 riders or 9.6 percent increase
 - Midday is 556 riders or 8 percent increase
 - Reverse peak is 722 or 3.8 percent increase
 - Night is 88 riders or 2.7 percent increase
- Most stations are seeing ridership growth
- County-by-County 2015 versus 2016
 - San Francisco: 1,283 additional riders or 8.3 percent increase
 - San Mateo: 1,208 additional riders or 6.7 percent increase
 - Santa Clara: 1,679 additional riders or 6.8 percent increase

Director Cameron Johnson asked at what point the trains will be crowded enough that people decide to stop using Caltrain. Ms. Bouchard said this information is something the surveys that are being conducted should be able to answer, but staff looks at about 200 people per car, 1,000 customers on a five-car train and 1,200 on a six-car train.

Director Johnson asked if the 1,000 customers for a five-car train is the maximum number the train can be operated at safely. Ms. Bouchard said it is a rule of thumb that Caltrain uses.

Director Ken Ibarra asked if staff knows when the trains are the longest saturated between stops. Ms. Bouchard said she would have to look closely at the data, but her read on it is that it is only this saturated for three or so stops, about 10 or 15 minutes.

Ms. Bouchard continued:

- Average Weekday Bike Ridership decreased 11.1 percent to 5,520 bikes per day, which may be a reflection of the rainy counting season
- Summary
 - Passenger ridership is at an all-time height: 83 percent increase since 2010
 - Caltrain has a strong reverse-peak ridership
 - The majority of stations saw growth
 - All three counties saw increases
 - Overall weekend ridership increased
- Next Steps
 - Review allocation of six-car trains

- FY2017 Operating and Capital budgets must support the required resources to meet demand
- Increasing capacity FY2017 – FY2020 is essential to continue ridership/revenue growth
- Future service planning requires use of ridership data to develop potential service scenarios to improve capacity pre-/post-electrification

Director Ibarra said the San Bruno Caltrain Station parking lots are fairly empty. He asked if there is a strategy to increase ridership by doing something with the parking. Parking is avoided because of the cost. Ms. Bouchard said a fare study is coming up and all cost elements will be reviewed including parking. Some people say \$5.50 is very low for parking on the peninsula and some people say demand can be increased by lowering the cost of parking. She said she is hoping the fare study will help understand this issue.

REPORT OF THE EXECUTIVE DIRECTOR – J. HARTNETT

Jim Hartnett, Executive Director, said:

- On April 22, the California Transportation Commission released their proposed draft funding recommendation for 2016. Two San Mateo County projects are directly affected: the Highway 101/ Willow Road Interchange Project in Menlo Park and the Highway 92/ El Camino Real Interchange Project in San Mateo. State Transportation Improvement Program funding for both of those projects would not be available until FY2017-FY2018. TA staff is continuing to explore alternative funding mechanisms and sources with City/County Association of Governments, the California State Department of Transportation (Caltrans), the Metropolitan Transportation Commission (MTC), and local jurisdictions to advance the projects to construction.
- The South San Francisco ferry receives Regional Measure 2 bridge toll funds from MTC to subsidize its service. One of the requirements for the Water Emergency Transportation Authority (WETA), which provides the service, is to reach a 40 percent farebox recovery ratio by July 1, 2016. They are at about 30 percent. WETA has reached out to entities, including the TA, for support asking that letters be sent to the MTC for the continuation of funding. The TA is submitting such a letter while WETA continues its efforts to build up ridership and reach the 40 percent recovery.
- The Highway 101/Woodside Road Interchange Project draft environmental document was released on April 11. The final document is scheduled for approval on October 15. The TA funded the environmental phase of the project.

FINANCE

Authorize Acceptance of the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended March 31, 2016

Leslie Murphy, PFM Asset Management, said the U.S. Gross Domestic Product grew 1.4 percent in the fourth quarter and 2.4 percent for the year. Economic growth continues to be fueled by consumer spending while business and investment exports continue to be a drag. The job market continues to perform well with unemployment around 5 percent and job growth continuing. The economy added 215,000 jobs in March, which marked 73 consecutive months of job growth. The first few months of

2016 were marked with some significant volatility mostly attributed to plunging oil prices and a slowdown in the Chinese economy. This uncertainty caused a flight to quality. This means investors became concerned about the financial markets and decided to sell off riskier assets like corporate stocks and bonds and buy up U.S. treasuries and Federal agencies instead. This was good for the TA's portfolio because the treasuries and agencies in the portfolio increased in value. For the first quarter, the portfolio generated an unannualized return of 0.98 percent compared to a return of 1.33 percent for the benchmark. The composition of the portfolio does not align well with the benchmark, so she has been working with staff to select a more appropriate benchmark, which will be presented in the coming months. During the quarter, she continued to see strong value in the treasury sector. At the end of the quarter, the TA portfolio had an 82 percent allocation to U.S. treasuries. This is a quarter-over-quarter increase of 11 percent.

Ms. Murphy said in December, the Federal Reserve indicated they expected to see four rate increases in 2016, but in March downgraded that expectation to two rate hikes, so it looks like low rates will continue to for some time. Ms. Murphy said she will continue to look for opportunities to increase the interest earnings in the portfolio. In mid-April she purchased about \$1.1 million worth of a new issue Freddie Mac mortgage backed security at a yield of 0.99 percent. This represents about double the earnings on a comparable maturity U.S. treasury.

Ms. Murphy said she has been working with staff to update the TA's investment strategy and investment policy, which would give the TA the opportunity to invest in other non-government sectors as authorized by the California Government Code. This will be presented to the Board at a future time.

Motion/Second: Horsley/Johnson

Ayes: Freschet, Horsley, Ibarra, Johnson, Matsumoto, Groom

Absent: Nihart

Authorize Approval of Shuttle Applications and Programming and Allocation of \$8,059,795 of Measure A Local Shuttle Program Funds for FY2017 and FY2018

Joel Slavit, Manager, Programming and Monitoring, said the TA and the City/County Association of Governments (C/CAG) issued a joint Call for Projects (CFP) with up to \$10 million available for the shuttle program in December 2015. The project review committee developed a list of recommended projects for funding, which was presented at the April Board and CAC meetings. The recommendation has not changed. A total of 38 shuttles are recommended for funding, two of which will be funded by C/CAG. The Coastside beach shuttle is receiving a deferment at the request of the sponsor to further coordinate the logistics of the service plan. When the sponsor submits a concurrence letter from SamTrans, staff will bring a recommendation back to the Board. Staff recommends the new Millbrae service not be funded as it has extensive overlap with SamTrans service and did not meet program requirements.

Motion/Second: Horsley/Ibarra

Ayes: Freschet, Horsley, Ibarra, Johnson, Matsumoto, Groom

Absent: Nihart

Preliminary FY2017 Budget

Eli Kay, Chief Financial Officer, presented:

- FY2017 total revenues is projected to be \$87.2 million, a \$3 million increase over FY2016
 - Sales tax: \$83 million
 - Interest income: \$3 million
 - Rental income: \$1.2 million
- Total annual allocations: \$30.3 million
 - Local streets/transportation: \$18.7 million
 - Caltrain improvements – operating: \$6.6 million
 - Accessible services/paratransit: \$3.3 million
 - San Francisco International Airport Bay Area Rapid Transit extension: \$1.7 million
- Total program expenditures: \$69.5 million
 - Alternative congestion relief: \$0.8 million
 - Dumbarton: \$0.3 million
 - Caltrain: \$6.6 million
 - Pedestrian and bicycle: \$2.5 million
 - Local shuttle: \$10.5 million
 - Streets and highways: \$48.8 million
- Total FY2017 expenditures: \$102.5 million
 - Annual allocations: \$30.3 million
 - Program expenditures: \$69.5 million
 - Oversight: \$1.2 million
 - Administration cost: \$1.5 million
- Total expenditures increase: \$29 million
 - Annual allocations increased \$1.1 million
 - Program expenditures increased \$27.7 million
 - Administrative increased \$0.2 million
- FY2017 projected ending fund balance: \$464.4 million
 - Projected beginning fund balance: \$479.7 million
 - Projected deficit: \$15.3 million

Director Maureen Freschet asked why there is an increase in the deficit. Mr. Kay said more money is being spent this year.

Public Comment

Adina Levin, Friends of Caltrain, said this is a good time to observe how sales tax is serving the county. There are some elements of the allocations that have been serving the county well. There was an allocation for grade separations of the Caltrain corridor that helped to create the San Bruno grade separation and the upcoming San Mateo grade separation. There are couple of other cities that have projects in the works, but that amount is about to be nearly used up. The bicycle and pedestrian spending is 3 percent and some of the larger cities have higher bike commute share today, and Caltrans has a goal to triple the bicycle and pedestrian commute by 2020. This is an item that might need to be changed soon. This is a time to reflect on the needs going forward.

PROGRAM

Program Report: Highways – Highway 101 Corridor Managed Lanes

Leo Scott, Consultant, presented:

- Highway 101 corridor profile
 - 26 miles from county line to county line
 - 230,000 trips per day makes it very congested
- Highway 101 corridor deficiencies
 - Congestion doubles travel time during the peak periods
 - Demand is projected to grow 10 to 15 percent by 2020
- Background
 - The original project study report approved in May 2015 was for a high-occupancy vehicle (HOV) lane extension from Whipple Avenue up to the Interstate 380 interchange
 - In October 2015, the TA Board approved \$8.5 million for an environmental analysis and clearance of that project
 - In May 2016 a supplemental project study report was prepared to expand the scope of the project to include express lanes and the document is with Caltrans for approval
- General purpose lane versus managed lane
 - General purpose lane: uncontrolled operation of the lane
 - Managed lane: HOV, hours of operation, occupancy requirements, points of access, enforcement
 - Express lane: High occupancy toll (HOT), hours of operation, occupancy requirements, points of access, enforcement, toll charged to non-HOV drivers, operations and maintenance cost toll administration
- Purpose
 - Provide a continuous managed lane in each direction on Highway 101 from the terminus of the Santa Clara County express lanes to Interstate 380 to:
 - Provide more reliable travel time for the managed lanes
 - Minimize operational degradation of the general purpose lanes
 - Allow travel mode choice
 - Increase overall person throughput
 - Apply technology and/or design feature to help manage traffic
- Need
 - Highway 101 is heavily congested resulting in an overall degradation of operations throughout the corridor
 - All users, whether they are in single or multiple passenger vehicles traveling on Highway 101, experience delays
- Alternatives
 - Convert general purpose lane to HOT three plus
 - Add an HOV two plus lane
 - Add an HOT three plus lane
- Preferred alternative selection criteria
 - Operation
 - Cost
 - Ease and speed of implementation

- Compatibility with adjoining segments
- Anticipated environmental documents
 - California Environmental Quality Act initial study
 - National Environmental Policy Act environmental assessment
 - Technical studies
- Highway 101 managed lane environmental schedule
 - 28 months to complete starting in June 2016 and ending in September 2018
 - April 2018 draft environmental document and public circulation of preferred alternative
- Environmental phase cost estimate is \$11.5 million
- Integrated project delivery team is a combination of Caltrans staff, TA consultant staff and led by the TA, C/CAG, Caltrans, and an executive steering committee

Director Johnson said he would be interested in seeing how well HOT lanes in the region are performing. Mr. Scott said there are three facilities. One opened in 2010 and was implemented on Interstate 680 over Sunol Grade between Pleasanton and Fremont, one was implemented on the southbound Highway 237 and westbound Interstate 880 interchange and is operating as expected, and one just opened on the Interstate 580 corridor through Livermore Valley. He will come back with specific statistics from each facility.

Director Karyl Matsumoto asked why this is only going to Interstate 380 and not directly into San Francisco. Mr. Scott said the right of way limits that exist north of Interstate 380 are very tight. There is not a very easy or inexpensive way to add a lane. The only way to get north of Interstate 380 would be to convert an existing lane. At the moment the project is ending at Interstate 380, but San Francisco is interested in doing something north of Interstate 380 and there are ongoing discussions about it.

Ms. Chan said when the TA approved the funding in October for the Highway CFP, funding was included to look at north of Interstate 380. The primary focus right now is to get this project going. There is something in the works but it is separate from this project.

Director Matsumoto said the switchover from Interstate 280, Interstate 380, and Highway 101 going north in the evening is backing up and it will get to the point where there will be accidents.

Director Don Horsley asked if there is a way to fast track any of the studies. Mr. Scott said he is working on fast track possibilities. The first task was to find the work and determine the cost and the second step is delivery.

Director Ibarra asked how it would work since he does not drive a clean car and drives alone. Mr. Scott said it helps to start with a continuous access design approach. Drivers using the current HOV lane can go in or out anywhere they want. In some areas it becomes helpful to have a buffer to restrict the access to the lane, which limits where people can get in and out of the lane. There is a benefit to the overall operation of the corridor when those buffers are correctly placed. Drivers would have to have a transponder in order to be registered in the future as a carpool user in order to use it for

free. If the driver did not have a transponder and used the lane, the driver would be charged as a single occupant or non-HOV user. The driver would be charged by the tag or the license plate. Mr. Scott said on the Interstate 680 corridor it costs about 50 cents per mile for the peak period. The Highway 101 corridor is a 22-mile corridor.

Director Matsumoto said she would be concerned if the lane started as an HOV lane and then morphed into something else later. Changing the lane to an HOT at a later point would be problematic. Mr. Scott said it could be staged or sequenced, but that has not been the practice in the Bay Area.

Public Comment

Adina Levin, Friends of Caltrain, said she did not see vehicle miles traveled and greenhouse gas emissions or equity on the selection criteria list, and these may be policy concerns. There is an ongoing change to look at roadway projects in terms of vehicle miles traveled and whether a capacity increase would induce driving and create additional greenhouse gas. A community concern about toll lanes is that it might harm lower-income people. The money could be put into transportation alternatives to help people without a car and could be an overall benefit for equity.

Mr. Scott said a community impact assessment is on the list of studies, and includes the addressing of the social aspect of the issue, and there is an air quality study that addresses the greenhouse gas issue.

Chair Groom asked if there is any truth to roads that have express or toll lanes free up space in other lanes creating a clearer passage. Mr. Scott said it improves the flow of traffic because some of the vehicles that would otherwise be in the express lanes are moved into the general purpose lanes.

Chair Groom asked if traffic studies are done on a regular basis throughout the State where there are HOV lanes. Mr. Scott said all HOV lanes are well monitored. All express lanes are operated by a body similar to the TA and they get regular annual reports.

Director Ibarra asked when the best or worst time is to look at an HOT lane. Mr. Scott suggested Director Ibarra drive the Highway 237 express lane in the morning commute.

Director Johnson asked if the new HOT lane works with the existing Fastrak. Mr. Scott said yes, however for a carpool, the Fastrak does not give the driver the ability to indicate that it is a carpool, so it would treat the car as a single occupant.

Update on State and Federal Legislative Program

Shweta Bhatnagar, Acting Manager, Government Affairs, gave the following update:

State

Senator Jim Beall recently amended his transportation funding bill, Senate Bill X 1-1. This bill provides \$6.5 billion in improving the State's highways, streets and roads, public transit, and commuter and intercity rail systems. The amended bill also doubles the allocation of Cap and Trade funding to the Transit and Intercity Rail Program from 10 percent to 20 percent, and also doubles the allocation to the Low Carbon Transit

Operations Program from 5 percent to 10 percent. This equates to roughly \$300 million in additional funding, which would be available to public transit projects. The bill also redirects \$550 million from High-speed Rail's Cap and Trade allocation to intercity commuter rail projects for which Caltrain would be eligible.

Federal

The Senate Appropriations Committee approved a \$56.6 billion FY2017 Transportation, Housing and Urban Development appropriations bill. This bill provides \$16.9 billion for the U.S. Department of Transportation, \$525 million for the TIGER Grant Program, \$44 billion for Federal Aid Highways and \$1.7 billion to the Federal Railroad Administration. The bill also includes \$333 million for the Core Capacity Program, which is the program staff is looking to seek funds from for the electrification project. The House is expected to mark up their FY2017 appropriations bill starting the second week of May.

TA staff participated in several meetings regarding the Federal Aviation Administration's (FAA) sales tax diversion issue. In December 2014, the FAA claimed that any State or local sales tax revenue generated from the sale of aviation fuel must be spent only on airport uses. This suggests that local governments that have a voter-approved sales tax measure for a specific purpose like San Mateo County does for transportation would have to figure out how much of that revenue was generated from the sale of aviation fuel and would have to divert that amount to the airport even though the local voters did not authorize the use for airport purposes. Staff has been working with the Self-Help Counties Coalition to come up with options to prevent the diversion of these funds, including a possible Congressional amendment or litigation.

REQUESTS FROM THE AUTHORITY

Director Matsumoto said she went to the Women in Transportation Scholarship and Awards Gala and Ms. Chan was awarded the Rosa Parks Diversity Leadership Award. Everyone spoke volumes of her leadership. The Peninsula Corridor Electrification Project received the Innovative Transportation Solutions Award. She congratulated Ms. Chan.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

No discussion.

REPORT OF LEGAL COUNSEL

No report.

DATE AND PLACE OF NEXT REGULAR MEETING

June 2, 2016 at 5 p.m. in the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd floor, 1250 San Carlos Avenue, San Carlos CA 94070

The meeting adjourned at 6:21 p.m.

TA CAC Chair's Report

May 5, 2016

Good evening Madam Chair and members of the Board,

Here are the results from this past Tuesday's meeting of the CAC :

(TA Item 4a) The CAC reviewed the Minutes of the Board's April 7, 2016, without questions or comments.

(TA Item 4b) The CAC supported the Acceptance of the Statement of Revenues and Expenditures for the period ending March 2016, without questions or comments.

(TA Item 8a) The CAC received a highly informative presentation on Annual Caltrain Passenger Counts from Catherine David, Senior Planner, outlining the purpose of ridership counts, data collection methodology, the challenges faced in the 2016 count, the 2016 count results and next steps to be taken to continuing ridership/revenue growth. The CAC was pleased to learn that passenger ridership, which has increased 83% since 2010, is at an all-time high. However, the CAC expressed interest in learning how future service planning will be done in order to improve capacity pre and post electrification.

(TA Item 10a) The CAC supported the Board's Acceptance of the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended March 31, 2016.

(TA Item 10b) The CAC supported the approval of the list of 38 shuttles to receive Transportation Authority (TA) and City/County Association of Governments (C/CAG) funds in Fiscal Year (FY) 2017 and FY2018. It also supported the programming and allocation of a total of \$8,059,795 of Measure A Local Shuttle Program Category funds by the TA for 36 of the shuttles on that list, with the understanding that C/CAG would program and allocate \$921,528 of its Local Transportation Services Program funds for the remaining two recommended shuttles.

(TA Item 10c) The CAC received a detailed report from Leslie Murphy, PFM Consultant, on the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended March 31, 2016, illustrating FY 2017 TA Revenue increases and decreases, annual allocations and program expenditures, as well as TA expenditure increases and decreases.

After Ms. Murphy's presentation, the CAC voted to support the acceptance of the Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended March 31, 2016.

(TA Item 11a) The CAC was given a comprehensive report on the Highway 101 Managed Lanes Corridor Project under the Highway Program category this month by Leo Scott, TA and C/CAG Project Consultant. Mr. Scott's comprehensive presentation included information about the 101 Corridor profile, system deficiencies, background of managed lanes, the purpose and need for such, as well as a number of alternatives that are under consideration, along with the schedule employed and the environmental phase cost estimates and the make-up of the integrated project delivery team and organization needed to implement this project. After hearing Mr. Scott's presentation, a robust Q and A session followed with members of the CAC. The CAC, as a whole, expressed interest in the project and looks forward to additional information as it becomes available.

(TA Item 11b) The CAC received a comprehensive legislative update from Shweta Bhatnagar, Government Affairs Officer highlighting a transportation proposal update on Senator Jim Beall's amendment to his SBx1 1 bill to increase transportation funding.

The CAC was also pleased to hear that the SMCTA staff is currently working with the Self-Help Counties Coalition (SHCCC) to assess our options and discuss a strategy to protect against attempts by the federal government to divert millions of dollars in voter-approved transportation funds to airport improvement projects.

(CAC Chair's Report to the CAC)

In my own report to the CAC, I advised the CAC that our CAC member of the past three years, Daina Lujan, having recently received a promotion in the field of education, has now developed too many demands and time commitments on her schedule to consistently attend our CAC meetings and has, thus, tendered her resignation to make way for someone who can be engaged in the business of the CAC and attend our meetings on a regular basis. It is expected that Daina's recent vacancy will be filled shortly by our current recruitment call, which closes on May 6th, with interviews being conducted on May 27th.

I also shared with the CAC that our former CAC member, Jim Bigelow, had contacted me to let everyone know that on Wednesday, May 4th, the SamTrans "Planning, Development and Sustainability Committee of the Whole" was holding a presentation on the Dumbarton Transportation Corridor Study Update, in this auditorium.

(Staff Report to the CAC)

In Joe's report to the CAC, he advised the CAC that recruitment for all six open positions on the CAC will close on Friday, May 6th, with interviews being conducted on Friday, May 27th and final CAC appointments announced on June 2nd at the next Executive Board meeting.

Respectfully submitted,

BARBARA ARIETTA

Chair, San Mateo County Transportation Authority Citizen Advisory Committee

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Eli Kay
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENDITURES FOR THE PERIOD ENDING
APRIL 30, 2016**

ACTION

Staff proposes the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of April 2016 and supplemental information.

