



AGENDA

BOARD OF DIRECTORS MEETING

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

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

May 2, 2019 – Thursday

5:00 pm

- 1) Call to Order/Pledge of Allegiance
- 2) Roll Call
- 3) Public Comment For Items Not on the Agenda
Public comment by each individual speaker shall be limited two (2) minutes. Items raised that require a response will be deferred for staff reply.
- 4) Report of the Citizens Advisory Committee
- 5) Consent Calendar
Members of the Board may request that an item under the Consent Calendar be considered separately
 - a) Approval of Minutes of the Board of Directors Meeting of April 4, 2019 MOTION
 - b) Acceptance of Statement of Revenues and Expenditures for March 2019 MOTION
 - c) Acceptance of Quarterly Investment Report for the Period Ending March 31, 2019 MOTION
- 6) Report of the Chair
- 7) San Mateo County Transit District Liaison Report
- 8) Joint Powers Board Liaison Report
- 9) Report of the Executive Director
- 10) Call for a Public Hearing at the June 6, 2019 Meeting on the Preliminary Budget for Fiscal Year 2020 Budget MOTION
- 11) Review of Preliminary Fiscal Year 2020 Budget INFORMATIONAL

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

San Mateo County Transportation Authority Meeting
Agenda for May 2, 2019

12) Program

- | | |
|---|---------------|
| a) Approval of the Joint Exercise of Powers Agreement for the San Mateo County Express Lanes Joint Powers Agency and Appointment of JPA Board Members | RESOLUTION |
| b) US 101- North of 380 Managed Lanes Project Update | INFORMATIONAL |
| c) State and Federal Legislative Update | INFORMATIONAL |

13) Requests from the Authority

14) Written Communications to the Authority

15) Date/Time of Next Regular Meeting: Thursday, June 6, 2019, 5:00 pm at San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, San Carlos Avenue, San Carlos, CA 94070

16) Report of Legal Counsel

Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Pacificans for a Scenic Coast v. California Department of Transportation, et al.; San Mateo County Superior Court Case No. CIV-523973

17) Adjourn

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 650-508-6279, 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.

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

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CA 94070
MINUTES OF APRIL 4, 2019**

MEMBERS PRESENT: D. Horsley (Chair), E. Beach (Vice Chair), M. Freschet, C. Groom, K. Matsumoto, R. Medina, C. Romero

MEMBERS ABSENT: None

STAFF PRESENT: J. Hartnett, C. Mau, A. Chan, C. Fromson, D. Hansel, J. Hurley, J. Slavitt, J. Cassman, J. Brook, D. Seamans

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair Don Horsley called the meeting to order at 5:00 pm and led the Pledge of Allegiance.

ROLL CALL

Authority Secretary Dora Seamans called the roll. A quorum was confirmed.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Rich Hedges, San Mateo, requested that the Board support the grade separation project at Broadway in Burlingame. He expressed concern that it is a particularly dangerous intersection and said he felt that the project should be a priority.

REPORT OF THE CITIZENS ADVISORY COMMITTEE

Chair Horsley noted that the report was in the packet.

CONSENT CALENDAR

- Approval of Minutes of the Board of Directors Meeting of March 7, 2019
- Acceptance of Statement of Revenues and Expenditures for February 2019

Motion/Second: Medina/Romero

Ayes: Beach, Freschet, Groom, Matsumoto, Medina, Romero, Horsley

Absent: None

- Award of Contract for Federal Legislative Advocacy Services – Approved by Resolution No. 2019-05
- Award of Contract for State Legislative Advocacy Services – Approved by Resolution No. 2019-06

Motion/Second: Matsumoto/Freschet

Ayes: Beach, Freschet, Groom, Matsumoto, Medina, Romero, Horsley

Absent: None

REPORT OF THE CHAIR

Chair Horsley appointed Directors Carole Groom and Maureen Freschet to the TA CAC recruitment committee.

Report from the March 22, 2019 Joint Ad Hoc Committee on the San Mateo US 101 Express Lanes Project - staffing models for the TA & C/CAG Joint Powers Agency

Chair Horsley reported out on the most recent meeting with C/CAG (City and County Governments of San Mateo County) on the Express Lanes project.

SAN MATEO COUNTY TRANSIT DISTRICT LIAISON REPORT

Chair Horsley noted that the report was in the packet.

JOINT POWERS BOARD LIAISON REPORT

Executive Director Jim Hartnett said the report was in the packet.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Hartnett said the report was in the packet.

