

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

MINUTES OF JUNE 29, 2010

MEMBERS PRESENT: B. Arietta, P. Dixon (Chair), J. Fox, D. Maez, D. Mensing, L. Shaine, A. Vargas, J. Whittemore, P. Young

MEMBERS ABSENT: J. Bigelow, R. Hedges, R. Hees, A. Mader-Clark, G. Zimmerman

STAFF PRESENT: S. Cocke, M. Espinosa, K. Green, H. Lafebre, R. Lake, M. Lee, J. McKim, L. Snow

Chair Pat Dixon called the meeting to order at 4:37 p.m. Doris Maez led the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion (Maez/Shaine) to approve the minutes of June 1, 2010 was passed.

PUBLIC COMMENT

None

ITEMS FOR REVIEW – JULY 1, 2010 TA BOARD AGENDA

There was no discussion on the following items:

1. Approval of Minutes of June 3, 2010 – TA Item 3a
2. SamTrans Liaison Report - June 9, 2010 – TA Item 8

FINANCE

Allocation of New Measure A Funds: Local Shuttle program (Part 1 of 2) TA Item 11c

Senior Planner Stacy Cocke provided details on Part 1 and Part 2:

Local Shuttle Program: Part 1 of 2 - Review

- The call for projects includes 12 existing shuttle operations funded with original Measure A. There are eight new projects, of which three are currently not funded by the TA.
- Foster City has allocated funding for its Red Line and Blue Line shuttle applications. In order to maintain service, the Red Line shuttle will eliminate the westbound route and maintain the eastbound route. This reduced the TA funding request by one-half.
- Staff is recommending the TA Board allocate a total of \$99,718 in new Measure A Local Shuttle Program Category funds for Fiscal Year (FY) 2011 for the three projects currently not funded by Measure A: Foster City Blue Line, Foster City Red Line and Redwood City Mid Point shuttles.

Larry Shaine asked for clarification on the funding term for Foster City. Ms. Cocke said the call for projects is a two-year call for projects. Current allocations will be for one year because only the FY2011 budget has been approved. However, the funding agreement will be prepared for two years of funding.

Local Shuttle Program: Part 2 of 2

- Staff has requested five of the eight new applicants provide additional information. These include South San Francisco Ferry, East Palo Alto Shopper Shuttle, East Palo Alto Youth Shuttle, Menlo Park Senior Shuttle Shopper and Millbrae (On-call).
- The South San Francisco Ferry Shuttle will run Monday through Friday during the morning and evening commute hours from the Jack London Ferry Terminal in Oakland to employer destinations in the Oyster Point area. Service is set to begin September 2011.
- The East Palo Alto Shopper Shuttle is a community shuttle providing service within the city to Redwood City, Palo Alto and Mountain View. It connects to Caltrain, the Valley Transportation Authority, SamTrans, AC Transit and the Stanford Marguerite Shuttle.
- The East Palo Alto Youth Shuttle is mainly a fixed route and makes on-demand stops for youth services.
- The Menlo Park Shuttle is an on-call senior shuttle including trips to Safeway, the post office and library.
- The Millbrae on-call shuttle serves El Camino Real corridor and Millbrae Intermodal Station and supplements service reduction of SamTrans Route 342.
- The total funding request for Part 2 for FY2011 is \$125,000.
- The program is undersubscribed by \$950,000.
- The project schedule for Part 2 will be presented at the September 2 TA Board meeting.

Jim Whittemore said he thought there was a reference that Genentech was helping subsidize shuttles and thought there would be no subsidization. Ms. Cocke said there is no subsidy from Genentech.

Executive Officer, Planning and Development Marian Lee said her recollection is that when the Water Emergency Transportation Authority (WETA) was working with the Peninsula Traffic Congestion Relief Alliance and the TA, WETA was also engaged in discussions with other businesses, including Genentech, to see if there might be other shuttle opportunities.