SIGNIFICANCE

Revenues: Year-to-date *Total Revenue* (\$70,044,940 - line 7) is **better** than budget by \$974,704 or 1.4 percent. *Sales Tax* (\$66,204,637 - line 1) is **better** than budget by \$649,837 or 1.0 percent and *Interest Income* (\$2,869,432 - line 2) is \$381,363 or 15.3 percent **better** than budget due to higher than budgeted returns.

Total Revenue (\$70,044,940 - line 7) is \$322,867 or .5 percent **better** than prior year actuals. *Sales Tax* (\$66,204,637 - line 1) is \$89,925 or 0.1 percent **worse** than prior year. *Interest Income* (\$2,869,432 - line 2) is \$456,018 or 18.9 percent **better**, slightly offset by *Rental Income* (\$970,870 - line 4) which is \$43,227 or 4.3 percent **worse** than prior year.

Expenditures: *Total Administrative Expenses* (\$937,333 - line 22) are **better** than budget by \$192,232 or 17.0 percent. Within total administrative expenses, *Staff Support* (\$450,501 - line 18) is \$157,547 or 25.9 percent **better** than budget and *Other Admin Expense* (\$486,745 - line 20) is **better** than budget by \$30,647 or 5.9 percent.

Budget Amendment:

There are no budget amendments for the month of April 2016.

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
Fiscal Year 2016
April 2016

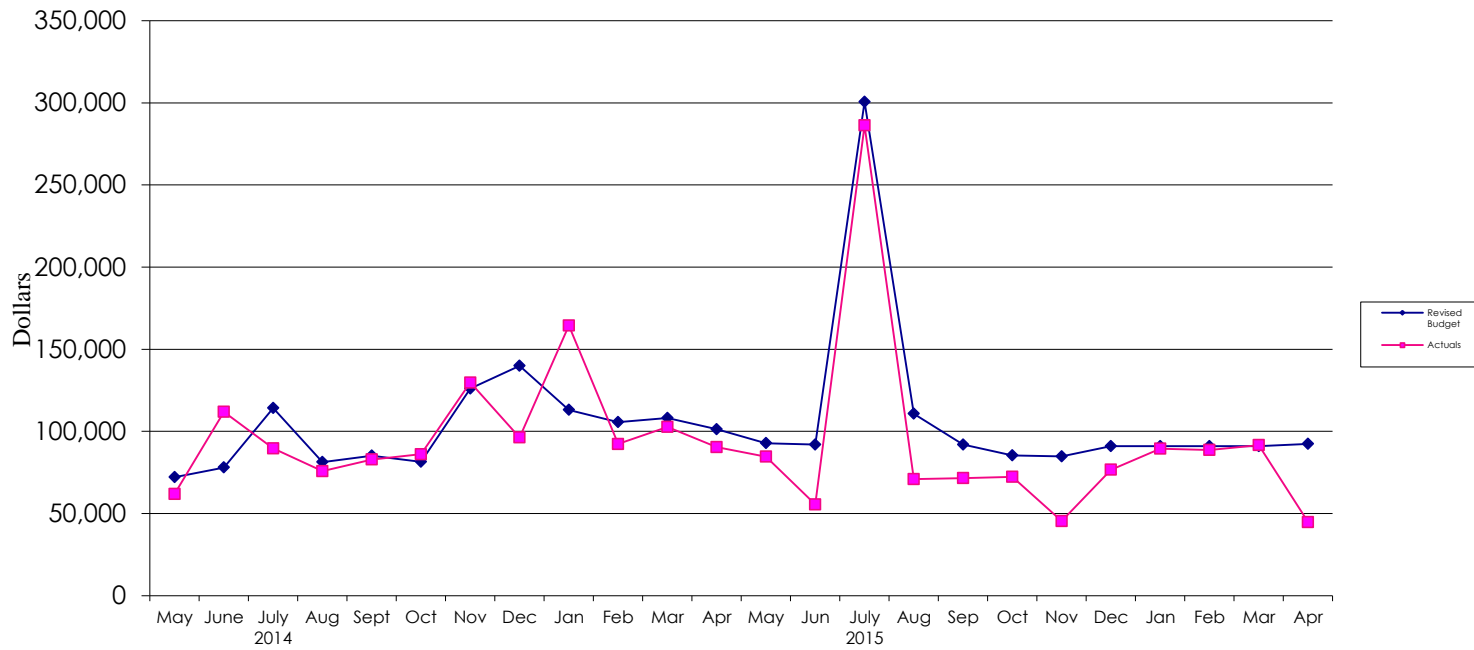
% OF YEAR ELAPSED: **83.3%**

	MONTH	YEAR TO DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% OF PROJ	ADOPTED BUDGET*	REVISED BUDGET	% OF PROJ
REVENUES:								
1 Sales Tax	5,838,206	66,294,562	66,204,637	65,554,800	101.0%	77,000,000	80,000,000	82.8%
2 Interest Income	313,096	2,413,414	2,869,432	2,488,069	115.3%	2,985,683	2,985,683	96.1%
3 Miscellaneous Income	0	0	0	0	0.0%	0	0	0.0%
4 Rental Income	98,396	1,014,097	970,870	1,027,367	94.5%	1,232,840	1,232,840	78.8%
5 Grant Proceeds	0	0	0	0	0.0%	0	0	0.0%
6								
7 TOTAL REVENUE	6,249,697	69,722,073	70,044,940	69,070,236	101.4%	81,218,523	84,218,523	83.2%
8								
EXPENDITURES:								
9								
10								
11 Annual Allocations	2,130,945	24,197,515	24,164,692	23,927,503	101.0%	28,105,000	29,200,000	82.8%
12								
13 Program Expenditures	6,284,114	32,389,953	27,311,859	33,396,541	81.8%	33,895,000	41,792,555	65.4%
14								
15 Oversight	88,434	642,750	829,442	987,500	84.0%	1,185,000	1,185,000	70.0%
16								
17 Administrative								
18 Staff Support	34,234	450,983	450,501	608,048	74.1%	739,869	739,869	60.9%
19 Measure A Info-Others	40	540	87	4,125	2.1%	16,500	16,500	0.5%
20 Other Admin Expenses	16,628	558,601	486,745	517,392	94.1%	595,813	595,813	81.7%
21								
22 Total Administrative	50,901	1,010,125	937,333	1,129,565	83.0%	1,352,182	1,352,182	69.3%
23								
24 TOTAL EXPENDITURES	8,554,395	58,240,343	53,243,326 (1)	59,441,109	89.6%	64,537,182	73,529,737	72.4%
25								
26 EXCESS (DEFICIT)	(2,304,698)	11,481,730	16,801,614	9,629,127		16,681,341	10,688,786	
27								
28 BEGINNING FUND BALANCE	Not Applicable	459,220,186	469,053,620	424,848,697		424,848,697	469,053,621	
29								
30 ENDING FUND BALANCE	Not Applicable	470,701,916	485,855,234 (2)	434,477,824		441,530,038	479,742,407	
31								
32								

Includes the following balances:			
Cash and Liquid Investments	6,727,236	FY 2015 Carryover of Commitments (Audited)	331,485,040
Current Committed Fund Balance	351,771,451 (3)	FY 2016 Additional Commitments (Budgeted)	64,537,182
Undesignated Cash & Net Receivable	<u>127,356,547</u>	Reso#2015-21	5,000,000
Total	<u><u>485,855,234 (2)</u></u>	Reso#2016-03	2,400,000
		Reso#2016-05	1,592,555
		Less: Current YTD expenditures	<u>(53,243,326) (1)</u>
		Current Committed Fund Balance	<u><u>351,771,451 (3)</u></u>

44 "% OF YEAR ELAPSED" provides a general measure for evaluating overall progress
45 against the annual budget. When comparing it to the amounts shown in the
46 "% of PROJ" column, please note that individual line items reflect variations
47 due to seasonal activities during the year.
48
49 * The TA Adopted Budget is the Board adopted budget effective June 4, 2015.
50 ** The TA Revised Budget is the adopted budget including year to date budget transfers.
51
52
53
54
55
56
57
58

SAN MATEO COUNTY TRANSPORTATION AUTHORITY ADMINISTRATIVE EXPENSES



Current Year Data

	Jul '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16
MONTHLY EXPENSES												
Revised Budget	300,582	110,756	91,961	85,348	84,679	90,973	90,973	90,973	90,973	92,347		
Actual	286,281	70,899	71,533	72,304	45,366	76,592	89,397	88,611	91,631	44,719		
CUMULATIVE EXPENSES												
Staff Projections	300,582	411,338	503,299	588,647	673,326	764,299	855,272	946,245	1,037,218	1,129,565		
Actual	286,281	357,180	428,713	501,017	546,383	622,975	712,372	800,983	892,614	937,333		
Variance-F(U)	14,301	54,158	74,586	87,630	126,943	141,324	142,900	145,262	144,604	192,232		
Variance %	4.76%	13.17%	14.82%	14.89%	18.85%	18.49%	16.71%	15.35%	13.94%	17.02%		



SAN MATEO COUNTY TRANSPORTATION AUTHORITY

CAPITAL PROJECT RESERVES

As of April 30, 2016

TYPE OF SECURITY		MATURITY DATE	INTEREST RATE	PURCHASE PRICE	MARKET VALUE
County Pool #3	*	Liquid Cash	0.760%	\$ 308,968,421	\$ 308,968,421
Local Agency Investment Fund	**	Liquid Cash	0.525%	\$ 2,974,374	\$ 2,974,374
Investment Portfolio	***	Liquid Cash	0.923%	\$ 155,136,526	\$ 155,850,044
Other		Liquid Cash	0.000%	\$ 6,727,236	\$ 6,727,236
				<u>\$ 473,806,557</u>	<u>\$ 474,520,075</u>

Accrued Earnings for April 2016 \$ 314,715.78
Cumulative Earnings FY2016 \$ 3,150,174.10

* County Pool average yield for the month ending April 30, 2016 was 0.76%. As of April, 2016 the total cost of the Total Pool was \$4,895,029,328.13 and the fair market value per San Mateo County Treasurer's Office was \$4,908,756,886.54

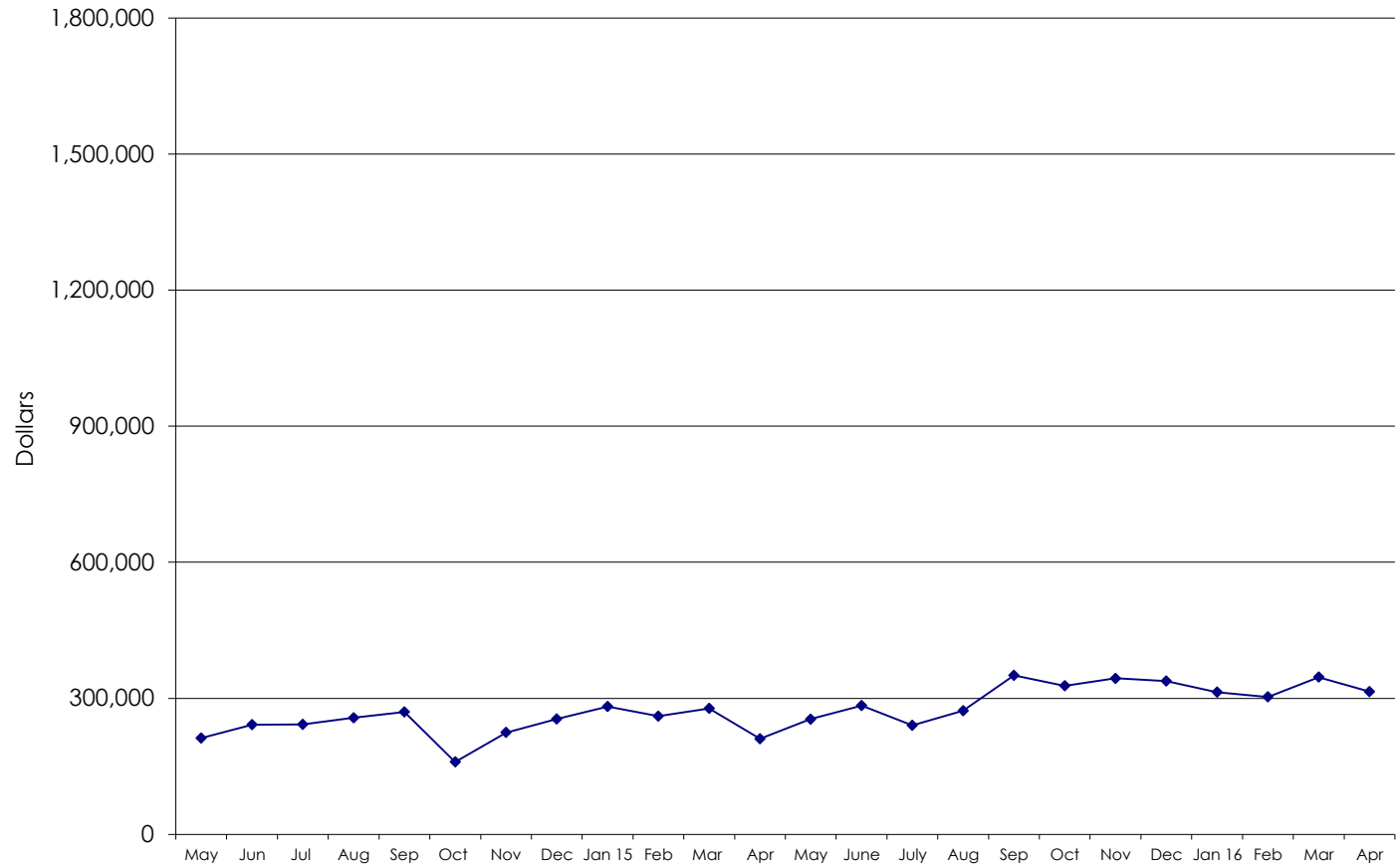
** The market value of Local Agency Investment Fund (LAIF) is calculated annually and is derived from the fair value factor as reported by LAIF for quarter ending June 30th each year.

*** The Portfolio and this Investment Report comply with the Investment Policy and the provisions of SB 564 (1995). The Authority has the ability to meet its expenditure requirements for the next six months.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
INTEREST STATEMENT
APRIL 2016**

FY2015	CURRENT MONTH TOTAL	FISCAL YEAR TO DATE TOTAL
JULY	240,138.26	240,138.26
AUGUST	272,436.08	512,574.34
SEPTEMBER	350,317.80	862,892.14
OCTOBER	327,647.79	1,190,539.93
NOVEMBER	343,943.91	1,534,483.84
DECEMBER	337,983.42	1,872,467.26
JANUARY	313,435.97	2,185,903.23
FEBRUARY	302,937.46	2,488,840.70
MARCH	346,617.62	2,835,458.32
APRIL	314,715.78	3,150,174.10
MAY		3,150,174.10
JUNE		3,150,174.10

SMCTA Interest Income



SAN MATEO COUNTY TRANSPORTATION AUTHORITY
INTEREST ON INVESTMENTS
April 30, 2016

DESCRIPTION	TOTAL INVESTMENT 04-30-16	INTEREST RECEIVABLE 03-31-16	PREPAID INT RECEIVABLE 03-31-16	INTEREST EARNED 04-30-16	INTEREST RECEIVED 04-30-16	ADJ.	INTEREST RECEIVABLE 04-30-16
LAIF	2,974,374.00	3,354.98	0.00	1,282.77	3,429.34		1,208.41
COUNTY POOL	308,968,421.48	535,258.04	0.00	193,962.16	624,818.72		104,401.48
BANK OF AMERICA	6,283,914.92	0.00	0.00				0.00
WELLS FARGO	80,752.83	0.00	0.00				0.00
US BANK (Cash on deposit)	362,567.77	0.00	0.00				0.00
INVESTMENT PORTFOLIO	155,850,043.95	434,962.37	0.00	120,278.54	363,221.41	(807.70)	191,211.80
	<u>474,520,074.95</u>	<u>973,575.39</u>	<u>0.00</u>	<u>315,523.48</u>	<u>991,469.47</u>	<u>(807.70)</u>	<u>296,821.69</u>

APRIL 2016 -- SUMMARY OF INTEREST & CAPITAL GAIN

Interest Earned Per Report	04/30/16	314,715.78
Add:		
Less:		
Management Fees		(9,250.00)
Amortized Premium/Discount		(1,527.76)
Capital Gain(Loss)		0.00
Total Interest & Capital Gain(Loss)		<u>303,938.01</u>

YEAR TO DATE -- SUMMARY

Interest Earned	3,150,174.10
Add:	
Less:	
Management Fees	(92,500.00)
Amortized Premium/Discount	(15,277.62)
Capital Gain(Loss)	0.00
Total Interest	<u>3,042,396.47</u>
Balance Per Ledger as of	04/30/16
Exp. Acct. 530011 - Amort Prem/Disc	(15,277.62)
Management Fees (530040)*	(92,500.00)
Int Acct. 409100 - Co. Pool	2,028,795.54
Int Acct. 409100 - LAIF	19,447.62
Int Acct. 409101 - Portfolio Funds	1,101,930.93
Gain(Loss) Acct. 405210	0.00
	<u>3,042,396.47</u>

INVESTMENT PORTFOLIO
April 30, 2016

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	GASB 31	MARKET	MATURITY DATE	INT RATE	RATE/DAY	APPL DAYS	INTEREST	PREPAID	INTEREST	INTEREST RECEIVED	ADJ.	INTEREST	INT REC'VBLE	PAR VALUE
			PURCHASE PRICE	ADJUSTED 6-30-14	VALUE 4/30/2016					REC'VBLE 3/31/2016	INT REC'VBLE 4/30/2016	EARNED 4/30/2016			REC'VBLE 4/30/2016	LESS PREPAID 4/30/2016	
<u>SECURITIES MANAGED BY INVESTMENT ADVISOR:</u>																	
<u>U.S. TREASURY NOTES AND BONDS</u>																	
US TREASURY NOTE	912828WD8	10-13-15	14,415,070.31	14,381,552.90	14,436,851.00	10-31-18	1.25%	496.5278	30	75,133.93		14,895.83	89,375.00	(169.03)	485.73	485.73	14,300,000
US TREASURY NOTE	912828VL1	12-19-13	8,870,437.97	20,025,000.00	8,855,637.45	07-15-16	0.625%	153.6458	30	11,700.72		4,609.37		(50.65)	16,259.44	16,259.44	8,850,000
US TREASURY NOTE	912828WA4	03-21-14	11,972,343.75	11,980,320.00	12,011,724.00	10-15-16	0.625%	208.3333	30	34,631.15		6,250.00	37,500.00	(102.46)	3,278.69	3,278.69	12,000,000
US TREASURY NOTE	912828WX4	8/27/14	17,998,593.75	18,047,880.00	18,007,668.00	07-31-16	0.500%	250.0000	30	15,082.42		7,500.00		(82.42)	22,500.00	22,500.00	18,000,000
US TREASURY NOTE	912828WF3	03-28-14	7,493,276.96	9,971,900.00	7,521,162.30	11-15-16	0.625%	130.4688	30	17,806.83		3,914.06		(43.01)	21,677.88	21,677.88	7,515,000
US TREASURY NOTE	912828ST8	03-23-15	14,830,857.42		14,992,693.65	04-30-19	1.250%	515.6250	30	78,023.70		15,468.75	92,812.50	(175.53)	504.42	504.42	14,850,000
US TREASURY NOTE	912828F62	9-9-15	11,245,062.50		11,375,000.00	10-31-19	1.500%	466.6667	30	70,615.38		14,000.00	84,000.00	(158.86)	456.52	456.52	11,200,000
US TREASURY NOTE	912828UQ1	11-9-15	8,289,421.88		8,441,672.40	02-29-20	1.250%	291.6667	30	9,130.43		8,750.00		(190.21)	17,690.22	17,690.22	8,400,000
US TREASURY NOTE	912828VF4	12-7-15	7,403,027.34		7,562,107.50	05-31-20	1.375%	286.4583	30	34,656.76		8,593.75		(140.88)	43,109.63	43,109.63	7,500,000
US TREASURY NOTE	912828UZ1	03-31-16	16,795,369.15		16,796,029.45	04-30-18	0.625%	292.5347	30	47,287.09		8,776.04	52,656.25	433.56	286.18	286.18	16,850,000
US TREASURY NOTE	912828VP2	03-02-16	7,213,007.81		7,230,510.00	07-30-20	2.000%	388.8889	30	23,461.54		11,666.67		(128.21)	35,000.00	35,000.00	7,000,000
<u>U.S. GOVERNMENT AGENCIES</u>																	81.56%
FNMA	3135G0XP3	12-10-13	9,959,800.00	9,930,700.00	10,000,190.00	07-05-16	0.375%	104.17	30	8,958.33		3,125.00			12,083.33	12,083.33	10,000,000
FNMA	3135 G0YE7	03-07-14	15,029,400.00	14,991,150.00	15,010,710.00	08-26-16	0.625%	260.42	30	9,114.58		7,812.50			16,927.08	16,927.08	15,000,000
<u>COLLATERIZED MORTGAGE OBLIGATIONS</u>																	16.12%
FHLMC	31378NMZ4	04-28-16	1,110,991.20		1,109,431.84	03-01-19	1.738%	53.11	30			1,593.17			1,593.17	1,593.17	1,100,000
FNMA	3136ANJY4	04-30-15	1,075,646.17		1,071,123.54	04-01-18	1.550%	45.85	30	1,375.63		1,375.63	1,375.63		1,375.63	1,375.63	1,065,000
FNMA	3136AQDQ0	10-30-15	1,434,219.74	1,434,219.74	1,427,532.82	09-01-19	1.646%	64.93	30	1,947.77		1,947.77	1,947.77		1,947.77	1,947.77	1,420,000
<u>CASH INVESTMENT</u>																	2.31%
MATURED/CALLED																	