PROGRAM

Paratransit Program Report

Tina Dubost, Manager, Accessible Services, gave a presentation outlining the SamTrans paratransit program's services.

Director Karyl Matsumoto asked about fare assistance. Ms. Dubost said that riders need to qualify periodically for services. She said the funding comes from the District's sales tax.

Mr. Hartnett said that the structural deficit is an expenditure mandated by the Americans with Disabilities Act (ADA).

Director Freschet asked how to get the word out to seniors regarding service offerings. Director Groom said that hospitals and doctors' offices provide pamphlets about paratransit services. Ms. Dubost talked about outreach programs.

Director Matsumoto mentioned that the City of South San Francisco's quarterly newsletter has a link to the SamTrans website for paratransit services. Ms. Dubost said there is now a Mobility Center website.

Director Emily Beach clarified that Measure A funds go to SamTrans directly. She asked if paratransit was part of the Strategic Plan. April Chan, Chief Officer, Planning, Grants/Transportation Authority, said they just completed a study of paratransit services and the senior population.

Director Carlos Romero asked if people could apply directly; Ms. Dubost said they can call to make an appointment. She said the standard fare is \$4.25 each way and \$1.75 with fare assistance.

Regarding the budget, Director Romero asked if the expenses to provide the service

would be reduced in the event of a reduction in the number of users. She said the contract contains both fixed costs and a per-hour rate. She said that the fixed costs portion of the expenses would remain the same, even if the number of users dropped. Mr. Hartnett added that the calculations take into account many factors.

Ms. Dubost said there was an increase in customers requesting fare assistance. She said that income is not a factor in determining eligibility for paratransit services.

Director Rico Medina asked if there were statistics for the different communities in the County. Ms. Dubost said the most eligible customers were in Daly City, San Mateo, and Redwood City. She said a disproportionate number of trips originate in Burlingame.

Public Comment:

Rich Hedges, San Mateo, said there was a get-around program in conjunction with the Sierra Club with \$5.00 taxi rides.

Pedestrian & Bicycle Program Report

Joel Slavit, Manager, Programming and Monitoring, gave a presentation on the new California Avenue Roundabout and introduced staff from the City of Burlingame: Andrew Wong, Senior Civil Engineer, and Lisha Mai, Associate Engineer. Mr. Wong thanked the Board for the funding for the roundabout project, which he described as the gateway to the City's downtown, Caltrain station, and auto row. He continued with the presentation on the project design, which included a promotional video about how to use the new roundabout, and added that the ribbon-cutting for the project would be on April 17.

Director Matsumoto asked if they were using permeable pavement. Ms. Mai explained that the bioswales capture and filter rainwater.

Chair Horsley asked if they would need to purchase additional property to accommodate expansion. Ms. Mai said once complete, the project would be two lanes.

Director Romero commented that people fear roundabouts in the US, while they are popular in other countries such as Mexico.

Director Beach said that the Burlingame City Council is very proud and excited about the roundabout.

State and Federal Legislative Update and Approval of Legislative Proposals

Casey Fromson, Director, Government and Community Affairs, briefly summarized highlights of recent federal and state legislation. She mentioned discussion in the Senate around the reauthorization of the FAST (Fixing America's Surface Transportation) Act.

She noted they were requesting the Board's support on a number of bills.

Motion/Second: Matsumoto/Beach

Ayes: Beach, Freschet, Groom, Matsumoto, Medina, Romero, Horsley

Absent: None

REQUESTS FROM THE AUTHORITY

None.

WRITTEN COMMUNICATIONS TO THE AUTHORITY

None.

DATE/TIME OF NEXT REGULAR MEETING

Chair Horsley announced that the next meeting would be on Thursday, May 2, 2019, 5:00 pm at the San Mateo County Transit District Administrative Building, Bacciocco Auditorium, 2nd Floor, San Carlos Avenue, San Carlos, CA 94070.

REPORT OF LEGAL COUNSEL

None.

ADJOURN

The meeting adjourned at 6:06 pm.

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

TA CAC Chair's Report

April 4, 2019

Good evening Chairman Horsley and Members of the Board,

I have the following to report from Tuesday's meeting of the CAC:

(TA Items 5a & 5b) The CAC reviewed and supported without comments the Board's Minutes of March 7, 2019 and the Statement of Revenues and Expenditures for February 2019.