Mr. Whittemore said he didn't oppose any of the applications to the extent he knows, but 65 percent funding for the South San Francisco Ferry Shuttle bothered him because the services are mainly going to white-collar job locations for people who don't live here. Ms. Cocke said, for existing and new shuttle applications, any shuttle applications that don't have a 50 percent match will be examined more closely in future calls for projects.

Mr. Whittemore asked that the San Mateo County location column include the Coastsides in the Shuttle Operations – Funding and General Shuttle Information spreadsheet.

Ms. Maez said the East Palo Alto Shopper Shuttle times are daytime hours. She said previous minutes noted times targeted the needs of the local community for late shift work from 1 a.m. to 2 a.m. Ms. Lee said that was part of East Palo Alto's shuttle program and falls under weekday and weekends. East Palo Alto didn't apply for a specific shuttle for late night use and asked for funding for weekday morning and afternoon times. They have a separate bus that runs late night from 11 p.m. to 1 a.m.

Manager, Planning and Research Marisa Espinosa said the reference in the previous minutes referred to the East Palo Alto Community Shuttle, which was one of the grandfathered projects and runs during late-night hours.

A motion (Shaine/Whittemore) to approve the local shuttle funding was approved.

Acceptance of Statement of Revenues and Expenses for May 2010 – TA Item 3b

Mr. Whittemore said revenues for miscellaneous income are 36.9 percent worse than projections due to slower than anticipated progress on capital projects and asked what this was tied to.

Mr. McKim said staff will clarify.

Mr. Whittemore commented on interest income for the current and prior fiscal years and asked if the reporting methodology for staff projections has changed. Mr. McKim said staff will clarify.

Paul Young said interest rates are at a historic low.

Mr. Whittemore asked why expenditures for Other Services and Supplies were 18.6 percent better than staff projections. Mr. McKim said staff will clarify.

Authorization to Allocate up to an Additional \$50 Million in Funds to the Investment Portfolio Managed by CSI Capital Management, Inc. (CSI) – TA Item 11a

Manager Finance Treasury Lori Snow referred to the discussion on interest income revenue. She said when staff made projections last year; they expected rates to begin to rise during FY2010. This has not happened and rates have decreased even lower than the prior year. Ms. Snow said what staff is seeing in the County Pool, Local Agency Investment Fund and the CSI portfolio is a replacement of expiring or maturing investments with lower interest rate investments, and this is putting a damper on returns.

Ms. Snow provided details on the \$50 million investment to the CSI portfolio. Staff came to the TA Board in December 2009 requesting authorization to allocate \$50 million from the County Pool to the portfolio managed by CSI, formerly Tamalpais Wealth Advisors (TWA). Staff is recommending the Board approve an additional \$50 million allocation from the County Pool to CSI. CSI returns are better; staff feels there is more transparency; and the TA receives an economic update every quarter. The TA portfolio includes \$250 million currently in the County Pool and \$150 million currently in the CSI portfolio. This allocation will bring the CSI portfolio up to \$200 million and reduce the County Pool to \$200 million for a 50/50 split.

Mr. Shaine asked if the move causes any difficulty for the County Pool. Ms. Snow said no negative or positive feedback has been received.

Barbara Arietta said there is a limitation on the amount of money moved to CSI. She asked if staff will ask the Board to move a specific amount on a consistent basis. Ms. Snow said there is no additional allocation planned for FY2011 and there has been no discussion for FY2012.

Mr. Whittemore asked why staff wouldn't recommend moving more than 50/50 given the performance difference. Ms. Snow said it had taken a long time to obtain approval from the Board to start an investment portfolio in addition to the County Pool and there has been support for all allocations, but there hasn't been a discussion on moving the majority of the funds.

John Fox asked if CSI's fee decreases as the portfolio increases. Ms. Snow replied yes.

Mr. Whittemore asked about the management fee for the County Pool vs. CSI, and how much revenue the County Pool would lose with the allocation to CSI. Ms. Snow said the fee for the County Pool is only 33 basis points, which covers everything overall. The fee for CSI is seven or nine basis points with additional points for a custodial fee and CSI's costs are overall less than the County Pool.