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
 1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS
 FY2016
 April 2016

5/20/16 4:08 PM

Approved Budget			Receipts		Over/(Under)	Current
Date	Amount	Revised	Date	Amount	Budget/Projection	Projection
FY2015:						
1st Quarter	17,150,000	18,948,951	1st Quarter	19,884,600	935,649	19,884,600
2nd Quarter	18,405,000	19,606,049	2nd Quarter	22,629,401	3,023,352	22,629,401
3rd Quarter	17,500,000	17,500,000	3rd Quarter	18,200,061	700,061	18,200,061
4th Quarter	18,945,000	18,945,000	4th Quarter	20,260,116	1,315,116	20,260,116
FY2015 Total	72,000,000	75,000,000	FY2015 Total	80,974,178	5,974,178	80,974,178
FY2016:						
Jul. 15	5,390,000	5,390,000	Sep. 15	5,856,300	466,300	5,390,000
Aug. 15	5,390,000	5,390,000	Oct. 15	5,856,300	466,300	5,390,000
Sep. 15	6,827,333	6,827,333	Nov. 15	7,808,400	981,067	6,827,333
3 Months Total	17,607,333	17,607,333		19,521,000	1,913,667	17,607,333
Oct. 15	5,877,667	5,877,667	Dec. 15	6,635,955	758,288	5,877,667
Nov. 15	5,877,667	5,877,667	Jan. 16	6,064,400	186,733	5,877,667
Dec. 15	7,140,467	7,140,467	Feb. 16	8,085,800	945,333	7,140,467
6 Months Total	36,503,134	36,503,134		40,307,155	3,804,021	36,503,134
Jan. 16	5,544,000	5,544,000	Mar. 16	6,436,436	892,436	5,544,000
Feb. 16	6,079,920	9,079,920	Apr. 16	5,033,300	(1,046,620)	9,079,920
Mar. 16	7,542,920	7,542,920	May 16			7,542,920
9 Months Total	55,669,974	58,669,974		51,776,891	3,649,837	58,669,974
Apr. 16	6,884,826	6,884,826	Jun. 16			6,884,826
May 16	6,997,760	6,997,760	Jul. 16			6,997,760
Jun. 16	7,447,440	7,447,440	Aug. 16			7,447,440
FY2016 Total	77,000,000	80,000,000	FY2016 Total	51,776,891	3,649,837	80,000,000
	18,073,633		1st Quarter			
	21,101,456		2nd Quarter			
	21,191,342		3rd Quarter			
	5,838,206		4th Quarter			
	<u>66,204,637</u>		YTD Actual Per Statement of Revenue & Expenses			

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CASH AND INVESTMENTS AS OF APRIL 30, 2016

	<u>4/30/2016</u>
Cash -- Bank of America Checking Account	6,283,914.92
Cash -- Wells Fargo Lockbox Account	80,752.83
Cash - US Bank (on deposit)	362,567.77
LAIF	2,974,374.00
County Pool	308,968,421.48
Investment Portfolio	155,850,043.95
	<hr/>
Total	<u><u>474,520,074.95</u></u>

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CHECKS WRITTEN
April 2016

Unit	Ref	Name	Amount	Method	Description
SMCTA	000007	HORSLEY, DONALD	100.00	ACH	Board Member Compensation
SMCTA	000009	MATSUMOTO, KARYL M.	100.00	ACH	Board Member Compensation
SMCTA	000010	NIHART, MARY ANN	100.00	ACH	Board Member Compensation
SMCTA	000011	IBARRA, KENNETH	100.00	ACH	Board Member Compensation
SMCTA	000008	DEPARTMENT OF TRANSPORTATION	919,136.18	ACH	Capital Programs ⁽¹⁾
SMCTA	004213	DMJM HARRIS/MARK THOMAS JV	30,846.99	CHK	Consultants
SMCTA	004214	HDR ENGINEERING, INC.	5,860.26	CHK	Consultants
SMCTA	004215	KHOURI CONSULTING	3,500.00	CHK	Legislative Advocate
SMCTA	004216	OFFICEMAX	12.35	CHK	Office Supplies
SMCTA	004217	REDWOOD CITY, CITY OF	87,900.50	CHK	Capital Programs ⁽²⁾
SMCTA	004218	URS CORPORATION	26,961.71	CHK	Consultants
SMCTA	004219	ATKINS NORTH AMERICA, INC	73,763.10	CHK	Consultants
SMCTA	004220	DMJM HARRIS/MARK THOMAS JV	243,543.48	CHK	Consultants
SMCTA	004221	JACOBS ENGINEERING GROUP INC.	2,017.30	CHK	Consultants
SMCTA	004222	SAN CARLOS, CITY OF	23,517.19	CHK	Capital Programs ⁽³⁾
SMCTA	004223	HDR ENGINEERING, INC.	4,707.43	CHK	Consultants
SMCTA	004224	OFFICEMAX	72.06	CHK	Office Supplies
SMCTA	004225	PUBLIC FINANCIAL MANAGEMENT, INC.	9,250.00	CHK	Investment Advisory Services
SMCTA	004226	TOWN OF PORTOLA VALLEY	169,971.49	CHK	Capital Programs ⁽²⁾
SMCTA	004227	ATKINS NORTH AMERICA, INC	57,082.06	CHK	Consultants
SMCTA	004228	HOLLAND & KNIGHT LLP	3,500.00	CHK	Legislative Advocate
			<u>1,662,042.10</u>		

⁽¹⁾ 101 Interchange to Broadway \$909,409.84; Marsh to SM/SC Line \$9,726.34

⁽²⁾ Call for Proj-Ped&Bike FY14/15

⁽³⁾ 101 Holly St Interchange

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Eli Kay
Chief Financial Officer

SUBJECT: **ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2017**

ACTION

Staff proposes the Board approve the appropriations limit, which is applicable to the San Mateo County Transportation Authority (TA) during Fiscal Year (FY) 2017 in the amount of \$656,398,964.

SIGNIFICANCE

The appropriations limit is the maximum amount of tax proceeds the local agency can appropriate during the fiscal year. Article XIII B of the California Constitution (the Gann Limit Initiative) and implementing legislation require each local agency to review its appropriations limitation on an annual basis.

BUDGET IMPACT

There is no budget impact.

BACKGROUND

Last year, the TA established its appropriations limit in the amount of \$617,329,031 based on data regarding inflation and population changes released by the California Department of Finance. Staff has calculated the limit for FY2017 to be \$656,398,964, which is an increase of \$39,069,933 or 6.33 percent. The increase is due to a 5.37 percent increase in the California per capita personal income and a 0.91 percent increase in the population of San Mateo County. The TA funds subject to the limit are \$83 million (the projected Measure A tax receipts for the year) or 13.4 percent of the appropriations limit.

Attachment A is a Notice of Determination showing the calculations and stating the limit applicable during FY2017. State law requires this notice be posted in a conspicuous place at the TA's office at least 15 days before the TA takes final action to approve the new limit at its June 2, 2016 meeting. This notice was posted on May 13, 2016, at 1250 San Carlos Avenue, San Carlos, CA 94070.

Prepared By: Eileen Bettman, Manager, Budgets
Connie Yee, Senior Budget Analyst

650-508-6425
650-508-6302

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

**NOTICE OF DETERMINATION
OF APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2017**

State law (Section 7910 of the Government Code) requires each local government agency to determine during each fiscal year, the appropriations limit pursuant to Article XIII B of the California Constitution applicable during the following fiscal year. The limit must be adopted at a regularly scheduled meeting or a noticed special meeting and the documentation used in determining the limit must be made available for public review fifteen days prior to such meeting.

Set out below is the methodology proposed to calculate the Fiscal Year 2017 appropriations limit for the San Mateo County Transportation Authority. The limit as set forth below will be considered and adopted at the meeting of the Board of Directors on June 2, 2016.

Appropriations limit for FY 2016	\$617,329,031
Population change: (January 1, 2015 to January 1, 2016)	0.91%
Change in California per capita personal income (January 1, 2015 to January 1, 2016)	5.37%
FY 2017 Adjustment Factor: (1.0091 x 1.0537)	1.06329
FY 2017 Appropriations Limit: (\$617,329,031 x 1.06329)	\$656,398,964

Dated: May 9, 2016

Authority Secretary
(650) 508-6242
board@smcta.com

RESOLUTION NO. 2016 –

BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA

* * *

**ESTABLISHING THE APPROPRIATIONS LIMIT APPLICABLE TO THE SAN MATEO COUNTY
TRANSPORTATION AUTHORITY DURING FISCAL YEAR 2017**

WHEREAS, by Resolution No. 2015-14 enacted on August 6, 2015, the San Mateo County Transportation Authority (TA) established an appropriations limit applicable to the TA during the Fiscal Year (FY) 2016 in the amount of \$617,329,031; and

WHEREAS, Article XIII B of the California Constitution (the Gann Limit Initiative) and implementing legislation require that each local agency subject thereto establish the applicable appropriations limit by resolution on an annual basis and permit annual adjustments in the limit by applying to the previous year's appropriations limit the factors, as issued by the California Department of Finance, reflecting changes in population and per capita income; and

WHEREAS, the calculations showing the applications of those factors have been forwarded to members of the TA for review and have been made available for public inspection at least 15 days prior to the date hereof; and

WHEREAS, the applicable factors are as follows:

- (1) The California per capita personal income increased by 5.37 percent; and
- (2) The San Mateo County population from January 2015 to January 2016 increased by 0.91 percent.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Mateo County Transportation Authority that the appropriations limit for FY2017 is hereby established as \$656,398,964.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: April Chan
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **ALLOCATION OF \$42,536 IN MEASURE A PEDESTRIAN AND BICYCLE PROGRAM FUNDS FOR THE SOUTH SAN FRANCISCO SUNSHINE GARDENS SAFETY AND CONNECTIVITY IMPROVEMENTS PROJECT**

ACTION

Staff recommends Board approval of the following actions related to the City of South San Francisco Sunshine Gardens Safety and Connectivity Improvements Project (Project):

1. Program and allocate \$42,536 of Measure A Pedestrian and Bicycle Program Category funds to the Project;
2. Authorize the Executive Director or his designee to execute any necessary documents, and to take any additional actions necessary, to give effect to these actions.

SIGNIFICANCE

The San Mateo County Transportation Authority (TA) programmed and allocated \$4,946,000 to 10 projects from the Measure A 2015 Pedestrian and Bicycle Program Call for Projects (CFP) at its March 2016 meeting per Resolution No. 2016-05, including partial funding for the above-referenced Project. The TA concurrently established a contingency list to potentially fully fund the Project and to fund three additional project requests that did not score high enough to receive a funding allocation, as shown in Exhibit A. The Project sponsor's Measure A funding request was for of \$504,000. When the TA allocated \$461,464 for the Project, the Project was placed on the contingency list for the remaining \$42,536. The Project is the top listed contingency project, based on its rank and score from the 2015 Pedestrian and Bicycle Program CFP, and is the first in line to receive additional funding. Sufficient Measure A funds to fully fund the Project under the Pedestrian and Bicycle Program have now become available from the close-out of completed projects from prior funding cycles.

BUDGET IMPACT

There is no impact to the Board adopted budget as sufficient funding is available from the Fiscal Year 2016 and prior year budgets to accommodate this request.

BACKGROUND

The creation of a contingency list was added for the 2015 Pedestrian and Bicycle Program CFP to allow for greater flexibility. When additional funding becomes available, the TA can take subsequent programming and allocation actions for the contingency projects.

Prepared by: Joel Slavit, Manager Programming and Monitoring

650-508-6476

**San Mateo County Transportation Authority
Measure A 2015 Pedestrian & Bicycle Program Call for Projects:
Final Draft Recommended Measure A Project Award & Contingency Lists**

TA Rank	Score	Jurisdiction	Project Description	Measure A Funds Requested	Measure A Recommended Award Amount	Measure A Recommended Contingency List ¹	Proposed Phase for Measure A funds ²	Secured Match ³	Secured Match Percent	Funding Gap to Complete Requested Scope ⁴	Total (Measure A request + match + any applicable funding gap)
1	82.4	San Mateo	San Mateo Drive Pedestrian and Bicycle Improvement Project (Peninsula Avenue to Baldwin Avenue)	\$200,000	\$200,000		CONST	1,400,000	88%		\$1,600,000
2	77.0	Redwood City	Kennedy Safe Routes to School Project	\$500,000	\$500,000		CONST	1,000,000	67%		\$1,500,000
3	74.7	Redwood City	Highway 101 Undercrossing Project	\$500,000	\$500,000		CONST	2,500,000	83%		\$3,000,000
4	73.4	Menlo Park	Middle Avenue Pedestrian and Bicycle Crossing	\$490,000	\$490,000		PE/ENV	210,000	30%		\$700,000
5	72.4	San Carlos ⁵	US 101/Holly Street Pedestrian and Bicycle Overcrossing	\$1,000,000	\$1,000,000		CONST	500,000	11%	\$3,100,000	\$4,600,000
6	70.7	Daly City	Enhance Pedestrian and Bicycle Visibility Project	\$337,500	\$337,500		PS&E, CONST	37,500	10%		\$375,000
7	70.3	San Mateo County	Complete the Gap Trail (Crystal Springs Regional Trail)	\$300,000	\$300,000		PE/ENV	300,000	50%		\$600,000
8	66.8	Woodside	Alameda de las Pulgas Bicycle and Pedestrian Improvements	\$275,000	\$275,000		PS&E, CONST	40,000	13%		\$315,000
9	66.3	Belmont	Belmont Pedestrian & Bicycle Improvements Project (Ralston Avenue Corridor from US 101 to South Road)	\$882,036	\$882,036		PE/ENV, PS&E, CONST	98,004	10%		\$980,040
10	65.5	South San Francisco ⁶	Sunshine Gardens Safety and Connectivity Improvements Project	\$504,000	\$461,464	\$42,536	PE/ENV, PS&E, CONST	126,000	20%		\$630,000
11	64.9	Burlingame	California Drive Bicycle Facilities Improvement Project	\$1,000,000		\$1,000,000	PE/ENV, PS&E, CONST	200,000	17%		\$1,200,000
12	63.4	San Mateo County	Montara Pedestrian and Bicycle Safety Improvement Project	\$511,830		\$511,830	PE/ENV, PS&E, CONST	56,870	10%		\$568,700
13	63.2	San Bruno	Huntington Avenue - San Antonio Avenue Connection Improvements	\$108,000		\$108,000	PLAN	12,000	10%		\$120,000
14	62.2	San Mateo	US 101/Hillsdale Pedestrian/Bicycle Bridge Overcrossing	\$800,000			PS&E, ROW	90,000	1%	\$8,910,000	\$9,800,000
15	60.7	South San Francisco	Hickey Boulevard and Junipero Serra Boulevard Pedestrian and Bicycle Safety and Connectivity Improvements	\$264,000			PE/ENV, PS&E	66,000	20%		\$330,000
16	60.4	Colma	Hillside Boulevard Pedestrian and Bicycle Safety Enhancement	\$700,000			CONST	1,340,000	66%		\$2,040,000
17	58.6	East Palo Alto	University-Runnymede Pedestrian/Bicycle Improvement Project	\$389,700			PS&E, CONST	43,300	10%		\$433,000
18	53.3	Woodside	Woodside Road School Pathway	\$179,000			CONST	26,000	13%		\$205,000
19	52.0	San Bruno	Tanforan Pedestrian Circulation Improvements	\$180,000			PLAN, PE/ENV	20,000	10%		\$200,000
20	51.8	San Bruno	El Camino Real - Crystal Springs Road Intersection Improvements	\$198,000			PS&E, CONST	22,000	10%		\$220,000
Total Measure A Funds Requested				\$9,319,066							
Total Measure A Recommended Award Amount					\$4,946,000						
Total Contingency List Projects						\$1,662,366					

Footnotes

- 1) Measure A Recommended Contingency List: Contingency list created in case a) sponsors of projects recommended for a Measure A funding award, with an unfunded need in excess of \$1 million, are not able to secure remaining funds to complete the requested scope/minimum operable segment within 1 year of receiving a Measure A allocation, b) other projects on the recommended award list are not able to meet program requirements, or c) additional funds becomes available from other Measure A Pedestrian and Bicycle Program funded projects that are completed with remaining balances.
- 2) Proposed Phase for Measure A funds: PLAN - planning, PE/ENV - preliminary engineering/environmental review, PS&E - final design, ROW - right of way, CONST - construction
- 3) Secured Match: Secured sponsor funding contribution for work yet to proceed.
- 4) Funding Gap to Complete Requested Scope: This column is applicable to large projects with an unfunded phase/operable segment with costs in excess of \$1 million. Per the program guidelines, sponsors of these projects would have up to one year to secure the remaining needed funds, approved for a Measure A funding award.
- 5) The City of San Carlos will have up to one year to secure funding for the remaining unfunded need of \$3.1 million for the US 101/Holly Street Pedestrian and Bicycle Overcrossing. If San Carlos is not successful in securing the remaining unfunded need, Measure A funds will be redirected to projects on the contingency list.
- 6) A portion of the South San Francisco Sunshine Gardens Safety and Connectivity Improvements Project is on the contingency list.

RESOLUTION NO. 2016 –

**BOARD OF DIRECTORS SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

*** * ***

**PROGRAMMING AND ALLOCATING \$42,536 IN NEW MEASURE A FUNDS FROM THE
PEDESTRIAN AND BICYCLE PROGRAM CATEGORY FOR THE SOUTH SAN FRANCISCO
SUNSHINE GARDENS SAFETY AND CONNECTIVITY PROJECT**

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the San Mateo County Transportation Authority (TA) of the New Measure A half-cent transactions and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan (TEP) beginning January 1, 2009; and

WHEREAS, the 2004 TEP designates 3 percent of the New Measure A revenues to fund pedestrian and bicycle projects; and

WHEREAS, on March 3, 2016, the TA programmed and allocated a total of \$4,946,000 from the 2015 Measure A Pedestrian and Bicycle Program Call for Projects per Resolution No. 2016-05; and

WHEREAS, a contingency list was generated for the potential of providing additional funding to projects; and

WHEREAS, the South San Francisco Sunshine Gardens Safety and Connectivity Improvements Project (Project), which received a partial funding allocation of \$461,464, is the top listed contingency project, based on its rank and score; and

WHEREAS, an additional \$42,536 has become available from the close-out of completed projects from prior funding cycles, which will fully fund the Project; and

WHEREAS, staff recommends that the Board program and allocate \$42,536 of Measure A Pedestrian and Bicycle Program Category funds to the Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby programs and allocates an additional \$42,536 in New Measure A Pedestrian and Bicycle Program Category funds, above the \$461,464 previously allocated, to the Project; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute any necessary documents, and to take any additional actions necessary, to give effect to this resolution.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: April Chan
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **AMENDMENT TO EXISTING FUNDING AGREEMENT FOR HALF MOON BAY
MAIN STREET BRIDGE BIKE AND PEDESTRIAN IMPROVEMENTS**

ACTION

Staff recommends Board approval of the following actions related to the City of Half Moon Bay's (City) Main Street Bridge Bike and Pedestrian Improvements Project (Project):

1. Amend the scope of work to provide funding for the environmental/preliminary engineering, final design and construction phases for a minimum 10-foot wide pedestrian/bicycle bridge over Pilarcitos Creek in downtown Half Moon Bay in lieu of the replacement of the Main Street vehicular bridge with bicycle lanes and sidewalks on both sides;
2. Extend the time of performance for the scope of work for three years and five months from July 7, 2016 to December 7, 2019;
3. Authorize the Executive Director or his designee to execute an amendment to the existing funding agreement for the Project and to take any additional actions necessary, to give effect to these actions.

SIGNIFICANCE

The San Mateo County Transportation Authority (TA) programmed and allocated \$500,000 in Measure A funds to the Project from the first Pedestrian and Bicycle Program Call for Projects on July 7, 2011 per Resolution No. 2011-11. Several events have transpired since the TA award of Measure A funding for this Project, which have led to the need to amend the scope and schedule:

- Community concern regarding the need to preserve the existing bridge structure has resulted in: 1) the listing of the Main Street Bridge on the National Register of Historic Places in April 2014, and 2) voter approval of an initiative to protect the bridge (Measure F) and Council approval of the Main Street Bridge Preservation Act, in June 2014, prohibiting the demolition, expansion or change in appearance of the bridge without another subsequent ballot measure.

- Loss of Federal funding on the Project. Measure A funds were to be used as the required local match to Federal funds for the replacement of the bridge. Since the City is no longer proposing the replacement of the bridge, it must re-apply to the California State Department of Transportation to encumber Federal funds under the category of historic bridge rehabilitation. The Federal funds, which were previously covering 88.53 percent of the Project cost, have yet to be secured.

Due to complications associated with expanding and changing the appearance of the existing Main Street Bridge, the City is now proposing to use the allocated Measure A funds, in conjunction with up to \$250,000 of City funds, to provide a separate pedestrian/bicycle bridge that can be built in conjunction with, or independently from, the rehabilitation of the bridge. The provision of a pedestrian/bicycle bridge, separate from automobile traffic, has the potential to provide a greater level of safety and comfort for pedestrians and bicyclists. At its March 1, 2016 meeting, the Half Moon Bay City Council directed its staff to submit a letter to the TA (attached) to amend the scope and schedule of the existing funding agreement.