(TA Item 5c) Following a robust discussion with Ryan McCauley, Government and Community Affairs Specialist, the CAC supported the Award of Contract for Federal Legislative Advocacy Services to Kadesh & Associates, LLC. The CAC remarked that they would have liked to have had received more information on how the percentage of increase for the new contract was attained. Questions presented included the following: Are expenses included in this contract or is there a rider on the contract that addresses expenses separately? There was also a request to staff to supply more details to support the awarding of contracts, such as these, in the future.

(TA Item 5d) The CAC supported the Award of Contract for State Legislative Advocacy Services to Khouri Consulting. Questions were posed as to the percentage of increased amount in the contract. There was a similar request to provide more detail.

(TA Item 10a) The CAC received a report on the Paratransit Program from Tina Dubost, Manager of Accessible Transit Services. The CAC was extremely pleased with the operation and extended their compliments to the service provided. Questions were asked about how we might generate revenue for Paratransit from State Senator Jerry Hill's bill that may result in additional funding from ride share companies. Others questioned if Paratransit still goes beyond the 3/4 mile from a fixed bus route limit, commenting that it would be extremely helpful to people on the coastside of the county.

Some asked if staffing problems still exist and if so, what is being done to solve same? Other questions focused on how automated vehicles may influence future service? What was the policy of dealing with Alzheimer patients and early onset Dementia patients? What type of training do the drivers receive in assisting riders? How much are they allowed to assist the riders outside of the vehicle? Have there been any accidents? What type? Can you do same day scheduling if it's a "last minute" medical or dental appointment? How is scheduling done? How does the "No Strand" policy work? Why has there been a decline in ridership? Is there something, besides the weather, that is reducing use of Paratransit in this county?

Since cognitive disabilities will most likely increase, is there a plan to look more often than we have at Dementia and Alzheimer's transportation needs? Overall, the CAC was pleased with San Mateo County's Paratransit Program.

(TA Item 10b) The CAC received a brief overview on the status of the Measure A Pedestrian and Bicycle Program from Joel Slavitt, Manager of Transportation Authority Programming and Monitoring. After Mr. Slavitt's presentation, Andrew Wong, Burlingame Senior Engineer, went over the highlights of the California Drive Roundabout Project in Burlingame, which is a traffic calming project that will improve bicycle and pedestrian access, among other City goals, on a busy arterial corridor in Burlingame.

The CAC was pleased to hear about the new Bike and Ped Projects approved and asked Mr. Slavitt if

funds from the recently passed Measure W, combined with Measure A, will help double the number of Bike and Ped projects that we can accept in the future as our funding will increase from \$5 million to approximately \$13 million. If not, how many?

After the comprehensive presentation by Mr. Wong, the CAC highly complimented the design of the Roundabout Project, stating that it was indeed quite beautiful and safer appearing than other roundabouts they have seen in this state and others. They liked the 15 mph speed limit. Questions were asked about the width of the bike on-ramps, why the northbound lanes on California Drive split into two different lanes and not go into the roundabout itself. Compliments were given to the creation of the roundabout apron and the splinter islands, which contribute to safety issues not only for pedestrians, but also for cars. The CAC also questioned if lights in the ground at pedestrian cross walks would be of further help to the pedestrians, in addition to the blinking warning light sign for pedestrians already in place.

In the final analysis, this project received rave reviews from the CAC, who looked forward to its opening, which is tentatively scheduled for later this month.

(TA Item 10c) The CAC received both Federal and State Legislative Updates from Ryan McCauley and unanimously supported the approval of the recommended San Mateo County Transportation Authority positions on those pieces of legislation designated for action on the State Legislative Matrix.

CAC CHAIR'S REPORT:

Since I first reported on the current controversy surrounding the completion of High Speed Rail (HSR) in California, I have received from our former CAC member Jim Bigelow a copy of the March edition of the California High-Speed Rail Northern California Newsletter, it confirms that construction is moving forward on the San Francisco Peninsula Caltrain Electrification that is 100% compatible with California HSR and construction is and has been underway in the Central Valley. This report is in response to President Trump wanting the Federal Funds back from California. The newsletter verifies that the first operational segment would be in the Central Valley section.

California High-Speed Rail Authority CEO Brian Kelly's March 4 response to the Federal Railroad Administration's (FRA) recent threat to rescind federal funds from the project calls on the agency to continue working with the Authority to deliver high-speed rail for the nation. According to Kelly, the consequences of rescinding federal funding is bad policy that can have disastrous impacts in the Central Valley, throughout California and across the nation.