Ms. Arietta said she was surprised there has been no conversation about moving more funds out of the County Pool, and thinks it's a rational thing to consider. Ms. Snow said she would bring that to the attention of the Executive staff.

A motion (Whittemore/Arietta) to support the \$50 million allocation to CSI was approved.

Award of Contracts to The Louis Berger Group, Inc. and to Jones & Stokes Associates, Inc. to Provide On-call Environmental Planning Consulting Services for up to \$500,000 for a Three-year Term – TA Item 11b

Manager of Capital Projects and Environmental Planning Hilda Lafebre said an Evaluation Committee reviewed and scored proposals received and determined the above two firms were qualified for contract awards. The \$500,000 will be shared in the aggregate between the two firms. Staff recommends the Executive Director or his designee to exercise up to two additional one-year option terms with the above two firms for up to \$250,000 in total for both option terms, to be shared in the aggregate, if deemed in the best interests of the TA.

Mr. Whittemore asked how staff will decide which firm to use. Ms. Lafebre said it will depend on the needs of the project, each firm's expertise, and their experience with the California Environmental Quality Act and National Environmental Policy Act.

Ms. Maez said it is a very prudent way to proceed.

Mr. Shaine asked if the contracts have minority ownership requirements. Ms. Lafebre said, absolutely, and must meet Disadvantaged Business Enterprise requirements if using State or Federal funding.

A motion (Shaine/Arietta) to support the award of contracts to The Louis Berger Group, Inc. and Jones & Stokes Associates, Inc. was approved.

PROGRAM

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

Government Affairs Manager Seamus Murphy was unable to attend the meeting. The CAC will review the Legislative staff report and e-mail him with any questions.

REPORT OF THE CHAIR – PAT DIXON

Asked Ms. Arietta to provide a summary of the June 22 informational meeting on the Calera Parkway Project.

Ms. Arietta said people who attended the March 3 project scoping meeting were not pleased with the amount of information presented. There was a three-hour presentation on June 22; the first hour was an open house to review project charts, diagrams and graphs with a question/answer period by TA and Caltrans staff. There was a one-hour formal meeting followed by another open house.

People were well-educated on the 14 project alternatives, which took into consideration cultural impacts, Indian burial grounds and artifacts, wetlands, etc. The engineers, designers and consultants recommended two alternatives. The only modification involved discussion of landscaping on a median lane.

REPORT FROM STAFF – JIM MCKIM

A ribbon-cutting ceremony is scheduled for July 22 at 10 a.m. at Coyote Point for the Highway 101: Millbrae Avenue to 3rd Avenue Auxiliary Lane Project.

Ms. Maez asked when the 55 miles per hour speed limit will be restored to freeway speed.

Mr. McKim said final striping will be completed in two to three weeks and then probable restoration of the speed limit.

COMMITTEE COMMENTS

Mr. Whittemore attended the High Speed Rail meeting earlier this month in San Mateo. The Hayward Park community was primarily concerned that a draft letter from San Mateo County to the California High Speed Rail Authority expressed their questions and comments concerning the Hayward Park Station. He said there is a meeting on June 30 at 7 p.m. at the senior center on Alameda de las Pulgas to present possible plans for the movement of the Hillsdale Caltrain Station.

Chair Dixon asked Mr. Whittemore to include comments about the Hillsdale Station meeting at the next CAC meeting.

Mr. Shaine, with the approval of the CAC, asked Chair Dixon to congratulate TA Director Rich Gordon at the next board meeting on his primary win for the Assembly.

Ms. Maez said it doesn't seem too long ago that a lot of money was spent upgrading the Hillsdale Station.

Mr. Shaine said the plan concerns transit oriented development and moving the existing station north about 100 feet.

NEXT MEETING

The next regular meeting of the TA CAC will be held on Tuesday, August 31, 2010 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

Adjournment – 5:25 p.m.