As part of the scope change, TA staff recommends the provision of safe access for southbound bicyclists across Main Street, to access the pedestrian and bicycle bridge on the east side of Pilarcitos Creek.

BUDGET IMPACT

There is no impact to the Board adopted budget as no increase in Measure A funding is proposed.

BACKGROUND

The Main Street Bridge, which is more than 100 years old and is structurally deficient, is the primary access point to downtown Half Moon Bay from State Route 92. The existing bridge is narrow and has no shoulders or space for bicycle lanes. There are two wood deck walkways bracketed to the historic bridge on each side that are not compliant with the Americans with Disabilities Act (ADA) and are difficult to traverse by both pedestrians and bicyclists. The Project the TA approved at its July 7, 2011 meeting would provide for bicycle lanes and ADA-compliant sidewalks to improve pedestrian and bicycle safety on a new Main Street Bridge that would replace the existing structure.

The City is in the process of seeking a design exception in conjunction with the Federal grant process to allow the rehabilitation of the Main Street Bridge without widening to accommodate shoulders, required under current design standards. Hence, rehabilitation of the Main Street Bridge, if it were to proceed forward without the separate pedestrian/bicycle bridge, would not contain an enhanced level of pedestrian and bicycle access that was intended as part of the City's grant application.

If the current funding request is approved by the TA, environmental and design work for the proposed pedestrian/bicycle bridge would commence by June 2017. Should the

City not be successful in its application for Federal grant funds, it will proceed with a smaller locally funded rehabilitation project. In either event, the City anticipates that construction work on the separate pedestrian/bike bridge and the related safe access crossing improvements on the Main Street Bridge to commence by early spring 2019 and be completed by fall of 2019.

Once the Board approves the change in work scope and time extension for the Project, staff will work with the City to enter into an amended funding agreement so that the City will be able to utilize the awarded Measure A funds.

Prepared by: Joel Slavit, Manager Programming and Monitoring

650-508-6476



April 21, 2016

Jim Hartnett, Executive Director
San Mateo County Transportation Authority Program
1250 San Carlos Avenue
San Carlos, CA 94070

Dear Mr. Hartnett:

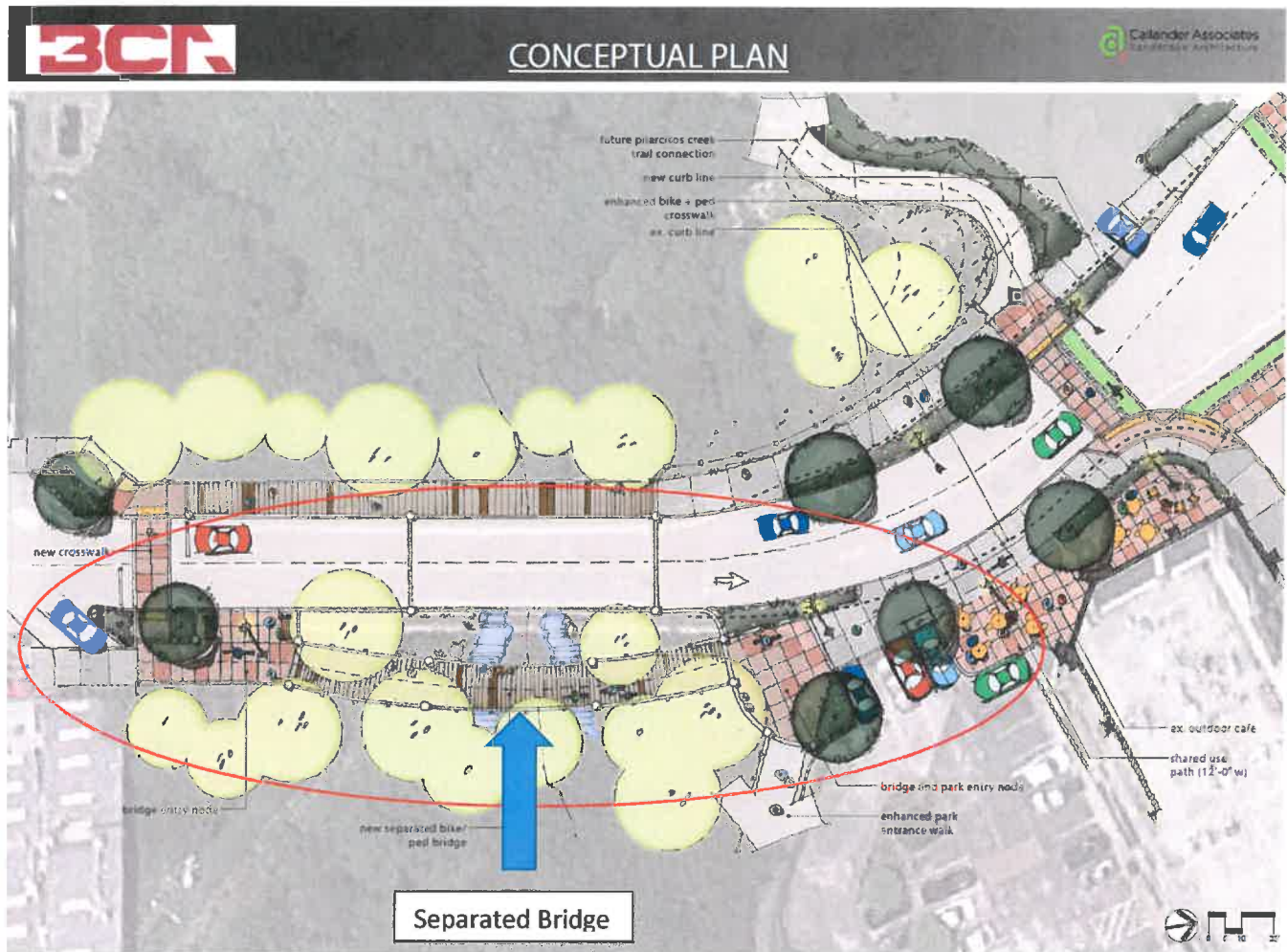
The purpose of this letter is to provide an update on the status of the Half Moon Bay Main Street Bridge Bike and Pedestrian Crossing Project programmed and allocated by the Transportation Authority (TA) Board of Directors on July 7, 2011. This letter also serves as the City's formal request for extension of the funding agreement executed April 22, 2012 per City Council direction of March 1, 2016.

The City of Half Moon Bay's original application for New Measure A Pedestrian and Bicycle Program funding linked creation of a bike and pedestrian crossing to the replacement of Half Moon Bay's Main Street Bridge. Since the time of application the scope of that project has been impacted by the following:

- Citizen interest in preserving the historic Main Street Bridge following initial development of design alternatives by URS, the firm hired by the City to study the existing bridge and design the new bridge.
- Nomination and acceptance of the Bridge on the National Register of Historic Places, circulation of a citizen's initiative (Measure F) to protect the bridge, and finally City Council approval of the Main Street Bridge Preservation Act which encourages the retention of the bridge in its historic appearance and functional design.
- In December 2015, Caltrans also informed the City that this significant change in scope means the City must reapply to Caltrans for Highway Bridge Program (HBP) funding under the category of historic bridge rehabilitation and forgo any claim on the amount previously earmarked for construction of a new bridge.

City staff has been directed by City Council to prepare and submit a revised and updated HBP application. The City has contracted with Biggs Cardosa Associates (BCA) for assistance in the preparation of the new grant application. Caltrans District 4 and Sacramento staff has encouraged the City to re-apply. We anticipate the new application will be filed within the next 90-days. Once funding is approved, additional structural testing, environmental permitting, environmental clearance, community outreach, and design will be completed.

Conceptually, the City is looking at the construction of a separate bike and pedestrian bridge paralleling the historic Main Street Bridge on the east. This bridge could serve not only as a bike and pedestrian connection, but also as an interactive observation area for the historic bridge and Pilarcitos Creek riparian area.

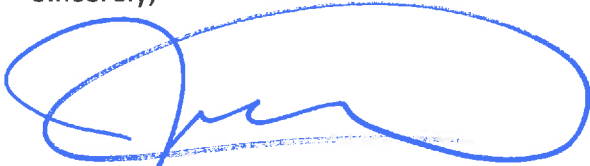


The City and its consultants will be evaluating the viability of building the pedestrian/bicycle bridge as a separate and distinct project. The City believes with the \$500,000 originally allocated by the TA Board of Directors along with City funding, a dedicated bike and pedestrian crossing can be designed and constructed near the Main Street Bridge that can serve as link with the Coastal Trail and the Naomi Partridge Trail to downtown, its schools, services and public buildings.

We believe that the request is consistent with the purpose and intent of the original grant and that its ultimate implementation would serve a broader regional purpose consistent with the SMCTA goals. We ask that the Board of Directors support the extension of the agreement to allow the City (and its consultant team) and SMCTA staff the opportunity to more fully vet this alternative. The City would be open to amendment of the funding agreement utilizing SMCTA funds solely for the design and construction of a separate bike and pedestrian bridge over the Pilarcitos Creek.

We appreciate the assistance of Joel Slavitt and Joe Hurley of your staff and look forward to discussing this request in more detail.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Doughty". The signature is stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

John Doughty
Community Development Director
(650) 726-8252
jdoughty@hmbcity.com

cc: City Manager
City Engineer

RESOLUTION NO. 2016 –

**BOARD OF DIRECTORS SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

*** * ***

**AMENDMENT TO EXISTING FUNDING AGREEMENT FOR THE HALF MOON BAY MAIN STREET
BRIDGE BIKE AND PEDESTRIAN IMPROVEMENTS PROJECT**

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the San Mateo County Transportation Authority (TA) of the New Measure A half-cent transactions and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan beginning January 1, 2009; and

WHEREAS, the 2004 Transportation Expenditure Plan designates 3 percent of the New Measure A revenues to fund pedestrian and bicycle projects; and

WHEREAS, on July 7, 2011, the TA programmed and allocated a total of \$500,000 in New Measure A funds to the Half Moon Bay Main Street Bridge Bike and Pedestrian Improvements Project (Project) as part of the first Pedestrian and Bicycle Program Call for Projects; and

WHEREAS, the Project sponsor has submitted a request to amend the scope of work to provide a separate pedestrian/bicycle bridge in-lieu of pedestrian and bicycle improvements on the Main Street Bridge over Pilarcitos Creek and to extend the time of performance from July 7, 2016 to December 7, 2019; and

WHEREAS, staff supports the sponsor's request with the understanding that safe access will be provided for bicyclists to cross Main Street and access the Project from both sides.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby authorizes an amendment to the existing funding agreement between the TA and the City of Half Moon Bay for the Project to revise the scope of work to provide a separate pedestrian/bicycle bridge in-lieu of pedestrian and bicycle improvements on the Main Street Bridge over Pilarcitos Creek, with the understanding that safe bicycle access will be provided to cross Main Street and access the Project from both sides, and to extend the time of performance from July 7, 2016 to December 7, 2019.

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute any necessary documents, and to take any additional actions necessary, to give effect to this resolution.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

**AGENDA ITEM # 9
JUNE 2, 2016**

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

TO: Transportation Authority

FROM: Karyl Matsumoto
SamTrans Board Liaison to the Transportation Authority

SUBJECT: **SAMTRANS LIAISON REPORT – MEETING OF JUNE 1, 2016**

The summary report will be made available at the Board meeting.

Prepared By: Josh Averill

650-508-6223

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: April Chan
Chief Officer, Planning, Grants and the
Transportation Authority

Eli Kay
Chief Financial Officer

SUBJECT: **APPROVAL OF A SEVEN-PARTY REGIONAL FUNDING SUPPLEMENT TO THE 2012 NINE-PARTY MEMORANDUM OF UNDERSTANDING FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT AND APPROVAL OF BUDGET AMENDMENT AND ALLOCATION OF AN ADDITIONAL \$20 MILLION FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

ACTION

Staff proposes that the Board approve the following:

1. Authorize the Executive Director, or his designee, to enter into a Seven-Party Regional Funding Supplement (MOU Supplement) to the 2012 Nine-Party Memorandum of Understanding (MOU) on behalf of the San Mateo County Transportation Authority (TA).

This MOU Supplement includes additional financial commitments to address a portion of the Peninsula Corridor Electrification Project (PCEP) funding gap by the following parties: Metropolitan Transportation Commission (MTC), Peninsula Corridor Joint Powers Board (JPB), Santa Clara Valley Transportation Authority (VTA), TA, San Francisco County Transportation Authority (SFCTA), city and county of San Francisco (CCSF), and California High Speed Rail Authority (CHSRA).

This recommendation seeks the authority for the TA to enter into the MOU Supplement in substantially the same form as is attached.

2. Amend the Fiscal Year (FY) 2016 Budget to include an additional \$20 million in Measure A funds for the PCEP; and
3. Allocate \$20 million in Original Measure A funds to the JPB for the PCEP project.

SIGNIFICANCE

The 2012 Nine-Party MOU for the PCEP identifies funding commitments of approximately \$1.2 billion, including \$125 million in Federal Transit Administration (FTA) funds. However, the \$125 million in FTA funds are needed by the JPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the JPB requested to remove these funds from the early investment funding strategy. The 2012 Nine-Party MOU allows funding sources to be substituted if alternative sources are secured to replace them.

The JPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the JPB has since included additional program contingency to the PCEP such that the total anticipated budget for the PCEP is now \$1.98 billion, which includes costs covering the contracts, program management, and contingency costs.

The parties to this MOU Supplement commit to provide the following additional funding sources to PCEP:

- \$28.4 million from MTC
- \$9 million from JPB (California's Low Carbon Transit Operations Program)
- \$20 million from VTA
- \$20 million from the TA
- \$20 million from SFCTA/CCSF
- \$113 million from CHSRA

For VTA, TA and SFCTA and/or CCSF, each agency's contribution is contingent upon the \$20 million each from the other two JPB partners, with the exact manner and timing of the contributions to be worked out with the JPB.

The remaining funding gap for the project is to be closed by a FTA Core Capacity Grant. The parties to the MOU Supplement support the JPB's efforts to obtain \$647 million from FTA's Core Capacity Grant Program for the PCEP as a regional priority. The \$647 million would help provide funding needed for the PCEP.

The parties to the MOU Supplement also understand JPB has requested \$225 million from the California State Transportation Agency's Transit & Intercity Rail Capital Program (Cap & Trade TIRCP) to help supplement funding needed for the PCEP, as contemplated in the 2012 Nine-Party MOU, as well as funding to replace the remaining Caltrain diesel vehicles with Electric Multiple Units. The exact remaining number of vehicles to be replaced will be contingent on the final Cap & Trade TIRCP grant award.

The total anticipated amount of funding to be secured for the PCEP will be \$1.980 billion; the revised funding plan for the PCEP reflecting these changes is attached as Exhibit B.

If overall program costs reflect a financial commitment that is below the \$1.98 billion cost estimate, funding commitments from the parties to the MOU Supplement will be reduced proportionally according to their respective additional shares as stated in the MOU Supplement.

And if overall program costs reflect a financial commitment that is above the funding plan of \$1.980 billion, or if the FTA Core Capacity funds are awarded at less than \$647 million, the parties to the MOU Supplement will discuss how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.

BUDGET IMPACT

The FY2016 Budget needs to be increased by \$20 million in the Caltrain category to provide the budget authority for PCEP, and to allocate the funds. The \$20 million will come from original Measure A funds in the Caltrain category.

BACKGROUND

During the spring of 2012, the CHSRA and JPB, together with the MTC, VTA, TA, SFCTA, CCSF, city of San Jose, and the Transbay Joint Powers Authority, entered into an MOU that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor referenced as the 2012 Nine-Party MOU (Resolution No. 2012-07).

The 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy. They are the Corridor Electrification and associated rolling stock acquisition (PCEP) and construction of an advanced signal system, commonly known as the Communications-Based Overlay Signal System Positive Train Control Project.

The parties to the 2012 Nine-Party MOU agreed to work together to identify funding to implement the PCEP. The parties also agreed to coordinate efforts to obtain funding using a mutually agreed-upon strategy, and in the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the parties agreed to take steps to notify each other as needed in a timely manner.

Prepared By: April Chan, Chief Officer, Planning, Grants and the
Transportation Authority

650-508-6228

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
FY2016 REVISED BUDGET

	FY2015 AUDITED <u>ACTUAL</u> A	FY2016 ADOPTED <u>(AS OF FEB. 2016)</u> B	FY2016 <u>REVISED</u> C	FY16 REVISED TO FY2016 ADOPTED Increase <u>(Decrease)</u> D = C-B	BUDGET PERCENT <u>CHANGE</u> E = D/B	
<u>REVENUE:</u>						
1 Sales Tax	80,974,178	80,000,000	80,000,000	-	0.0%	1
2						2
3 Interest Income	2,971,594	2,985,683	2,985,683	-	0.0%	3
4						4
5 Miscellaneous Income	2,461,886	-	3,000,000	3,000,000	-	5
6						6
7 Rental Income	1,218,595	1,232,840	1,232,840	-	0.0%	7
8						8
9 TOTAL REVENUE	<u>87,626,253</u>	<u>84,218,523</u>	<u>87,218,523</u>	<u>3,000,000</u>	3.6%	9
10						10
11						11
<u>EXPENDITURE:</u>						
12						12
13						13
14 Annual Allocations	29,555,575	29,200,000 (1)	29,200,000	-	0.0%	14
15						15
16 Program Expenditures	45,952,847	41,792,555 (1)	64,792,555	23,000,000	55.0%	16
17						17
18 Oversight	1,077,370	1,185,000 (1)	1,185,000	-	0.0%	18
19						19
20 Administrative:						20
21 Staff Support	523,880	739,869	739,869		0.0%	21
22 Measure A Info-Others	1,066	16,500	16,500		0.0%	22
23 Other Admin Expenses	682,081	595,813	595,813		0.0%	23
24 Total Administrative	<u>1,207,027</u>	<u>1,352,182</u>	<u>1,352,182</u>	-	0.0%	24
25						25
26 TOTAL EXPENDITURE	<u>77,792,819</u>	<u>73,529,737</u>	<u>96,529,737</u>	<u>23,000,000</u>	31.3%	26
27						27
28 EXCESS/(DEFICIT)	9,833,434	10,688,786	(9,311,214)	(20,000,000)	-187.1%	28
29						29
30 BEGINNING FUND BALANCE	459,220,186	424,848,697	469,053,620	44,204,923		30
31						31
32 ESTIMATED ENDING FUND BALANCE	<u>469,053,620</u>	<u>435,537,483</u>	<u>459,742,406</u>	<u>24,204,923</u>	5.6%	32
33						33
34						34
<u>FUND BALANCE</u>						
35						35
36		<u>1988 Measure</u>	<u>2004 Measure</u>	<u>Aggregate</u>		36
37 Beginning Fund Balance		259,338,000	209,715,620	469,053,620		37
38 Excess/(Deficit)		(1,994,571)	(7,316,643)	(9,311,214)		38
39 Ending Fund Balance		<u>257,343,429</u>	<u>202,398,977</u>	<u>459,742,406</u>		39
40						40
41 (1) See Attachment B for details.						41

ATTACHMENT B

FY2016 ALLOCATIONS AND EXPENDITURES

				Previously Approved Budget	FY2016 Allocation	True-Up (5)	FY2016 Revised (Feb)	FY2016 Revised	Total Approved Budget	Budgeted Non-Measure A	Total Measure A Share	
ANNUAL ALLOCATIONS:												
1	Allocation to Local Entities			N/A	18,000,000		18,000,000	18,000,000			N/A	1
2	Transfer to SMCTD for Caltrain			N/A	6,400,000		6,400,000	6,400,000			N/A	2
3	Paratransit			N/A	3,200,000		3,200,000	3,200,000			N/A	3
4	SFO BART Extension			N/A	1,600,000		1,600,000	1,600,000			N/A	4
5					<u>29,200,000</u>		<u>29,200,000</u>	<u>29,200,000</u>				5
6												6
7	PROGRAM EXPENDITURES:											
8												
9	ALTERNATIVE CONGESTION RELIEF											
10	00903	Call for Projects	(1)	1,338,794	365,000		365,000	365,000	1,703,794	-	1,703,794	10
11	TBD	Countywide TDM Program		2,041,206	435,000		435,000	435,000	2,476,206	-	2,476,206	11
12	DUMBARTON											
13	00745	Maintenance of Way		1,784,500	400,000		400,000	400,000	2,184,500	-	2,184,500	13
14	CALTRAIN											
15	00605	San Mateo Local Share JPB CIP		65,297,540	6,400,000		6,400,000	6,400,000	71,697,540	2,733,100	68,964,440	15
16		Caltrain Modernization Program	(7)	60,000,000				20,000,000	80,000,000	3,800,000	76,200,000	16
17	PEDESTRIAN AND BICYCLE PROGRAM											
18	00816	Set-aside for Call for Projects	(2)	11,895,520	2,400,000	1,592,555	3,992,555	3,992,555	15,888,075	-	15,888,075	18
19	LOCAL SHUTTLE											
20	00902	Set-aside for Call for Projects	(3)	10,759,777	3,200,000		3,200,000	3,200,000	13,959,777	-	13,959,777	20
21	STREETS AND HIGHWAYS											
22	00900	Key Congested Corridors Program	(4)	61,461,000	13,840,000		13,840,000	13,840,000	75,301,000	-	75,301,000	22
23	00901	Supplemental Roadway Program	(4)	25,737,000	8,160,000		8,160,000	8,160,000	33,897,000	-	33,897,000	23
24	00791	101 Corridor	(6)	10,500,000	-		-	3,000,000	13,500,000	3,000,000	10,500,000	24
25	GRADE SEPARATION											
26	00812	25th Avenue - San Mateo		3,700,000	5,000,000		5,000,000	5,000,000	8,700,000	-	8,700,000	26
27												
28				<u>254,515,337</u>	<u>40,200,000</u>	<u>1,592,555</u>	<u>41,792,555</u>	<u>64,792,555</u>	<u>319,307,892</u>	<u>9,533,100</u>	<u>309,774,792</u>	28
29												
30												
31	OVERSIGHT:											
32												
33	00740	Program Planning and Management		4,810,000	1,185,000	-	1,185,000	1,185,000	5,995,000	-	5,995,000	33
34				<u>4,810,000</u>	<u>1,185,000</u>	<u>-</u>	<u>1,185,000</u>	<u>1,185,000</u>	<u>5,995,000</u>	<u>-</u>	<u>5,995,000</u>	34

(1) Funds proposed in FY2016 for the ACR Call For Projects represent 1% of sales tax revenues, less funds designated for the Alliance's Countywide TDM program (\$435K).