STAFF REPORT TO CAC:

The staff report was given by Joe Hurley, Transportation Authority Director. He advised the CAC the following:

The Technical Advisors and the Stakeholders Advisory Ad Hoc Committee of the TA Board will meet on April 16 to discuss the Strategic Plan.

The groundbreaking of the Hwy 101 Express Lanes Project was held on March. It was attended by numerous civic dignitaries. Construction has begun on between the Santa Clara County Line and Whipple Road in Redwood City.

The CAC deadline is May 3rd for membership applications. Members whose time is expiring are: An Chen, Jeff Londer, Olma O'Neill, Karen Kuklin, John Fox and Essam El-Dardiry. All current members are encouraged to reapply if able and willing.

Respectfully submitted,

BARBARA ARIETTA
Chair, San Mateo County Transportation Authority CAC

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENDITURES FOR THE PERIOD ENDING
MARCH 31, 2019**

ACTION

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of March 2019 and supplemental information.

The statement columns have been designed to provide easy comparison of year to date prior to current actuals for the current fiscal year including dollar and percentage variances.

SIGNIFICANCE

Year to Date Revenues: As of March year-to-date, the Total Revenue (page 1, line 7) is \$8.7 million higher than prior year actuals. This is primarily due to higher Sales Tax (page 1, line 1).

Year to Date Expenses: As of March year-to-date, the Total Expenditures (page 1, line 26) are \$40.9 million lower than prior year actuals. This is primarily due to a fluctuation in expenditures associated with various capital projects.

Budget Amendment:

There are no budget amendments for the month of March 2019.

Prepared By: Jia Du, Accountant
Jennifer Ye, Manager, General Ledger

650-622-6226
650-622-7890

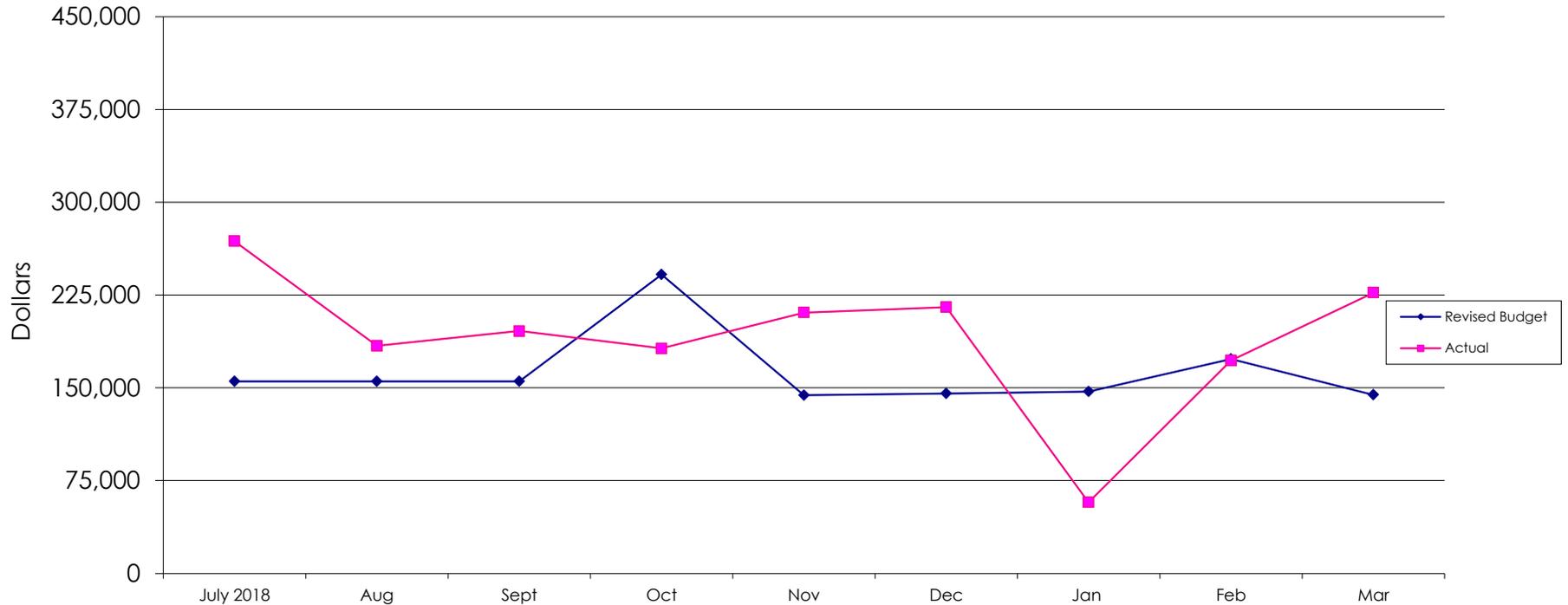
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
Fiscal Year 2019
March 2019