(2) The Pedestrian and Bicycle Set-aside for FY2015 Call for Projects is \$4,946,000, which consists of FY2016 revised budget of \$3,992,555 and previously appropriated amount of \$953,445. The Set-aside amount is included in the Total Measure A Share, \$15,888,075, of this program category.

(3) The Local Shuttle Set-aside for Call for Projects (\$3.2M) represents the estimated funds to be collected in FY16 which will be reserved for future Call for Projects.

(4) The Key Congested Corridors and Supplemental Roadway Programs represent 17.3% and 10.2% respectively of Measure A revenues projected to be collected in FY16 and are placeholders until specific projects are selected under these categories.

(5) True-up adjustments for the difference between annual projected vs. actual collected New Measure A Sales Tax since inception (Jan 2009 to June 2015).

(6) 101 Corridor: Increase budget authority by \$3M (SAMCEDA). The previously approved \$10.5M was under the Supplemental Roadway Program: \$2M allocated in October 2012 and \$8.5M in October 2015.

(7) Caltrain Modernization Program: Increase Board Authority by \$20M (with Original Measure Funds) as per the 7-Party MOU Supplement. The program includes #737 Electrification and #789 CBOS.

**SEVEN PARTY SUPPLEMENT TO
2012 MEMORANDUM OF UNDERSTANDING (MOU)**

**FINANCIAL COMMITMENTS TO ADDRESS FUNDING GAP FOR
THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY AND COUNTY OF SAN FRANCISCO (CCSF)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
METROPOLITAN TRANSPORTATION COMMISSION (MTC)
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)
CALIFORNIA HIGH SPEED RAIL AUTHORITY (CHSRA)

RECITALS

WHEREAS, during the spring of 2012, the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (PCJPB), together with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the City of San Jose, the City and County of San Francisco (CCSF), the San Mateo County Transportation Authority (SMCTA), and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference;

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) the Peninsula Corridor Electrification Project, including associated rolling stock acquisition (the PCEP), and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects");

WHEREAS, the Parties to the 2012 Nine-Party MOU agreed to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Early Investment Projects and to coordinate efforts to obtain funding using a mutually agreed-upon strategy, and in the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the Parties agreed to take steps to notify each other as needed in a timely manner;

WHEREAS, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan included in the 2012 Nine-Party MOU is needed by the PCJPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the PCJPB has requested to remove these funds from the early investment funding strategy, which would create a \$125 million funding gap; and

WHEREAS, a note to the 2012 early investment strategy funding plan included in the 2012 Nine-Party MOU indicated that other potential future funding sources could be substituted if secured;

WHEREAS, the PCJPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to \$1.980 billion, which includes costs covering the contracts, program management, and contingency costs;

WHEREAS, the Parties to this Seven-Party Supplement (Supplement) have met and discussed with all parties to the 2012 Nine-Party MOU additional funding needed for the PCEP to support contract award and have agreed to the funding commitments specified herein;

NOW, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

1. To fully fund the PCEP, the parties to this Supplement commit to make the funding available to support the PCEP as set forth below. This funding is in addition to funding commitments

previously made by these parties in the 2012 Nine-Party MOU.

- a. The SMCTA will contribute an additional \$20 million;
- b. The VTA will contribute an additional \$20 million;
- c. The SFCTA and/or the CCSF will contribute an additional \$20 million;

(For SMCTA, VTA, and SFCTA and/or CCSF, each agency's contribution is contingent upon the \$20 million each from the other two JPB partners, with the exact manner and timing of the contributions to be worked out with the JPB.)

- d. The MTC will program \$28.4 million from Regional Measures 1 and 2;
 - e. The PCJPB will contribute \$9 million from funding provided by formula to Caltrain through the State of California's Low Carbon Transit Operations Program; and
 - f. The CHSRA will contribute an additional \$113 million.
2. The Parties to this Supplement also support the PCJPB's efforts to obtain \$647 million from FTA's Core Capacity Grant Program for the PCEP as a regional priority. The \$647 million would help provide funding needed for the PCEP, as well as funding to support a larger contingency set-aside for the PCEP program.
 3. The Parties to this Supplement understand PCJPB has requested \$225 million from the California State Transportation Agency's Transit & Intercity Rail Capital Program (Cap & Trade TIRCP) to support the PCEP, as contemplated in the 2012 Nine-Party MOU. These funds will be prioritized for PCEP and will be used to backfill any shortfall in requested FTA Core Capacity funds. If available, funding not needed for PCEP will be used to replace the remaining Caltrain diesel vehicles with Electric Multiple Units (EMUs). The exact remaining number of vehicles to be replaced will be contingent on the final Cap & Trade TIRCP grant award.
 4. The parties to this Supplement also agree that, with the additional funding sources, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan will no longer be needed for the PCEP, and will instead be programmed by the MTC to the JPB to advance critical Caltrain state of good repair improvements through MTC's established regional Transit Capital Priorities process.
 5. The total anticipated amount of funding to be secured for the PCEP will be \$1.980 billion, which includes the funding sources outlined above in paragraphs 1, 2, and 3, along with the original funding sources in the 2012 Nine-Party MOU except the \$125 million noted in paragraph 4 above. The revised funding plan for the PCEP reflecting the changes described herein is attached as Exhibit B.
 6. The parties to this supplement agree to continue, through regular meetings, to provide opportunity for all nine parties to the 2012 Nine-Party MOU to discuss, review, and/or comment on relevant project matters and collectively provide advisory oversight to help advance the PCEP.
 7. If overall program costs reflect a financial commitment that is below the funding plan of \$1.980 billion, funding commitments from the parties to this Supplement will be reduced

proportionally according to their respective additional shares as stated in this Supplement.

8. In the event overall program costs reflect a financial commitment that is above the funding plan of \$1.980 billion, or if the FTA Core Capacity funds are awarded at less than \$647 million, the parties to this Supplement will discuss with all parties to the 2012 Nine-Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.

9. The parties to the 2012 Nine-Party MOU will also discuss and agree on program oversight roles for the funding partners prior to the award of the PCEP contracts.

IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.

Jim Hartnett, Executive Director
Peninsula Corridor Joint Powers Board and
San Mateo County Transportation Authority

Date

Nuria Fernandez, General Manager/CEO
Santa Clara Valley Transportation Authority

Date

Edwin M. Lee, Mayor
City and County of San Francisco

Date

Tilly Chang, Executive Director
San Francisco County Transportation Authority

Date

Steve Heminger, Executive Director
Metropolitan Transportation Commission

Date

Jeff Morales, Chief Executive Officer
California High Speed Rail Authority

Date

APPROVED AS TO FORM BY:

Attorney for Peninsula Corridor Joint Powers Board and San Mateo County Transportation Authority	Date
Attorney for Santa Clara Valley Transportation Authority	Date
Attorney for City and County of San Francisco	Date
Attorney for San Francisco County Transportation Authority	Date
Attorney for Metropolitan Transportation Commission	Date
Attorney for California High Speed Rail Authority	Date

MEMORANDUM OF UNDERSTANDING (MOU)

HIGH SPEED RAIL EARLY INVESTMENT STRATEGY FOR A BLENDED SYSTEM IN THE SAN FRANCISCO TO SAN JOSE SEGMENT KNOWN AS THE PENINSULA CORRIDOR OF THE STATEWIDE HIGH-SPEED RAIL SYSTEM

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

**CALIFORNIA HIGH SPEED RAIL AUTHORITY (AUTHORITY)
METROPOLITAN TRANSPORTATION COMMISSION (MTC)
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY OF SAN JOSE
CITY AND COUNTY OF SAN FRANCISCO
TRANSBAY JOINT POWERS AUTHORITY (TJPA)**

Recitals

Whereas, the California High-Speed Rail AUTHORITY (AUTHORITY) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system and improved mobility through the development of safe, clean, reliable rail technology; and

Whereas, the AUTHORITY, in partnership with the Federal Railroad Administration is advancing a California High-Speed Train (HST) network that links the major metropolitan areas of the State of California utilizing corridors into and through Southern, Central and Northern California; and

Whereas, the AUTHORITY has responsibility for planning, construction and operation of high-speed passenger train service in California and is exclusively charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources; and

Whereas, the AUTHORITY's 2012 Business Plan proposes to incrementally develop the HST system utilizing a blended system approach that will coordinate the development and operations of HST with existing passenger rail systems that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and

Whereas, this blended approach requires a series of incremental investments in the Peninsula corridor to prepare for integrated service and operations and the AUTHORITY recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors that improves service, improves safety and efficiency, and creates linkages between HST and local passenger rail service; and

Whereas, a blended system will remain substantially within the existing Caltrain right-of-way and will accommodate future high-speed rail and modernized Caltrain service along the Peninsula corridor by primarily utilizing the existing track configuration on the Peninsula; and

Whereas, this MOU is specific to project investments that upgrade existing rail service and prepare for a future high-speed train project that is limited to infrastructure necessary to support a blended system, which will primarily be a two-track system shared by both Caltrain and high-speed rail and will be designed to continue to support existing passenger and freight rail tenants; and

Whereas, local transportation improvement projects are required to be included in a Regional Transportation Plan (Plan), and the Metropolitan Transportation Commission, working closely with local agencies is charged with developing the Plan every four years to provide guidance for transportation investments within the Bay Area and with development of regional transportation strategies to address the needs of the San Francisco Bay Area; and

Whereas, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2 Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

Whereas, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires the Plan to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and the regional transportation system to improve access to jobs, education, healthcare, and other amenities in ways that improve the overall quality of life in the Bay Area and the blended system on the Peninsula corridor in the California High-Speed Rail program are consistent with achieving SB 375 goals to reduce greenhouse gas emissions; and

Whereas, all Parties are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the Peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

Whereas, it is the intent and purpose of this MOU to strengthen the working relationship between the PARTIES to facilitate the development and implementation of passenger rail improvements that will improve local passenger rail service and operations while preparing designated HST corridors for eventual HST operation to achieve region wide systems integration of rail service in Northern California; and

Whereas, local transportation improvement projects are required to be environmentally evaluated according to CEQA and NEPA regulations and where necessary, existing environmental approval covering incremental improvements to the Peninsula corridor will be updated to reflect evolving local and regional conditions and concerns; and

Whereas, incremental improvements and the blended system project will be planned, designed and constructed in a way that supports local land use and Transit Oriented Development policies along the Peninsula corridor; and

Now, **THEREFORE**, it is mutually understood and agreed to by the **PARTIES** as follows:

To jointly support and pursue the implementation of a statewide high speed rail system that utilizes a blended system and operational model on the Peninsula corridor and that has its northern terminus at the Transbay Transit Center in San Francisco as specified in law, and it's southern limit at Mile Post 51.4 at the Tamien Station in San Jose. The blended system will support and benefit operation of both Caltrain and future high speed train service.

To jointly recognize a defined set of Inter-related Program of Projects that are consistent with the AUTHORITY's phased implementation plan, are consistent with a blended system operation of the corridor and achieve objectives that include but are not limited to system capacity and connectivity for Caltrain, HST and freight, public safety, operational efficiency, effectiveness and connectivity.

To generally describe, identify and work to fully fund an Inter-related Program of Projects known as the Corridor Electrification Infrastructure Project, Advanced Signal System (also known as Positive Train Control), the Downtown Extension to the Transbay Transit Center, which is the Proposition 1A designated northern terminus of high-speed rail, new high-speed stations at San Jose Diridon Station and a Millbrae BART/Caltrain Station with a connection to San Francisco International Airport, and a Core Capacity project of needed upgrades to stations, tunnels, bridges, potential passing tracks and other track modifications and rail crossing improvements including improvements and selected grade separations required to accommodate the mixed traffic capacity requirements of high-speed rail service and commuter services.

To recognize that of the set of Inter-related Program of Projects, the most substantial and tangible early-investment benefits will be realized when two essential projects are identified for an Initial Investment Strategy to secure, at the earliest possible date, the benefits of the blended system for the traveling public and an Initial Investment Strategy is needed to provide the groundwork upon which future construction can more readily progress.

To recognize that the two Inter-related projects for Initial Investment Strategy are the Corridor Electrification Infrastructure Project that includes the needed rolling stock to operate revenue service; and the Advanced Signal System project and to adopt as part of this MOU, the funding plans needed to move as expeditiously as possible toward construction of these two essential projects.

To work toward the implementation of the Initial Investment Strategy to the maximum extent feasible and that the PARTIES shall endeavor to incorporate the Electrification Infrastructure and Advanced Signal System projects into their respective plans and that the AUTHORITY shall reflect this MOU in its Business Plan by December 31, 2012.

That the aforementioned projects will need to be environmentally analyzed and cleared according to CEQA and NEPA guidelines as appropriate, including updating and recirculation of the Caltrain Electrification EA/FEIR completed in 2009.

That the AUTHORITY will endeavor in good faith to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A “connectivity” funds consistent with the funding plans contained in this MOU as required to complete at the earliest possible date, the Corridor Electrification Infrastructure and Advanced Signal System projects.

That the AUTHORITY will endeavor in good faith to secure approval of Proposition 1A “connectivity” funds for Bay Area project sponsors consistent with and in accordance with the schedule and project expenditure plan approved and as amended by the California Transportation Commission.

That the AUTHORITY will work with funding partners to assist in seeking and releasing the funds necessary to implement the Electrification Infrastructure Project and Advanced Signal System project. Local agencies may provide local funds, real property, or in-kind resources as matching funds where matching funds are required to qualify for grant funds. PARTIES agree to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Electrification Infrastructure Project and the Advanced Signal System Project.

That the AUTHORITY and appropriate PARTIES will coordinate to obtain funding using a mutually agreed-upon strategy. In the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the AUTHORITY and the PARTIES shall take steps to notify each other as needed in a timely manner.

FUNDING PLAN

Program Costs and Proposed Funding for Peninsula Corridor Projects: Electrification and Advance Signal System

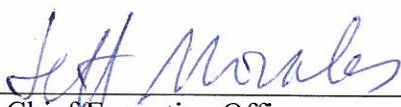
Program Costs <i>(in \$ millions, year of expenditure)</i>	
Advance Signal System / Positive Train Control (PTC)	\$231
Electrification and Electric Multiple Units (EMUs)	\$1,225
Total	\$1,456

Program Funding <i>(in \$ millions)</i>	
Source	Amount
JPB Contributions	\$180
JPB Local - Currently Available	\$11
Caltrain PTC	\$4
Subtotal Local	\$195
Prop 1A Connectivity	\$106
Prop 1A High Speed Rail Authority	\$600
Prop 1B Caltrain	\$24
Subtotal State	\$730
Federal RR Admin. for PTC	\$17
Federal Transit Admin prior/current obligations	\$43
Federal Transit Admin future obligations	\$440
Subtotal Federal	\$500
MTC Bridge Tolls	\$11
BAAQMD Carl Moyer	\$20
Subtotal Regional	\$31
Total	\$1,456


Funding Plan Notes:

1. Caltrain Joint Powers Board (JPB) Local Contribution is \$60 million from San Mateo sales tax, \$60 million from VTA sales tax, and \$60 million from San Francisco (\$23 million from sales tax, \$37 million from Regional Transportation Improvement Program (RTIP)/local/other). Each agency's contribution, including Proposition 1A Connectivity funds as outlined in Note 2, is contingent upon the \$60 million each from the other two JPB partners.
2. Prop 1A Connectivity is \$42 million from Caltrain, \$26 million from VTA, and \$38 million from BART (2nd priority for BART after receipt of \$150 million for railcars).
3. Prop 1B Caltrain is \$20 million Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$4 million State-Local Partnership Program (SLPP).
4. FTA Prior/Current Obligations is \$16 million for electrification in prior years, \$27 million for EMUs in FY12.
5. FTA Future Obligations is \$315 million for electric multiple units (EMUs), \$125 million from fixed guideway caps. Funds will be programmed in accordance with MTC Transit Capital Priorities process between approximately FY2012-2013 and FY2022-2023.
6. Bridge Tolls is from Regional Measure 1 (RM1) West Bay Rail Reserve.
7. Bay Area Air Quality Management District (BAAQMD) funds to be confirmed.
8. Assumes that all local sources, Prop 1B PTMISEA, all federal sources, and bridge tolls can be used as match to Prop 1A funds, totaling \$726 million in matching funds for \$706 million in Prop 1A funds.
9. Other potential future funding sources could be substituted if secured, including federal Transportation Investment Generating Economic Recovery (TIGER) funds (such as current Caltrain application for \$44 million), State Interregional Transportation Improvement Program (ITIP) funds, and private financing.


IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.



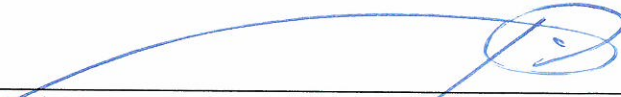
Jeff Morales, Chief Executive Officer
California High Speed Rail Authority | Date
9/18/2012



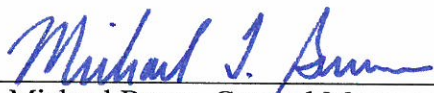
Steve Heminger, Executive Director
Metropolitan Transportation Commission | Date
9/18/2012




Michael J. Scanlon, Executive Director
Peninsula Corridor Joint Powers Board and
San Mateo County Transportation Authority | Date
9/21/2012



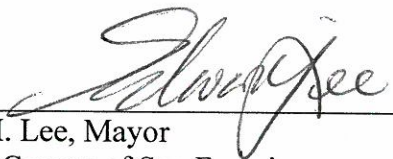
Jose Luis Moscovich, Executive Director
San Francisco County Transportation Authority | Date
10/15/12



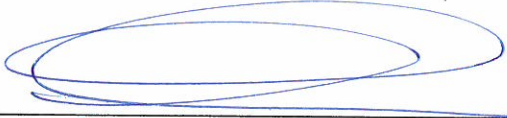
Michael Burns, General Manager
Santa Clara Valley Transportation Authority | Date
11/27/12



Debra Figone, City Manager
City of San Jose | Date
12/12/12



Edwin M. Lee, Mayor
City and County of San Francisco | Date
1/15/13



Maria Ayerdi-Kaplan, Executive Director
Transbay Joint Powers Authority | Date
1/25/13

EXHIBIT B
FUNDING PLAN FOR PENINSULA CORRIDOR
ELECTRIFICATION AND ADVANCED SIGNAL SYSTEM PROJECTS
(\$ millions)

	9-Party MOU Funding Strategy	Changes in the 7-Party Supplemental MOU	Revised Costs & Funding Sources	CBOSS	PCEP
Projected Costs					
PCEP	1,225.0	755.0	1,980.0	-	1,980.0
CBOSS	231.0		231.0	231.0	-
Total	1,456.0	755.0	2,211.0	231.0	1,980.0
Funding Sources					
JPB Member Contributions	180.0	60.0	240.0	47.0	193.0
JPB Local	11.0	9.0	20.0	11.0	9.0
Caltrain PTC	4.0		4.0	4.0	
Subtotal Local	195.0	69.0	264.0	62.0	202.0
Prop 1A Connectivity	106.0		106.0	106.0	
Prop 1A HSRA	600.0		600.0		600.0
CHSRA Cap & Trade/Other		113.0	113.0		113.0
Cap & Trade TIRCP ¹		20.0	20.0		20.0
Prop 1B Caltrain	24.0		24.0	16.0	8.0
Subtotal State	730.0	133.0	863.0	122.0	741.0
FRA	17.0		17.0	17.0	
FTA/FHWA Prior/Current Obligations ²	45.8		45.8	29.8	16.0
FTA Future Obligations	440.0	(125.0)	315.0		315.0
FTA Core Capacity ³	-	647.0	647.0	-	647.0
Subtotal Federal	502.8	522.0	1,024.8	46.8	978.0
MTC Bridge Tolls	11.0	28.4	39.4		39.4
BAAQMD Carl Moyer	20.0		20.0		20.0
Subtotal Regional	31.0	28.4	59.4	-	59.4
Total	1,458.8	752.4	2,211.2	230.8	1,980.4

Notes

1. The parties to the Seven-Party Supplement to 2012 Memorandum of Understanding recognize that the JPB has requested State Cap & Trade TIRCP funds to help fund the PCEP. Of the \$225m requested, \$20m is identified to help close the funding gap in the \$1.98 billion project cost estimate for PCEP.

2. The \$2.8m represents a FHWA grant (Railway/Hwy Hazard Elimination) for the CBOSS project that was secured after the 2012 MOU execution. This amount is not included in the 7-party MOU since the funding is for the CBOSS project.

3. \$647 million in FTA Core Capacity funds would help close the funding gap for PCEP, as well as providing funding to support a larger contingency set-aside for PCEP.

RESOLUTION NO. 2016 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

*** * ***

**APPROVING A SEVEN-PARTY REGIONAL FUNDING SUPPLEMENT TO THE 2012
NINE-PARTY MEMORANDUM OF UNDERSTANDING FOR THE PENINSULA
CORRIDOR ELECTRIFICATION PROJECT AND APPROVING A BUDGET AMENDMENT
AND ALLOCATION TO PROVIDE AN ADDITIONAL \$20 MILLION IN ORIGINAL MEASURE A
FUNDS FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

WHEREAS, in spring of 2012, the California High-Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (JPB), together with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the city of San Jose, the city and county of San Francisco (CCSF), the San Mateo County Transportation Authority (TA) and the Transbay Joint Powers Authority entered into an MOU that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor referred to as the “2012 Nine-Party MOU”; and

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) Corridor Electrification and associated rolling stock acquisition referred to as the Peninsula Corridor Electrification Project (PCEP), and (2) construction of an advanced signal system, commonly known as Communications-Based Overlay Signal System Positive Train Control or “CBOSS PTC”; and

WHEREAS, the 2012 Nine-Party MOU identifies approximately \$1.2 billion of funding for the PCEP from multiple grant sources, including \$125 million in Federal Transit Administration (FTA) funds that JPB needs to advance critical state of good repair improvements for the Caltrain system; and

WHEREAS, a note to the 2012 Nine-Party MOU indicated that other potential future sources could be substituted if secured; and

WHEREAS, the JPB conducted a cost estimate study for PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to \$1.980 billion, which includes costs covering the contracts, program management, and contingency; and

WHEREAS, seven of the agencies to the 2012 Nine-Party MOU, including the TA, have agreed to make additional funding commitments to the PCEP to support contract awards for corridor electrification and associated rolling stock acquisitions.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority delegates authority to the Executive Director, or his designee, to execute a seven-party supplement to the 2012 Nine-Party MOU (Seven-Party Supplement) in substantially the same form as is attached, which establishes additional funding commitments for the PCEP from regional and state partners as follows:

- \$20 million each from the TA
- \$20 million from VTA
- \$20 million from SFCTA/CCSF
- \$28.4 million from MTC, using funds from Regional Measures 1 and 2

- \$9 million from the JPB, using formula funds provided through the State of California's Low Carbon Transit Operations Program, and
- \$113 from CHSRA.

BE IT FURTHER RESOLVED that the TA acknowledges that the contributions from VTA, the TA and SFCTA and/or CCSF, are contingent upon the contributions of the agreed-upon \$20 million from each of the other two JPB partners, with the exact manner and timing of the contributions to be worked out with the JPB.

BE IT FURTHER RESOLVED that the parties to the Seven-Party Supplement are making their respective contractual commitments with the understanding that the following determinations and conditions shall apply:

1. The remainder of the PCEP funding gap is to be filled by a \$647 million contribution from the FTA's Core Capacity Grant Program and \$20 million from the State of California's Transit and Intercity Rail Capital Program; and
2. The Seven-Party Supplement will be consistent with the key principles outlined in the 2012 Nine-Party MOU; and
3. If overall program costs necessitate a lower financial commitment than anticipated with the \$1.980 billion cost estimate, funding commitments from the parties to this Seven-Party Supplement will be reduced in proportion to their respective commitments; and

4. If overall PCEP costs necessitate a financial commitment that is above the funding plan of \$1.980 billion, or if less than \$647 in FTA Core Capacity funds are awarded, the parties to the Seven-Party Supplement will discuss with all parties to the 2012 Nine-Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match funding availability.

BE IT FURTHER RESOLVED that the Board of Directors allocates \$20 million from the Original (1988) Measure A Caltrain category to the fund the TA's contribution to the PCEP as set forth in the Seven-Party Supplement.

BE IT FURTHER RESOLVED that the Board of Directors amends the Fiscal Year 2016 TA Budget to increase it by \$20 million to fund the above-referenced contribution for the PCEP.

BE IT FURTHER RESOLVED that the Board of Directors authorizes the Executive Director, or his designee, to execute any necessary documents and take any additional actions necessary to give effect to this resolution.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: April Chan
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **MINOR AMENDMENT OF THE 2004 MEASURE A TRANSPORTATION EXPENDITURE PLAN TO INCLUDE THE TRANSPORTATION AUTHORITY AS AN ELIGIBLE SPONSOR OF HIGHWAY PROGRAM SUPPLEMENTAL ROADWAYS PROJECTS**

ACTION

Staff recommends that the Board of Directors make a minor amendment to the 2004 Measure A (Measure A) Transportation Expenditure Plan to add the San Mateo County Transportation Authority (TA) to the list of eligible sponsors for Highways Program County-wide Supplemental Roadways projects.

SIGNIFICANCE

The Transportation Expenditure Plan specifies the California State Department of Transportation (Caltrans), San Mateo County and the cities in San Mateo County as the eligible sponsors for Supplemental Roadways projects under the Highway Program. The City/County Association of Governments of San Mateo County (C/CAG) was added as an eligible sponsor via a minor amendment to the Transportation Expenditure Plan in 2012.

The proposed action would add the TA as an eligible sponsor, authorizing the TA, when appropriate, to lead work in planning, scoping, developing stakeholder consensus for, and/or constructing major freeway and roadway projects. As a sponsor, the TA also could accept funds from other public and private stakeholders, allowing the TA to leverage Measure A revenues for certain projects.

The action would help ensure Measure A funds are spent on the most deserving and needed Supplemental Roadways projects, whether or not Caltrans, C/CAG, a city or the County has the resources and desire to commit to being project sponsors at all or without the TA as a co-sponsor.

BUDGET IMPACT

There is no impact to the budget.

BACKGROUND

When first adopted, the TA's enabling legislation, codified at California Public Utilities Code section 131000, et seq., did not permit county transportation authorities to sponsor projects. However, in 1997, through Assembly Bill 543, Public Utilities Code Section 131051 was amended to allow transportation authorities to serve as project sponsors. Several transportation authorities in the State have made use of this authority.

When the Transportation Expenditure Plan was adopted in 2004, the TA was not included as a potential sponsor for any projects. Accordingly, while the TA has served as a funder and overseer, the TA has not had project development and implementation responsibilities. However, in the years since the Transportation Expenditure Plan was drafted, staff has observed changes in the project funding and construction environment such that Caltrans no longer takes as active a role in project development, and other potential sponsors have other priorities and requirements that stand in the way of their sponsoring various Supplemental Roadways projects, especially where projects span multiple cities. As a result, TA staff recommends that the Board of Directors expand the list of eligible sponsors of Supplemental Roadways projects to facilitate implementation and sponsorship of additional Highway Program projects for which the TA is best positioned to carry out the work, either alone or in partnership with one or more other sponsors. This change would allow the TA to take a more active role in planning and implementing the Supplemental Roadways program, with a focus on regional needs rather than local resources, increasing the likelihood of projects that would not naturally appeal to individual cities or other sponsors, and enable the TA to work more with other public and private stakeholders to leverage Measure A funds for these projects.

The proposed amendment would be the first inclusion of the TA as a potential project sponsor. If approved, TA staff would implement protections against conflicts of interest during any future competitive calls for projects for the Highway Program and new controls for the oversight of TA-sponsored projects.

Prepared by: April Chan, Chief Officer, Planning, Grants and the
Transportation Authority

650-508-6228

RESOLUTION NO. 2016 –

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

* * *

**MAKING A MINOR AMENDMENT TO THE 2004 MEASURE A
TRANSPORTATION EXPENDITURE PLAN TO ADD THE SAN MATEO
COUNTY TRANSPORTATION AUTHORITY AS AN ELIGIBLE SPONSOR
FOR SUPPLEMENTAL ROADWAYS PROJECTS WITHIN THE HIGHWAY PROGRAM**

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the San Mateo County Transportation Authority (TA) of the Measure A half-cent transactions and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan beginning January 1, 2009 (Measure); and

WHEREAS, the 2004 Transportation Expenditure Plan designated the California State Department of Transportation, San Mateo County and the cities in San Mateo County as eligible sponsors for Supplemental Roadway components of the Highway Program; and

WHEREAS, on May 3, 2012, by Resolution No. 2012-10 the Board of Directors made several minor amendments to the 2004 Transportation Expenditure Plan, including adding the City/County Association of Governments of San Mateo County as an eligible sponsor of Supplemental Roadways projects; and

WHEREAS, the TA wishes to add itself to the list of eligible sponsors of Supplemental Roadways projects to allow the TA to lead projects, either alone or with one or more other sponsors, when appropriate; and

WHEREAS, Legal Counsel has advised that the proposed amendment is within the Board of Directors' authority to make minor amendments to the Transportation Expenditure Plan; and

WHEREAS, Legal Counsel also has advised that California Public Utilities Code section 131051 was amended in 1997 to allow transportation authorities including the TA to serve as project sponsors; and

WHEREAS, in light of changes to the project funding and delivery environment since its adoption, Staff recommends the Board of Directors amend the 2004 Transportation Expenditure Plan to add the TA to the list of eligible sponsors for the Supplemental Roadways component of the Highway Program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby amends the 2004 Measure A Transportation Expenditure Plan to add the TA as an eligible sponsor for Supplemental Roadways projects within the Highway Program.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: April Chan Eli Kay
Chief Officer, Planning, Grants and Chief Financial Officer
the Transportation Authority

SUBJECT: **101 CORRIDOR MANAGED LANES PROJECT**

ACTION

Staff proposes the Board :

1. Authorize the addition of San Mateo County Transportation Authority (TA) as a co-sponsor of the 101 Corridor Managed Lanes Project (Project) with the City/County Association of Governments of San Mateo County (C/CAG);
2. Authorize the Chair, TA Board of Directors, or her designee, to execute a funding agreement with the San Mateo County Economic Development Association (SAMCEDA) under which the TA would receive \$3 million from private employers in the County to supplement funding needed to complete the Project Approval/Environmental Document (PA/ED) phase of the Project; and
3. Increase the Fiscal Year (FY) 2016 Budget by \$3 million to accept the funds and provide the additional budget authority to complete the proposed work.

SIGNIFICANCE

The TA Board previously approved and allocated a total of \$10.5 million for the Project. An initial \$2 million allocated in October 2012 by Resolution No. 2012-17 was used to complete a Project Initiation Document and to begin traffic studies for the Project. Another \$8.5 million allocated in October 2015 by Resolution No. 2015-19 was to be used for the PA/ED phase.

Originally, the Project was limited to evaluating the possibility of including a High Occupancy Vehicle (HOV) lane facility in the 101 corridor in San Mateo County over the 14.5 miles from Whipple Road to Interstate 380. The Project limits now have been extended eight miles south of Whipple, for a new total length of 22.5 miles, and the Project now also includes the study of a High Occupancy Toll (HOT) facility. The expanded scope is based on the preliminary traffic study results.

While C/CAG initially submitted the Project for TA funding, due to the complexity of the Project, and the 101 corridor's regional significance, it is mutually agreed by staff of both agencies that the Project should be co-led by C/CAG and the TA. The PA/ED phase is being managed by an integrated project team made up of the California State Department of Transportation (Caltrans), C/CAG and TA staff and consultants.

TA staff has been working extensively with C/CAG, Caltrans, and the California State Transportation Agency over the past several months on the scope and funding requirements for the Project. The original estimated cost of the PA/ED phase was \$8.5 million; however, due to the expanded scope of studying both HOV and HOT facilities, as well as expanding the Project limits, this phase of the Project is currently estimated to cost \$11.5 million.

The Project stakeholders also have been working with a number of private employers to assess if a public-private partnership can be formed to assist in the funding and delivery of the Project, and a subset of these employers have pledged to provide financial assistance. These private employers approached SAMCEDA to serve as the fiscal agent to collect and pass through funds to the TA. In light of the significance of the Project to employers in the county, SAMCEDA agreed to serve in this role and enter into a funding agreement with the TA regarding transfer of the funds to be used by the TA to complete the PA/ED phase of the Project.

BUDGET IMPACT

The cost of completing the PA/ED phase of the Project is estimated at \$11.5 million. The FY2016 Budget is proposed to be increased by \$3 million to accept the funds from SAMCEDA, and to provide the additional budget authority to complete the PA/ED phase for the Project.

BACKGROUND

The purpose of the Measure A Highway Program is to fund projects that will reduce congestion on roadways in San Mateo County. Out of the total Measure A funds collected in the county, 27.5 percent is set aside for this program. The program divides streets and highways projects into two categories: Key Congested Area Projects (17.3 percent) that are specifically listed in the Expenditure Plan and County-wide Supplemental Roadways Projects (10.2 percent) that account for changing needs and are critical for congestion reduction.

The 101 Corridor Managed Lanes Project is funded in the Supplemental Roadways category and has significant regional importance in the County. A team of Project stakeholders is working together to seek a highway solution that will reduce congestion for commuters and other users on the 101 corridor.

Prepared By: April Chan, Chief Officer, Planning, Grants and
the Transportation Authority

650-508-6228

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
FY2016 REVISED BUDGET

	FY2015 AUDITED ACTUAL A	FY2016 ADOPTED (AS OF FEB. 2016) B	FY2016 REVISED C	FY16 REVISED TO FY2016 ADOPTED Increase (Decrease) D = C-B	BUDGET PERCENT CHANGE E = D/B	
REVENUE:						
1 Sales Tax	80,974,178	80,000,000	80,000,000	-	0.0%	1
2						2
3 Interest Income	2,971,594	2,985,683	2,985,683	-	0.0%	3
4						4
5 Miscellaneous Income	2,461,886	-	3,000,000	3,000,000	-	5
6						6
7 Rental Income	1,218,595	1,232,840	1,232,840	-	0.0%	7
8						8
9 TOTAL REVENUE	87,626,253	84,218,523	87,218,523	3,000,000	3.6%	9
10						10
11						11
EXPENDITURE:						
12						12
13						13
14 Annual Allocations	29,555,575	29,200,000 (1)	29,200,000	-	0.0%	14
15						15
16 Program Expenditures	45,952,847	41,792,555 (1)	64,792,555	23,000,000	55.0%	16
17						17
18 Oversight	1,077,370	1,185,000 (1)	1,185,000	-	0.0%	18
19						19
20 Administrative:						20
21 Staff Support	523,880	739,869	739,869		0.0%	21
22 Measure A Info-Others	1,066	16,500	16,500		0.0%	22
23 Other Admin Expenses	682,081	595,813	595,813		0.0%	23
24 Total Administrative	1,207,027	1,352,182	1,352,182	-	0.0%	24
25						25
26 TOTAL EXPENDITURE	77,792,819	73,529,737	96,529,737	23,000,000	31.3%	26
27						27
28 EXCESS/(DEFICIT)	9,833,434	10,688,786	(9,311,214)	(20,000,000)	-187.1%	28
29						29
30 BEGINNING FUND BALANCE	459,220,186	424,848,697	469,053,620	44,204,923		30
31						31
32 ESTIMATED ENDING FUND BALANCE	469,053,620	435,537,483	459,742,406	24,204,923	5.6%	32
33						33
34						34
FUND BALANCE						
35						35
36		1988 Measure	2004 Measure	Aggregate		36
37 Beginning Fund Balance		259,338,000	209,715,620	469,053,620		37
38 Excess/(Deficit)		(1,994,571)	(7,316,643)	(9,311,214)		38
39 Ending Fund Balance		257,343,429	202,398,977	459,742,406		39
40						40
41 (1) See Attachment B for details.						41

ATTACHMENT B

FY2016 ALLOCATIONS AND EXPENDITURES

				Previously Approved Budget	FY2016 Allocation	True-Up (5)	FY2016 Revised (Feb)	FY2016 Revised	Total Approved Budget	Budgeted Non-Measure A	Total Measure A Share	
ANNUAL ALLOCATIONS:												
1	Allocation to Local Entities			N/A	18,000,000		18,000,000	18,000,000			N/A	1
2	Transfer to SMCTD for Caltrain			N/A	6,400,000		6,400,000	6,400,000			N/A	2
3	Paratransit			N/A	3,200,000		3,200,000	3,200,000			N/A	3
4	SFO BART Extension			N/A	1,600,000		1,600,000	1,600,000			N/A	4
5					<u>29,200,000</u>		<u>29,200,000</u>	<u>29,200,000</u>				5
6												6
7	PROGRAM EXPENDITURES:											
8												8
9	ALTERNATIVE CONGESTION RELIEF											
10	00903	Call for Projects	(1)	1,338,794	365,000		365,000	365,000	1,703,794	-	1,703,794	10
11	TBD	Countywide TDM Program		2,041,206	435,000		435,000	435,000	2,476,206	-	2,476,206	11
12	DUMBARTON											
13	00745	Maintenance of Way		1,784,500	400,000		400,000	400,000	2,184,500	-	2,184,500	13
14	CALTRAIN											
15	00605	San Mateo Local Share JPB CIP		65,297,540	6,400,000		6,400,000	6,400,000	71,697,540	2,733,100	68,964,440	15
16		Caltrain Modernization Program	(7)	60,000,000				20,000,000	80,000,000	3,800,000	76,200,000	16
17	PEDESTRIAN AND BICYCLE PROGRAM											
18	00816	Set-aside for Call for Projects	(2)	11,895,520	2,400,000	1,592,555	3,992,555	3,992,555	15,888,075	-	15,888,075	18
19	LOCAL SHUTTLE											
20	00902	Set-aside for Call for Projects	(3)	10,759,777	3,200,000		3,200,000	3,200,000	13,959,777	-	13,959,777	20
21	STREETS AND HIGHWAYS											
22	00900	Key Congested Corridors Program	(4)	61,461,000	13,840,000		13,840,000	13,840,000	75,301,000	-	75,301,000	22
23	00901	Supplemental Roadway Program	(4)	25,737,000	8,160,000		8,160,000	8,160,000	33,897,000	-	33,897,000	23
24	00791	101 Corridor	(6)	10,500,000	-		-	3,000,000	13,500,000	3,000,000	10,500,000	24
25	GRADE SEPARATION											
26	00812	25th Avenue - San Mateo		3,700,000	5,000,000		5,000,000	5,000,000	8,700,000	-	8,700,000	26
27												27
28				<u>254,515,337</u>	<u>40,200,000</u>	<u>1,592,555</u>	<u>41,792,555</u>	<u>64,792,555</u>	<u>319,307,892</u>	<u>9,533,100</u>	<u>309,774,792</u>	28
29												29
30												30
31	OVERSIGHT:											
32												32
33	00740	Program Planning and Management		4,810,000	1,185,000	-	1,185,000	1,185,000	5,995,000	-	5,995,000	33
34				<u>4,810,000</u>	<u>1,185,000</u>	<u>-</u>	<u>1,185,000</u>	<u>1,185,000</u>	<u>5,995,000</u>	<u>-</u>	<u>5,995,000</u>	34

(1) Funds proposed in FY2016 for the ACR Call For Projects represent 1% of sales tax revenues, less funds designated for the Alliance's Countywide TDM program (\$435K).

(2) The Pedestrian and Bicycle Set-aside for FY2015 Call for Projects is \$4,946,000, which consists of FY2016 revised budget of \$3,992,555 and previously appropriated amount of \$953,445. The Set-aside amount is included in the Total Measure A Share, \$15,888,075, of this program category.

(3) The Local Shuttle Set-aside for Call for Projects (\$3.2M) represents the estimated funds to be collected in FY16 which will be reserved for future Call for Projects.

(4) The Key Congested Corridors and Supplemental Roadway Programs represent 17.3% and 10.2% respectively of Measure A revenues projected to be collected in FY16 and are placeholders until specific projects are selected under these categories.

(5) True-up adjustments for the difference between annual projected vs. actual collected New Measure A Sales Tax since inception (Jan 2009 to June 2015).

(6) 101 Corridor: Increase budget authority by \$3M (SAMCEDA). The previously approved \$10.5M was under the Supplemental Roadway Program: \$2M allocated in October 2012 and \$8.5M in October 2015.

(7) Caltrain Modernization Program: Increase Board Authority by \$20M (with Original Measure Funds) as per the 7-Party MOU Supplement. The program includes #737 Electrification and #789 CBOS.