% OF YEAR ELAPSED: **75.0%**

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
REVENUES:					
1 Sales Tax	65,815,610	75,248,013	9,432,403	14.3%	86,353,200
2 Interest Income	4,539,092	4,171,034	(368,058)	(8.1%)	5,927,618
3 Miscellaneous Income	1,500	-	(1,500)	(100.0%)	50,000,000
4 Rental Income	822,972	494,394	(328,578)	(39.9%)	836,684
5 Grant Proceeds	-	-	-	0.0%	1,550,000
6					
7 TOTAL REVENUE	71,179,175	79,913,441	8,734,266	12.3%	144,667,502
8					
9 EXPENDITURES:					
10					
11 Annual Allocations	23,336,692	27,465,525	4,128,833	17.7%	31,518,918
12					
13 Dumbarton Maintenance of Way	160,817	-	(160,817)	(100.0%)	-
14					
15 Measure A Categories	112,599,465	67,192,093	(45,407,373)	(40.3%)	94,541,474
16					
17 Oversight	1,286,563	1,359,561	72,998	5.7%	1,800,000
18					
19 Administrative					
20 Staff Support	816,585	1,286,843	470,258	57.6%	1,152,885
21 Measure A Info-Others	1,010	145	(865)	(85.6%)	15,000
22 Other Admin Expenses	468,670	425,975	(42,695)	(9.1%)	726,687
23					
24 Total Administrative	1,286,264	1,712,963	426,699	33.2%	1,894,572
25					
26 TOTAL EXPENDITURES	138,669,802	97,730,142	(40,939,661)	(29.5%)	129,754,964
27					
28 EXCESS (DEFICIT)	(67,490,627)	(17,816,700)	49,673,927	(73.6%)	14,912,538
29					(12,952,980) (1)
30					1,959,558
31					
32 BEGINNING FUND BALANCE	489,814,617	407,684,194	(82,130,423)		405,634,282
33					
34 ENDING FUND BALANCE	422,323,990	389,867,494	(32,456,496)		407,593,840

(1) Previously allocated \$12,952,980 of future years' budget to the 25th Avenue Grade Separation Project.

SAN MATEO COUNTY TRANSPORTATION AUTHORITY ADMINISTRATIVE EXPENSES



Current Year Data

	Jul '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18	Jan '19	Feb '19	Mar '19	Apr '19	May '19	Jun '19
MONTHLY EXPENSES												
Revised Budget	155,249	155,249	155,250	241,651	144,033	145,366	146,998	173,313	144,366			
Actual	268,531	183,949	195,928	181,867	210,842	215,290	57,432	172,211	226,913			
CUMULATIVE EXPENSES												
Staff Projections	155,249	310,498	465,748	707,399	851,432	996,798	1,143,796	1,317,109	1,461,475			
Actual	268,531	452,480	648,408	830,275	1,041,117	1,256,407	1,313,839	1,486,050	1,712,963			
Variance-F(U)	(113,282)	(141,982)	(182,660)	(122,876)	(189,685)	(259,609)	(170,043)	(168,941)	(251,488)			
Variance %	-72.97%	-45.73%	-39.22%	-17.37%	-22.28%	-26.04%	-14.87%	-12.83%	-17.21%			

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CASH AND INVESTMENTS AS OF MARCH 31, 2019**

3/31/2019

LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF

Bank of America Checking	\$ 3,983,676.87
Wells Fargo Lockbox	0.00
LAIF	7,685,913.21

INVESTMENT FUNDS

Investment Portfolio (Market Values)*	153,291,442.14
MMF - US Bank Custodian Account	1,894,233.95