RESOLUTION NO. 2016 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

**AUTHORIZING A FUNDING AGREEMENT WITH THE SAN MATEO COUNTY
ECONOMIC DEVELOPMENT ASSOCIATION TO SUPPLEMENT FUNDING FOR
THE 101 CORRIDOR MANAGED LANES PROJECT, ADDING THE TRANSPORTATION
AUTHORITY AS CO-SPONSOR OF THE PROJECT AND AMENDING THE FISCAL YEAR 2016
BUDGET TO INCLUDE AN ADDITIONAL \$3 MILLION FOR THE PROJECT**

WHEREAS, the San Mateo County Transportation Authority (TA) previously programmed and allocated \$2.0 million and \$8.5 million in October 2012 and October 2015, respectively, for the 101 Corridor Managed Lanes Project (Project); and

WHEREAS, the \$2.0 million allocated in October 2012 by Resolution 2012-17 was used to complete a Project Initiation Document and to begin traffic studies, and the \$8.5 million allocated in October 2015 by Resolution 2015-19 was to be used for the Project Approval/Environmental Document (PA/ED) phase of the Project; and

WHEREAS, the Project will study the possibility of including a High Occupancy Vehicle (HOV) and/or a High Occupancy Toll (HOT) facility in the 101 corridor; and

WHEREAS, the original estimate of the PA/ED phase was \$8.5 million; however, due to the expanded scope of studying both HOV and HOT facilities, as well as an expansion of the Project limits from 14.5 miles to 22.5 miles, this phase of the Project is currently estimated to cost \$11.5 million; and

WHEREAS, though the City/County Association of Governments of San Mateo County (C/CAG) initially submitted the Project for TA funding, due to the complexity of the Project and significance of the 101 corridor, C/CAG and the TA mutually agree to co-lead the Project; and

WHEREAS, TA staff has been working extensively with C/CAG, the California Department of Transportation, the California State Transportation Agency and private employers in San Mateo County to secure additional funding for the Project, including the possibility of a public-private partnership to fund and deliver the Project; and

WHEREAS, the private employers and the San Mateo County Economic Development Association (SAMCEDA) have mutually agreed to have SAMCEDA act as the fiscal agent to accept and pass through to the TA \$3 million in private sector contributions to fully fund the PA/ED phase of the Project; and

WHEREAS, the TA's Fiscal Year 2016 budget, adopted June 4, 2105 by Resolution No. 2015-12 and amended most recently on March 3, 2016 by Resolution No. 2016-05, includes \$3 million for the Project.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the San Mateo County Transportation Authority hereby:

1. Adds the TA as a co-sponsor of the 101 Corridor Managed Lanes Project with the City/County Association of Governments of San Mateo County; and
2. Authorizes the Chair, TA Board of Directors, or her designee, to execute a funding agreement with SAMCEDA for the TA to receive \$3.0 million to provide funding needed to complete the Project Approval/Environmental Document (PA/ED) phase of the 101 Corridor Managed Lanes Project; and

3. Increases the Fiscal Year (FY) 2016 Budget by \$3 million to provide sufficient budget authority for completion of the PA/ED of the Project.

Regularly passed and adopted this 2nd day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: April Chan
Chief Officer, Planning, Grants
and the Transportation Authority

Eli Kay
Chief Financial Officer

SUBJECT: **CAPITAL PROJECTS QUARTERLY STATUS REPORT –
3rd QUARTER FISCAL YEAR 2016**

ACTION

No action required. The attached [Capital Projects Quarterly Status Summary Report](#) is submitted to the Board for information only.

SIGNIFICANCE

The Capital Projects Quarterly Status Report is submitted to keep the Board advised as to the scope, budget and progress of current ongoing capital projects. A revised report will be provided as soon as the implementation of the PeopleSoft system has been completed. For this reporting quarter, staff has presented a summary report which identifies if there is a change from the previous quarter.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff prepares the Capital Projects Quarterly Status Report for the Board on a quarterly basis. The report is a summary of the scope, budget and progress of capital projects. It is being presented to the Board for informational purposes and is intended to better inform the Board of the capital project status.

Prepared by: Kelvin Yu, Manager, Project Controls
Joseph M. Hurley, Director, TA Program

650-622-7853
650-508-7942

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

ACTION

This report is for information only. No Board action is required.

SIGNIFICANCE

Staff will provide regular updates to the Board in accordance with the approved Legislative Program.

STATE ISSUES

As of 5/19/16:

Consistent with the San Mateo County Transportation Authority's (TA) Legislative Program, staff has sponsored Assembly Bill 2030 (Mullin). This bill would increase the threshold for the purchase of supplies, equipment, and materials from \$100,000 to \$150,000 without first having to put the contract out to bid. Additionally the bill increases the threshold for small purchases from \$2,500 to \$5,000. This change will allow our Contracts and Procurement team to process regular maintenance and small procurements faster, more efficiently, and more cost effectively. The bill passed out of the Assembly and is now in the Senate. Bay Area Rapid Transit is also included in the bill and the Santa Clara Valley Transportation Authority will be amended into the bill as it moves through the Senate.

On May 13, Governor Brown released the "May Revise," his Administration's update to the Proposed 2016-2017 Budget, which was released on January 7. The Revise shows that revenues have decreased by \$1.9 billion, reflecting poor April income tax receipts and smaller sales tax receipts than expected. The May Revise continues to reflect the Governor's transportation package that would provide \$36 billion over the next decade to improve the maintenance of highways and roads, expand public transit and improve critical trade routes. The increased funding would be coupled with California State Department of Transportation efficiencies, streamlined project delivery and accountability measures. The Revise also updates revenue projections for the State Transit Assistance Program, decreasing the amount currently projected for the 2016-2017 program from \$315.2 million to \$266.9 million, a decrease of \$48.3 million.

Additionally, revenues for 2015-16 are now projected to finish at \$297.6 million, a decrease of \$1.8 million from the January estimate of \$299.4 million.

FEDERAL ISSUES

As of 5/25/16:

On May 19, 2016, the Senate approved (89-8) the Fiscal Year (FY) 2017 Transportation, Housing and Urban Development, and Related Agencies (THUD) Appropriations Act. The THUD section of the legislation appropriates \$16.9 billion in discretionary appropriations for the U.S. Department of Transportation, \$1.7 billion below the FY2016 enacted level and \$2.5 billion below the president's request.

The Senate THUD bill includes \$332 million for the Federal Transit Administration (FTA) Core Capacity Program, but did not call out specific projects for funding. The bill leaves that to the discretion of FTA.

On May 24, 2016, the House Appropriations Committee approved the FY2017 THUD funding bill. The bill includes \$19.2 billion in discretionary appropriations for the Department of Transportation for FY2017. This is \$540 million above the FY2016 enacted level and \$4.0 billion below the president's request.

The House THUD bill includes \$333 million for the FTA Core Capacity Program and recommends that the Peninsula Corridor Electrification Project (PCEP) receive \$100 million. The House has not yet set a schedule to bring the bill to the floor for a vote.

The Peninsula Corridor Joint Powers Board submitted a request that the PCEP be accepted into the engineering phase of the Core Capacity Program and staff is working towards a full funding grant agreement with the FTA by the end of 2016.

Prepared by: Shweta Bhatnagar, Manager, Government and
Community Relations

650-508-6385

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>AB 516 Mullin D</p> <p>Temporary License Plates</p>	<p>5/16/16</p> <p>Senate Floor- Third Reading</p>	<p>Existing law requires the Department of Motor Vehicles (DMV), upon registering a vehicle, to issue to the owner 2 license plates, as specified. Existing law also requires vehicle dealers and lessor-retailers to attach numbered report-of-sale form issued by the DMV to a vehicle at the time of sale, and to submit to the DMV an application for registration of the vehicle, and the applicable fees, within a specified period after the date of sale. A violation of the Vehicle Code an infraction, but makes counterfeiting a license plate a felony.</p> <p>Existing law requires the driver of a motor vehicle to present evidence of registration of a vehicle under the driver's immediate control upon demand by a peace officer. Existing law prohibits displaying or presenting to a peace officer specified indicia of vehicle registration that are not issued for that vehicle. Existing law authorizes the DMV to assess administrative fees on a processing agency for providing notices of delinquent parking violations or toll evasion violations to the offenders in connection with the collection of penalties for those violations, and authorizes the use of those administrative fees to support those collection procedures. Existing law requires license plates to be securely fastened to the vehicle for which they were issued for the period of validity of the license plates, and authorizes the use of a special permit in lieu of license plates for that purpose.</p> <p>The purpose of this bill is to require the DMV to create a process to issue temporary license plates (TLPs) by January 1, 2018; require dealers to attach TLPs to all unlicensed vehicles when they are sold beginning January 1, 2018; and makes the forging or altering of a temporary license plate a misdemeanor. Last amended on 7/16/15</p>	<p>Support</p>
<p>AB 1550 Gomez D</p> <p>Greenhouse gases: investment plan: disadvantaged communities</p>	<p>5/11/16</p> <p>Assembly Appropriations Committee Suspense File</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act requires the board to adopt greenhouse gas emission limits and emission reduction measures by regulation, and authorizes the state board to include the use of market-based compliance mechanisms to comply with the regulations. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law requires the investment plan to allocate a minimum of 25% of the available moneys in the fund to projects that provide benefits to disadvantaged communities and a minimum of 10% to projects located in disadvantaged communities. Existing law provides that the allocation of 10% for projects located in disadvantaged communities may be used for projects included in the minimum allocation of 25% for projects that provide benefits to disadvantaged communities.</p> <p>This bill would instead require the investment plan to allocate a minimum of 25% of the available moneys in the fund to projects located within disadvantaged communities and a separate and additional unspecified percentage to projects that benefit low-income households, with a fair share of those moneys targeting households with incomes at or below 200% of the federal poverty level. Last amended on 4/11/16</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>AB 1591 Frazier D</p> <p>Transportation Funding</p>	<p>2/1/16</p> <p>Referred to Assembly Committees on Transportation and Revenue and Taxation</p>	<p>Existing law provides various sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol. Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account.</p> <p>This bill would create a funding package of over \$7.8 billion for cities, counties, and Caltrans to address repairs and maintenance of local streets and roads, state highway system, and Trade Corridors by increasing gas and diesel excises taxes, vehicle registration fees, creating a new fee for electric vehicles. Proceeds from Cap and Trade auctions would be used to fund public transportation, including intercity rail. The bill would index the gas and diesel excise tax to keep up with the consumer price index. Aside from the restoration of price-based portion of the gas tax, there is no new funding for the State Transportation Improvement Program, which is a flexible program that allows local jurisdictions use to leverage local sales tax dollars or federal funding to address a wide range of needs for highway safety, congestion relief, commuter and intercity rail needs, or bicycle and pedestrian programs to name a few eligible expenditures.</p>	
<p>AB 1640 Stone D</p> <p>Retirement: public employees</p>	<p>5/5/16</p> <p>Senate Public Employees & Retirement Committee</p>	<p>The California Public Employees' Pension Reform Act of 2013 (PEPRA) requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, establishes new retirement formulas that may not be exceeded by a public employer offering a defined benefit pension plan for employees first hired on or after January 1, 2013. PEPRA exempts from its provisions certain public employees whose collective bargaining rights are subject to specified provisions of federal law until a specified federal district court decision on a certification by the United States Secretary of Labor, or until January 1, 2016, whichever is sooner.</p> <p>This bill would extend indefinitely that exemption for those public employees, whose collective bargaining rights are subject to specified provisions of federal law and who became a member of a state or local public retirement system prior to December 30, 2014.</p>	<p>Support</p>
<p>AB 1780 Medina D</p> <p>Greenhouse Gas Reduction Fund: trade corridors</p>	<p>4/20/16</p> <p>Assembly Appropriations Committee</p> <p>Suspense File</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for nes and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates 60% of the annual proceeds of the fund for transit, affordable housing, sustainable communities, and high-speed rail purposes.</p> <p>This bill, beginning in the 2016–17 fiscal year, would continuously appropriate 20% of the annual proceeds of the fund to the California Transportation Commission to be allocated to reduce greenhouse gas emissions in trade corridors consistent with specified guidelines, thereby making an appropriation. Last amended on 3/28/16</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>AB 1813 Frazier D</p> <p>High-Speed Rail Authority: membership</p>	<p>5/11/16</p> <p>Senate Transportation & Housing Committee</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor, and 2 members each appointed by the Senate Committee on Rules and the Speaker of the Assembly.</p> <p>This bill would additionally provide for appointment of one Member of the Senate by the Senate Committee on Rules and one Member of the Assembly by the Speaker of the Assembly to serve as ex officio members of the authority. The bill would provide that the ex officio members shall participate in the activities of the authority to the extent that participation is not incompatible with their positions as Members of the Legislature.</p>	
<p>AB 1833 Linder D</p> <p>Transportation projects: environmental mitigation</p>	<p>5/11/16</p> <p>Assembly Appropriations Committee</p> <p>Suspense File</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, as defined, or to adopt a negative declaration if it finds that the project will not have that effect, subject to certain exceptions.</p> <p>The bill would create the Advanced Mitigation Program in the Department of Transportation to implement environmental mitigation measures in advance of future transportation projects. The bill, by February 1, 2017, would require the department to establish a steering committee to advise the department in that regard.</p> <p>Last amended on 4/25/16</p>	
<p>AB 1889 Mullin D</p> <p>Transportation Funding: Caltrain</p>	<p>5/12/16</p> <p>Senate Transportation & Housing Committee</p>	<p>Existing law, operative under certain conditions, re-designates the Peninsula Corridor Study Joint Powers Board as the Peninsula Rail Transit District, comprised of 9 members appointed from various governing bodies situated in the City and County of San Francisco and the Counties of San Mateo and Santa Clara, with specified powers.</p> <p>This bill would repeal obsolete provisions relating to the Peninsula Rail Transit District. Last amended on 3/17/16</p>	Support
<p>AB 1919 Quirk D</p> <p>Local Transportation Authorities: bonds</p>	<p>5/12/16</p> <p>Senate Rules Committee</p>	<p>The Local Transportation Authority and Improvement Act provides for the creation in any county of a local transportation authority and authorizes the imposition of a retail transactions and use tax by ordinance, subject to approval of the ordinance by 2/3 of the voters. Existing law authorizes the ballot proposition submitted to the voters to include a provision authorizing bonds to be issued that would be payable from the proceeds of the transactions and use tax. Existing law requires the bond proceeds to be placed in the treasury of the local transportation authority and to be used for allowable transportation purposes, except that accrued interest and premiums received on the sale of the bonds are required to be placed in a fund to be used for the payment of bond debt service.</p> <p>This bill would instead require the premiums received on the sale of the bonds to be placed in the treasury of the local transportation authority to be used for allowable transportation purposes. Last amended on 4/4/16</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>AB 1964 Bloom</p> <p>High-occupancy vehicle lanes: vehicle exceptions</p>	<p>5/12/16</p> <p>Senate Rules Committee</p>	<p>Existing federal law authorizes, until September 30, 2019, a state to allow low emission and energy-efficient vehicles, as specified, to use lanes designated for high-occupancy vehicles (HOVs). Existing federal law also authorizes, until September 30, 2025, a state to allow alternative fuel vehicles, as defined, and new qualified plug-in electric drive motor vehicles, as defined, to use HOV lanes.</p> <p>Existing state law authorizes the Department of Transportation to designate certain lanes for the exclusive use of HOVs. Existing law also authorizes super ultra-low emission vehicles, ultra-low emission vehicles, partial zero-emission vehicles, or transitional zero-emission vehicles, as specified, that display a valid identifier issued by the Department of Motor Vehicles to use these HOV lanes until January 1, 2019, or until the date federal authorization expires, or until the Secretary of State receives a specified notice, whichever occurs first. A violation of provisions relating to HOV lane use by vehicles without those identifiers is a crime. Existing law authorizes the Department of Motor Vehicles to issue those identifiers until January 1, 2019, or until the date federal authorization expires, or until the Secretary of State receives a specified notice, whichever occurs first. Existing law prohibits the Department of Motor Vehicles from issuing more than 85,000 identifiers that clearly distinguish a partial or transitional zero-emission vehicle, as specified.</p> <p>This bill would extend the operation of the provisions allowing specified vehicles to use HOV lanes until the date federal authorization expires, or until the Secretary of State receives a specified notice, whichever occurs first. The bill would provide that identifiers issued for identified vehicles are valid until January 1, 2019. The bill would authorize the Department of Motor Vehicles to issue other identifiers until the date federal authorization expires, or until the Secretary of State receives a specified notice, whichever occurs first. The bill would provide that identifiers issued on or after January 1, 2018, but before January 1, 2019, would be valid until January 1, 2021. The bill would provide that identifiers issued for partial or transitional zero-emission vehicles on or after January 1, 2019, would be valid until January 1 of the 3rd year after the year of issuance. The bill would remove the limit of 85,000 identifiers for those vehicles, and would instead prohibit the Department of Motor Vehicles from issuing identifiers if the sale of new vehicles of that category reaches at least 8.6% of the total new car market share for 2 consecutive years, upon notification by the State Air Resources Board, as specified. The bill would make conforming changes allowing vehicles displaying specified identifiers to use HOV lanes. Last amended on 5/5/16</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>AB 2030 Mullin D</p> <p>Transportation Districts: Contracts</p>	<p>5/12/15</p> <p>Senate Rules Committee</p>	<p>Existing law requires contracts of the San Mateo County Transit District for the purchase of supplies, equipment, and materials to be let to the lowest responsible bidder or to the bidder who submits a proposal that provides best value, as defined, if the amount of the contract exceeds \$100,000 and requires the district, to the extent practicable, to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$100,000.</p> <p>Existing law requires contracts of the San Mateo County Transit District for the purchase of supplies, equipment, and materials to be let to the lowest responsible bidder or to the bidder who submits a proposal that provides best value, as defined, if the amount of the contract exceeds \$100,000 and requires the district, to the extent practicable, to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$100,000.</p> <p>This bill would instead impose those bidding requirements if the amount of the contract exceeds \$150,000 and would require a minimum of 3 quotations for contracts between \$5,000 and \$150,000. The bill would also require, with respect to district contracts for the construction of facilities and works, a minimum of 3 quotations for those contracts between \$5,000 and \$10,000. Bidding requirements would also be imposed for contracts exceeding \$150,000. The bill would require that \$5,000 threshold be adjusted to reflect changes in the Consumer Price Index.</p> <p>Last amended on 4/26/16</p>	<p>Support</p>
<p>AB 2126 Mullin D</p> <p>Construction Manager/General Contractor</p>	<p>5/9/16</p> <p>Senate Rules Committee</p>	<p>Existing law authorizes the Department of Transportation to use the Construction Manager/General Contractor method on no more than 6 projects, and requires 4 out of the 6 projects to use department employees or consultants under contract with the department to perform all project design and engineering services, as specified.</p> <p>This bill would authorize the department to use this method on 12 projects and would require 8 out of the 12 projects to use department employees or consultants under contract with the department to perform all project design and engineering services.</p>	<p>Support</p>
<p>AB 2411 Frazier D</p> <p>Non-Article XIX Funds</p>	<p>4/19/16</p> <p>Assembly Appropriations Committee</p> <p>Suspense File</p>	<p>Existing law requires certain miscellaneous revenues deposited in the State Highway Account that are not restricted as to expenditure by Article XIX of the California Constitution to be transferred to the Transportation Debt Service Fund in the State Transportation Fund, as specified, and requires the Controller to transfer from the fund to the General Fund an amount of those revenues necessary to offset the current year debt service made from the General Fund on general obligation transportation bonds issued pursuant to Proposition 116 of 1990.</p> <p>This bill would delete the transfer of these miscellaneous revenues to the Transportation Debt Service Fund, thereby eliminating the offsetting transfer to the General Fund for debt service on general obligation transportation bonds issued pursuant to Proposition 116 of 1990. The bill would instead deposit funds in the State Highway Account.</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>AB 2542 Gatto D</p> <p>Streets and Highways: reversible lanes</p>	<p>5/12/16</p> <p>Senate Rules Committee</p>	<p>Existing law provides that the Department of Transportation is in full possession and control of the state highway system. Existing law generally provides for the California Transportation Commission to program available funding for transportation capital projects, other than state highway rehabilitation projects, through the State Transportation Improvement Program, which includes projects recommended by regional transportation planning agencies through the adoption of a regional transportation improvement program and projects recommended by the department through the adoption of an interregional transportation improvement program, as specified.</p> <p>This bill would require the department or a regional transportation planning agency, when submitting a capacity-increasing project or a major street or highway lane realignment project to the commission for approval, to demonstrate that reversible lanes were considered for the project. Last amended on 3/15/16</p>	
<p>AB 2847 Patterson R</p> <p>High-Speed Rail Authority: reports</p>	<p>5/12/16</p> <p>Senate Rules Committee</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority (Authority) to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law requires the authority, on a biennial basis, to prepare a business plan containing specified elements and also requires the preparation of various other reports.</p> <p>This bill would require the business plan to identify projected financing costs for each segment or combination of segments of the high-speed rail system, if financing is proposed by the authority. The bill, in the business plan and in another report, would require the authority to identify any significant changes in scope for segments of the high-speed rail system identified in the previous version of each report and to provide an explanation of adjustments in cost and schedule attributable to the changes. Last amended on 4/11/16</p>	
<p>ACA 4 Frazier D</p> <p>55% Threshold for Local Sales Tax Measures: transportation</p>	<p>8/27/15</p> <p>Assembly Appropriations Committee</p>	<p>The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of 2/3 of the voters of the city, county, or special district voting on that tax, except that certain school entities may levy an ad valorem property tax for specified purposes with the approval of 55% of the voters within the jurisdiction of these entities.</p> <p>This measure would provide that the imposition, extension, or increase of a sales and use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or a transactions and use tax imposed in accordance with the Transactions and Use Tax Law by a county, city, city and county, or special district for the purpose of providing funding for local transportation projects, as defined, requires the approval of 55% of its voters voting on the proposition. The measure would also make conforming and technical, non-substantive changes. This measure would also provide that it shall become effective immediately upon approval by the voters and shall apply to any local measure imposing, extending, or increasing a sales and use tax for local transportation projects submitted at the same election. Last amended on 8/17/15</p>	Support
<p>ABx1 1 Alejo D</p> <p>Transportation Funding</p>	<p>6/24/15</p> <p>Assembly Rules Committee</p>	<p>Existing law provides for loans of revenues from various transportation funds and accounts, including commercial truck weight fees, to the General Fund, with various repayment dates specified.</p> <p>This bill, with respect to any loans made to the General Fund from specified transportation funds and accounts with a repayment date of January 1, 2019, or later, would require the loans to be repaid by December 31, 2018. The bill would also restore truck weight fees back to the State Highway Account.</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
ABx1 3 Frazier D Transportation Funding	2/28/16 Conference Committee	<p>Existing law requires the Department of Transportation to improve and maintain the state's highways, and establishes various programs to fund the development, construction, and repair of local roads, bridges, and other critical transportation infrastructure in the state.</p> <p>This bill would declare the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to maintain and repair the state's highways, local roads, bridges, and other critical infrastructure.</p>	
ABx1 4 Frazier D Transportation Funding	7/10/15 Assembly Rules Committee	<p>Existing law establishes various programs to fund the development, construction, and repair of local roads, bridges, and other critical transportation infrastructure in the state.</p> <p>This bill would declare the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to improve the state's key trade corridors and support efforts by local governments to repair and improve local transportation infrastructure.</p>	
ABx1 6 Hernandez D Affordable Housing & Sustainable Communities Program	7/16/15 Assembly Rules Committee	<p>Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Existing law continuously appropriates 20% of the annual proceeds of the fund to the Affordable Housing and Sustainable Communities Program, administered by the Strategic Growth Council, to reduce greenhouse gas emissions through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development and that support other related and coordinated public policy objectives.</p> <p>This bill would require 20% of moneys available for allocation under the program to be allocated to eligible projects in rural areas, as defined. The bill would further require at least 50% of those moneys to be allocated to eligible affordable housing projects. The bill would require the council to amend its guidelines and selection criteria consistent with these requirements and to consult with interested stakeholders in this regard.</p>	
ABx1 7 Nazarian D Public Transit Funding	7/17/15 Assembly Rules Committee	<p>Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. Existing law continuously appropriates 10% of the annual proceeds of the fund to the Transit and Intercity Rail Capital Program and 5% of the annual proceeds of the fund to the Low Carbon Transit Operations Program.</p> <p>This bill would instead continuously appropriate 20% of those annual proceeds to the Transit and Intercity Rail Capital Program, and 10% of those annual proceeds to the Low Carbon Transit Operations Program, thereby making an appropriation.</p>	Support