County Pool	207,762,157.59
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Total	<u><u>\$ 374,617,423.76</u></u>
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clearwater								
Report:	Master Balance Sheet by Lot							
Account:	SMCTA - Agg (165727)							
As of:	03/31/2019							
Base Currency:	USD							
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
34531EAD8	FORDO 17A A3	1,607,613.90	ABS	01/25/2017	06/15/2021	1,607,607.95	1,193.21	1,599,389.25
02007PAC7	ALLYA 171 A3	421,166.90	ABS	01/31/2017	06/15/2021	421,130.09	318.22	419,208.73
89238MAD0	TAOT 17A A3	541,974.87	ABS	03/15/2017	02/16/2021	541,911.07	416.72	539,469.01
02007HAC5	ALLYA 172 A3	1,720,822.32	ABS	03/29/2017	08/16/2021	1,720,619.44	1,361.36	1,713,006.75
17305EGB5	CCCT 17A3 A3	1,600,000.00	ABS	05/22/2017	04/07/2020	1,604,272.00	14,848.00	1,588,839.67
89190BAD0	TAOT 17B A3	2,870,450.16	ABS	05/17/2017	07/15/2021	2,870,230.00	2,245.33	2,851,931.81
02582JHG8	AMXCA 174 A	1,200,000.00	ABS	05/30/2017	05/15/2019	1,199,807.76	874.67	1,198,513.11
47788BAD6	JDOT 17B A3	1,000,000.00	ABS	07/18/2017	10/15/2021	999,926.80	808.89	993,635.16
43814PAC4	HAROT 173 A3	580,000.00	ABS	09/29/2017	09/18/2021	579,937.19	374.91	576,183.32
89238BAD4	TAOT 18A A3	700,000.00	ABS	01/31/2018	05/16/2022	699,991.95	731.11	697,438.30
17305EGK5	CCCT 18A1 A1	1,500,000.00	ABS	01/31/2018	01/20/2023	1,499,792.40	7,366.25	1,498,700.90
47788CAC6	JDOT 2018 A3	485,000.00	ABS	02/28/2018	04/18/2022	484,965.13	573.38	485,317.08
02582JHQ6	AMXCA 181 A	2,610,000.00	ABS	03/21/2018	10/17/2022	2,609,696.98	3,097.20	2,612,954.25
02004VAC7	ALLYA 182 A3	1,100,000.00	ABS	04/30/2018	11/15/2022	1,099,800.24	1,427.56	1,104,724.35
362551AD6	GMCAR 183 A3	700,000.00	ABS	07/18/2018	05/16/2023	699,836.76	880.83	705,744.57
14313FAD1	CARMX 183 A3	750,000.00	ABS	07/25/2018	06/15/2023	749,897.78	1,043.33	757,355.94
---	---	19,387,028.15	ABS	---	11/09/2021	19,389,423.54	37,560.95	19,342,412.19
AGCY BOND								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
3130A8Q5	FEDERAL HOME LOAN BANKS	3,200,000.00	AGCY BOND	07/15/2016	07/14/2021	3,180,540.80	7,700.00	3,117,113.60
3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	825,000.00	AGCY BOND	08/19/2016	08/17/2021	822,177.68	1,260.42	804,984.68
3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2,675,000.00	AGCY BOND	08/19/2016	08/17/2021	2,664,166.25	4,086.81	2,610,101.83
3135G0P49	FEDERAL NATIONAL MORTGAGE ASSOCIATION	700,000.00	AGCY BOND	09/02/2016	08/28/2019	698,908.00	641.67	695,834.30
3135G0T60	FEDERAL NATIONAL MORTGAGE ASSOCIATION	900,000.00	AGCY BOND	08/01/2017	07/30/2020	897,273.00	2,287.50	889,787.70
3130ACE26	FEDERAL HOME LOAN BANKS	365,000.00	AGCY BOND	09/08/2017	09/28/2020	363,828.35	41.82	359,633.41
3137EAEJ4	FREDDIE MAC	990,000.00	AGCY BOND	09/29/2017	09/29/2020	988,208.10	89.38	979,029.81
3135G0U92	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,600,000.00	AGCY BOND	01/11/2019	01/11/2022	1,598,848.00	9,333.33	1,615,331.20
---	---	11,255,000.00	AGCY BOND	---	05/06/2021	11,213,950.18	25,440.92	11,071,816.52
CASH								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
CCYUSD	Receivable	4,314.08	CASH	---	03/31/2019	4,314.08	0.00	4,314.08
CCYUSD	Receivable	4,314.08	CASH	---	03/31/2019	4,314.08	0.00	4,314.08
CD								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
06417GUE6	The Bank of Nova Scotia	1,500,000.00	CD	04/06/2017	04/05/2019	1,500,000.00	14,086.25	1,499,874.60
06417GU22	The Bank of Nova Scotia	1,600,000.00	CD	06/07/2018	06/05/2020	1,599,392.00	15,879.11	1,605,428.77
87019U6D6	Swedbank AB	3,100,000.00	CD	11/17/2017	11/16/2020	3,100,000.00	26,584.22	3,055,681.06
78012UEE1	Royal Bank of Canada	2,750,000.00	CD	06/08/2018	06/07/2021	2,750,000.00	28,215.00	2,764,411.64
86565BPC9	Sumitomo Mitsui Banking Corporation	1,550,000.00	CD	10/18/2018	10/16/2020	1,547,892.00	24,083.13	1,548,369.12
---	---	10,500,000.00	CD	---	09/16/2020	10,497,284.00	108,847.71	10,473,765.19
CORP								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
6174467P8	MORGAN STANLEY	3,150,000.00	CORP	11/10/2016	07/24/2020	3,516,187.50	32,243.75	3,257,191.35
38141GGQ1	GOLDMAN SACHS GROUP INC	2,750,000.00	CORP	11/28/2016	07/27/2021	3,035,092.50	25,666.67	2,891,531.50
084670BL1	BERKSHIRE HATHAWAY INC	3,150,000.00	CORP	12/23/2016	08/14/2019	3,167,829.00	8,636.25	3,145,523.85
06051GFW4	BANK OF AMERICA CORP	175,000.00	CORP	11/03/2017	04/19/2021	176,358.00	2,067.19	174,198.68
89236TDH5	TOYOTA MOTOR CREDIT CORP	1,150,000.00	CORP	10/18/2016	10/18/2019	1,149,425.00	8,070.76	1,143,206.95
717081EB5	PFIZER INC	2,080,000.00	CORP	11/21/2016	12/15/2019	2,078,502.40	10,411.56	2,063,312.16
24422ETL3	JOHN DEERE CAPITAL CORP	685,000.00	CORP	03/15/2017	01/06/2022	681,979.15	4,286.01	685,673.36
172967LF6	CITIGROUP INC	1,575,000.00	CORP	01/10/2020	01/10/2020	1,574,370.00	8,682.19	1,571,690.93
594918BV5	MICROSOFT CORP	1,520,000.00	CORP	02/06/2017	02/06/2020	1,518,981.60	4,296.11	1,511,126.24
25468PDP8	WALT DISNEY CO	660,000.00	CORP	03/06/2017	03/04/2020	659,828.40	965.25	655,847.94
037833CS7	APPLE INC	1,325,000.00	CORP	05/11/2017	05/11/2020	1,323,648.50	9,275.00	1,315,122.13
437076BQ4	HOME DEPOT INC	750,000.00	CORP	06/05/2017	06/05/2020	749,565.00	4,350.00	743,999.25