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>ABx1 8 Chiu D</p> <p>Diesel Sales and Use Tax</p>	<p>7/17/15</p> <p>Assembly Rules Committee</p>	<p>Existing law, beyond the sales and use tax rate generally applicable, imposes an additional sales and use tax on diesel fuel at the rate of 1.75%, subject to certain exemptions, and provides for the net revenues collected from the additional tax to be transferred to the Public Transportation Account. Existing law continuously appropriates these revenues to the Controller, for allocation by formula to transportation agencies for public transit purposes.</p> <p>This bill, effective July 1, 2016, would increase the additional sales and use tax rate on diesel fuel to 5.25%. By increasing the revenues deposited in a continuously appropriated fund, the bill would thereby make an appropriation.</p> <p>The bill would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of 2/3 of the membership of each house of the Legislature. This bill would take effect immediately as a tax levy.</p>	<p>Support</p>
<p>ABx1 13 Grove R</p> <p>Greenhouse Gas Reduction Fund: streets and highways</p>	<p>8/31/15</p> <p>Introduced</p>	<p>Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law continuously appropriates 20% of the annual proceeds of the fund to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program, as provided.</p> <p>This bill would reduce the continuous appropriation to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program by half.</p> <p>Beginning in the 2016-17 fiscal year, it would continuously appropriate 50% of the annual proceeds of the Greenhouse Gas Reduction Fund, with 50% of that appropriation to Caltrans for maintenance of the state highway system or for projects that are part of the state highway operation and protection program, and 50% to cities and counties for local street and road purposes.</p>	<p>Oppose</p>

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>ABx1 23 Garcia D</p> <p>Transportation Funding</p>	<p>9/4/15</p> <p>Introduced</p>	<p>Existing law requires the Department of Transportation to prepare a State Highway Operation and Protection Program (SHOPP) every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. Existing law provides for the programming of transportation capital improvement funds for other objectives through the State Transportation Improvement Program (STIP) administered by the California Transportation Commission (CTC), which includes projects recommended by regional transportation planning agencies through adoption of a regional transportation improvement program and projects recommended by the department through adoption of an interregional transportation improvement program, as specified.</p> <p>Existing law creates the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking, with specified available funds to be awarded to eligible projects by the California Transportation Commission and regional transportation agencies, as specified.</p> <p>This bill, by January 1, 2017, would require the California Transportation Commission to establish a process whereby the department and local agencies receiving funding for highway capital improvements from the State Highway Operation and Protection Program or the State Transportation Improvement Program prioritize projects that provide meaningful benefits to the mobility and safety needs of disadvantaged community residents, as specified.</p> <p>This bill would specifically require \$125,000,000 to be appropriated annually from the State Highway Account to the Active Transportation Program, with these additional funds to be used for network grants that prioritize projects in underserved areas, as specified.</p>	
<p>ABx1 24 Levine & Ting D</p> <p>Bay Area Transportation Commission: election of Commissioners</p>	<p>9/11/15</p> <p>Introduced</p>	<p>Existing law designates the Metropolitan Transportation Commission as the regional transportation planning agency for the San Francisco Bay area, with various powers and duties with respect to transportation planning and programming, as specified, in the 9-county San Francisco Bay area region. Existing law creates the Bay Area Toll Authority, governed by the same board as the commission, but created as a separate entity, with specified powers and duties relative to the administration of certain toll revenues from state-owned toll bridges within the geographic jurisdiction of the commission. Under existing law, the commission is comprised of 21 appointed members, as specified.</p> <p>This bill, effective January 1, 2017, would redesignate the Metropolitan Transportation Commission as the Bay Area Transportation Commission. Commissioners are required to be elected by districts comprised of approximately 750,000 residents. The bill would require each district to elect one commissioner, except that a district with a toll bridge, as defined, within the boundaries of the district would elect 2 commissioners. The bill would require commissioner elections to occur in 2016, with new commissioners to take office on January 1, 2017. The bill would state the intent of the Legislature for district boundaries to be drawn by a citizens' redistricting commission and campaigns for commissioners to be publicly financed.</p> <p>This bill, effective January 1, 2017, would delete the Bay Area Toll Authority's status as a separate entity from the Metropolitan Transportation Commission and merge the authority into the Bay Area Transportation Commission.</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>SB 321 Beall D</p> <p>Motor Vehicle Fuel Rate Adjustments</p>	<p>9/11/15</p> <p>Senate Floor-Concurrence</p> <p>Inactive File</p> <p>Two-Year Bill</p>	<p>Existing law requires the State Board of Equalization, for the 2011–12 fiscal year and each fiscal year thereafter, on or before March 1 of the fiscal year immediately preceding the applicable fiscal year, to adjust the motor vehicle fuel tax rate in a manner as to generate an amount of revenue equal to the amount of revenue loss attributable to the sales and use tax exemption on motor vehicle fuel, based on estimates made by the board. Existing law also requires, in order to maintain revenue for each year, the board to take into account actual net revenue gain or loss for the fiscal year ending prior to the rate adjustment date. Existing law requires this adjusted rate to be effective during the state's next fiscal year.</p> <p>This bill for the 2016–17 fiscal year and each fiscal year thereafter, instead require the board, on March 1 of the fiscal year immediately preceding the applicable fiscal year, as specified, to adjust the rate in a manner as to generate an amount of revenue equal to the amount of revenue loss attributable to the exemption, based on estimates made by the board that reflect the combined average of the actual fuel price over the previous 4 fiscal years and the estimated fuel price for the current fiscal year, and continuing to take into account adjustments required by existing law to maintain revenue neutrality for each year. Last amended on 8/18/15</p>	<p>Support</p>
<p>SB 824 Beall D</p> <p>Low Carbon Transit Operations Program</p>	<p>5/9/16</p> <p>Senate Appropriations Committee</p> <p>Suspense File</p>	<p>Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund.</p> <p>Existing law continuously appropriates specified portions of the annual proceeds in the Greenhouse Gas Reduction Fund to various programs, including 5% for the Low Carbon Transit Operations Program, for expenditures to provide transit operating or capital assistance consistent with specified criteria. Existing law provides for distribution of available funds under the program by a specified formula to recipient transit agencies by the Controller, upon approval of the recipient transit agency's proposed expenditures by the Department of Transportation.</p> <p>This bill would authorize a recipient transit agency that does not submit a project for funding under the program in a particular fiscal year to retain its funding share for expenditure in a subsequent fiscal year. The bill would allow a recipient transit agency to loan or transfer its funding share in any particular fiscal year to another recipient transit agency within the same region, to pool its funding share with those of other recipient transit agencies, or to apply to the department to reassign, to other eligible expenditures under the program, any savings of surplus moneys from an approved and completed expenditure under the program or from an approved expenditure that is no longer a priority, as specified. The bill would also allow a recipient transit agency to apply to the department for a letter of no prejudice <i>any eligible expenditures under the program</i> for which the department has authorized a disbursement of funds, and, if granted, would allow the recipient transit agency to expend its own moneys and to be eligible for future reimbursement from the program, under specified conditions. The bill would also require a recipient transit agency to provide additional information to the department to the extent funding is sought for capital projects. Last amended on 4/11/16</p>	<p>Support</p>

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>SB 885 Wolk D</p> <p>Construction Contracts: indemnity</p>	<p>5/16/16</p> <p>Senate Floor</p>	<p>Existing law makes specified provisions in construction contracts void and unenforceable, including provisions that purport to indemnify the promisee against liability for damages for death or bodily injury to persons, injury to property, or any other loss arising from the sole negligence or willful misconduct of the promisee or the promisee's agents who are directly responsible to the promisee, or for defects in design furnished by those persons.</p> <p>This bill would specify, for construction contracts entered into on or after January 1, 2017, that a design professional, as defined, only has the duty to defend claims that arise out of, or pertain or relate to, negligence, recklessness, or willful misconduct of the design professional. The bill would prohibit these provisions from being construed to affect any duty of a design professional to pay a reasonable allocated share of defense fees and costs with respect to claims and lawsuits alleging negligence, recklessness, or willful misconduct of the design professional, as specified.</p> <p>The bill would prohibit waiver of these provisions and would provide that any clause, covenant, or agreement contained in, collateral to, or affecting a contract that requires a design professional to defend claims against other persons or entities is void and unenforceable. The bill would provide Legislative findings and declarations in support of these provisions. Last amended on 5/10/16</p>	<p>Oppose</p>
<p>SB 998 Wieckowski D</p> <p>Vehicles: mass transit guideways</p>	<p>5/10/16</p> <p>Assembly Rules Committee</p>	<p>Existing law makes it unlawful for a person to stop or park a motor vehicle in specified places, including an area designated as a fire lane by the fire department or fire district, as specified. A violation of these provisions is an infraction.</p> <p>This bill would prohibit a person from operating a motor vehicle, or stopping, parking, or leaving a vehicle standing, on a portion of the highway designated for the exclusive use of public transit buses, subject to specified exceptions. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program. Last amended on 5/3/16</p>	
<p>SB 1128 Glazer D</p> <p>Commuter Benefit Policies</p>	<p>5/5/16</p> <p>Assembly Transportation Committee</p>	<p>Existing law authorizes the Metropolitan Transportation Commission and the Bay Area Air Quality Management District to jointly adopt a commute benefit ordinance that requires covered employers operating within the common area of the 2 agencies with a specified number of covered employees to offer those employees certain commute benefits through a pilot program. Existing law requires that the ordinance specify certain matters, including any consequences for noncompliance, and imposes a specified reporting requirement. Existing law makes these provisions inoperative on January 1, 2017.</p> <p>This bill would extend these provisions indefinitely, thereby establishing the pilot program permanently. The bill would also delete bicycle commuting as a pretax option under the program and instead would authorize a covered employer, at its discretion, to offer commuting by bicycling as an employer-paid benefit in addition to commuting via public transit or by vanpool. The bill would also delete the reporting requirement.</p>	<p>Support</p>

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>SB 1259 Runner R</p> <p>Vehicles: toll payment: veterans</p>	<p>5/12/16</p> <p>Senate Floor</p>	<p>Under existing law, a vehicle that enters into or upon a vehicular crossing, as defined, is liable for tolls and other charges prescribed by the California Transportation Commission. Under existing law, it is unlawful to refuse to pay, or to evade or attempt to evade the payment of, tolls or other charges on any vehicular crossing, as defined, or toll highway. A violation of those provisions is subject to civil penalties. Existing law exempts authorized emergency vehicles, as defined, from payment of a toll and related fines under specified conditions.</p> <p>This bill would exempt vehicles registered to a veteran and displaying a specialized veterans license plate, as specified, from payment of a toll or related fines on a toll road, high-occupancy toll (HOT) lane, toll bridge, toll highway, a vehicular crossing, or any other toll facility. Last amended on 4/21/16</p>	
<p>SBx1 1 Beall (D)</p> <p>Transportation Funding</p>	<p>4/21/16</p> <p>Senate Appropriations Committee</p>	<p>Creates a \$6.5 billion package based on increases to the gas tax, sales on diesel tax, vehicle registration fee, and cap and Trade revenue to make investments towards local streets and roads rehabilitation, public transportation, and the State Highway Operation and Protection Program, and trade corridors. Gas taxes would be adjusted for inflation and the price-based portion of the gas tax would be restored to 2014 levels. The bill would also restore a portion of commercial truck weight fees, which have been diverted to pay for General fund obligations. The bill would also establish the California Transportation Commission as an independent body, create the Office of the Transportation Inspector General to audit spending, expand public-private partnerships, and streamline provisions of the California Environmental Quality Act, to allow for the inspection, maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of existing transportation infrastructure within the existing right of way. While the bill would restore funding for the STIP through the restoration of the price-based gas tax, and potentially from restored truck weight fees, the amount of new funding (\$220 million) is nominal.</p> <p>Last amended on 4/21/15</p>	
<p>SBx1 2 Huff (D)</p> <p>Greenhouse Gas Reduction Fund</p>	<p>9/1/15</p> <p>Senate Transportation & Infrastructure Development Committee</p> <p>Failed Passage in Committee. Reconsideration granted.</p>	<p>Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund.</p> <p>Existing law continuously appropriates 60% of the annual proceeds of the fund to various purposes, including high-speed rail, transit and intercity rail capital, low-carbon transit operations, and affordable housing and sustainable communities.</p> <p>This bill would exclude from allocation under these provisions the annual proceeds of the fund generated from the transportation fuels sector. The bill would instead provide that those annual proceeds shall be appropriated by the Legislature for transportation infrastructure, including public streets and highways, but excluding high-speed rail.</p>	
<p>SBX1 4 Beall (D)</p> <p>Transportation Funding</p>	<p>2/18/16</p> <p>Conference Committee</p>	<p>Existing law requires the Department of Transportation to improve and maintain the state's highways, and establishes various programs to fund the development, construction, and repair of local roads, bridges, and other critical transportation infrastructure in the state.</p> <p>This bill would declare the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to maintain and repair the state's highways, local roads, bridges, and other critical transportation infrastructure. Last amended on 9/4/15</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
SBx1 5 Beall (D) Transportation Funding	9/1/15 Assembly Desk	Existing law establishes various programs to fund the development, construction, and repair of local roads, bridges, and other critical transportation infrastructure in the state. This bill would declare the intent of the Legislature to enact legislation to establish permanent, sustainable sources of transportation funding to improve the state's key trade corridors and support efforts by local governments to repair and improve local transportation infrastructure.	
SBx1 7 Allen (D) Diesel Sales and Use Tax	9/3/15 Senate Appropriations Committee	Identical to ABx1 8 (Chiu). Last amended on 9/3/15	Support
SBx1 8 Hill (D) Public Transit Funding	9/2/15 Senate Appropriations Committee	Identical to ABx1 7 (Nazarian).	Support

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>SBX1 10 Bates (R)</p> <p>STIP Program</p>	<p>8/20/15</p> <p>Senate Transportation & Infrastructure Development Committee</p> <p>Testimony taken. Held in Committee</p>	<p>Existing law establishes the state transportation improvement program process, pursuant to which the California Transportation Commission (CTC) generally programs and allocates available state and federal funds for transportation capital improvement projects, other than state highway rehabilitation and repair projects, over a multiyear period based on estimates of funds expected to be available.</p> <p>Existing law provides funding for these interregional and regional transportation capital improvement projects through the state transportation improvement program (STIP) process, with 25% of funds available for interregional projects selected by the Department of Transportation (Caltrans) through preparation of an interregional transportation improvement (ITIP) program and 75% for regional projects selected by transportation planning agencies through preparation of a regional transportation improvement program (RTIP).</p> <p>Existing law requires funds available for regional projects to be programmed by the commission pursuant to the county shares formula, under which a certain amount of funding is available for programming in each county, based on population and miles of state highway. Existing law specifies the various types of projects that may be funded with the regional share of funds to include state highways, local roads, transit, and others.</p> <p>This bill would revise the process for programming and allocating the 75% share of state and federal funds available for RTIP projects. The bill would require the department to annually apportion, by the existing formula, the county share for each county to the applicable metropolitan planning organization, transportation planning agency, or county transportation commission, as a block grant.</p> <p>These transportation capital improvement funds, along with an appropriate amount of capital outlay support funds, would be appropriated annually through the annual Budget Act to regional transportation agencies. The bill would require the regional transportation agencies, in their regional transportation improvement programs, to identify the transportation capital improvement projects to be funded with these moneys, and would require the CTC to incorporate the RTIP into the STIP.</p> <p>The bill would eliminate the role of the CTC in programming and allocating funds to these regional projects, but would retain certain oversight roles of the CTC with respect to expenditure of the funds. The bill would repeal provisions governing computation of county shares over multiple years and make various other conforming changes.</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>SBx1 11 Berryhill (R)</p> <p>CEQA exemptions for roadway improvements</p>	<p>9/4/15</p> <p>Senate Transportation & Infrastructure Development Funding Committee</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.</p> <p>CEQA, until January 1, 2016, exempts a project or an activity to repair, maintain, or make minor alterations to an existing roadway, as defined, other than a state roadway, if the project or activity is carried out by a city or county with a population of less than 100,000 persons to improve public safety and meets other specified requirements.</p> <p>This bill would extend the above-referenced exemption until January 1, 2025, and delete the limitation of the exemption to projects or activities in cities and counties with a population of less than 100,000 persons. The bill would also expand the exemption to include state roadways. Last amended on 9/4/15</p>	
<p>SBx1 12 Runner</p> <p>California Transportation Commission</p>	<p>8/20/15</p> <p>Senate Appropriations Committee</p>	<p>Existing law establishes in state government the Transportation Agency, which includes various departments and state entities, including the California Transportation Commission (CTC). Existing law vests the CTC with specified powers, duties, and functions relative to transportation matters. Existing law requires the commission to retain independent authority to perform the duties and functions prescribed to it under any provision of law.</p> <p>Existing law requires the Department of Transportation (Caltrans) to prepare a state highway operation and protection (SHOPP) program every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. The SHOPP is required to be based on an asset management plan, as specified. Existing law requires the Caltrans to specify, for each project in the program, the capital and support budget and projected delivery date for various components of the project. Existing law provides for the CTC to review and adopt the program, and authorizes the commission to decline to adopt the program if it determines that the program is not sufficiently consistent with the asset management plan.</p> <p>This bill would exclude the CTC from the Transportation Agency, establish it as an entity in state government, and require it to act in an independent oversight role.</p> <p>The bill would additionally require Caltrans to program capital outlay support resources for each project in the program. The bill would provide that the CTC is not required to approve the program in its entirety as submitted by Caltrans, and may approve or reject individual projects. The bill would require the Caltrans to submit any change in a programmed project's cost, scope, or schedule to the CTC for its approval. Last amended on 8/20/15</p>	

SMCTA Bill Matrix – May

Measure	Status	Bill Summary	Position
<p>SBx1 13 Vidak (R)</p> <p>Office of The Transportation Inspector General</p>	<p>9/3/15</p> <p>Senate Appropriations Committee</p>	<p>Existing law creates various state transportation agencies, including the Department of Transportation and the High-Speed Rail Authority, with specified powers and duties. Existing law provides for the allocation of state transportation funds to various transportation purposes.</p> <p>This bill would create the Office of the Transportation Inspector General in state government as an independent office that would not be a subdivision of any other government entity, to build capacity for self-correction into the government itself and to ensure that all state agencies expending state transportation funds are operating efficiently, effectively, and in compliance with federal and state laws.</p> <p>The bill would provide for the Governor to appoint the Transportation Inspector General (TIG) for a 6-year term, subject to confirmation by the Senate, and would provide that the TIG may not be removed from office during the term except for good cause. The bill would specify the duties and responsibilities of the TIG, would require an annual report to the Legislature and Governor, and would provide that funding for the office shall, to the extent possible, be from federal transportation funds, with other necessary funding to be made available from the State Highway Account and an account from which high-speed rail activities may be funded. Last amended on 9/3/15</p>	
<p>SBx1 14 Cannella (R)</p> <p>Public-Private Partnerships</p>	<p>8/19/15</p> <p>Senate Transportation & Infrastructure Committee</p>	<p>Existing law authorizes the Department of Transportation and regional transportation agencies, as defined, to enter into comprehensive development lease agreements with public and private entities, or consortia of those entities, for certain transportation projects that may charge certain users of those projects tolls and user fees, subject to various terms and requirements. These arrangements are commonly known as public-private partnerships. Existing law provides that a lease agreement may not be entered into under these provisions on or after January 1, 2017.</p> <p>This bill would authorize public-private partnerships indefinitely.</p>	