clearwater								
Report:	Master Balance Sheet by Lot							
Account:	SMCTA - Agg (165727)							
As of:	03/31/2019							
Base Currency:	USD							
14913Q2A6	CATERPILLAR FINANCIAL SERVICES CORP	1,100,000.00	CORP	09/07/2017	09/04/2020	1,099,076.00	1,526.25	1,088,634.80
06051GGS2	BANK OF AMERICA CORP	965,000.00	CORP	09/18/2017	10/01/2021	965,000.00	11,232.60	955,901.98
713448DX3	PEPSICO INC	1,015,000.00	CORP	10/10/2017	04/15/2021	1,014,797.00	9,360.56	1,004,899.74
931142EA7	WAL-MART STORES INC	1,550,000.00	CORP	10/20/2017	12/15/2020	1,547,752.50	8,671.39	1,536,507.25
05531FAZ6	BB&T CORP	750,000.00	CORP	10/26/2017	02/01/2021	749,655.00	2,687.50	742,483.50
44932HAG8	IBM CREDIT LLC	1,500,000.00	CORP	02/06/2018	02/05/2021	1,499,265.00	6,183.33	1,499,152.50
63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	625,000.00	CORP	02/26/2018	03/15/2021	624,306.25	805.56	627,408.13
63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	875,000.00	CORP	04/19/2018	03/15/2021	871,298.75	1,127.78	878,371.38
904764AZ0	UNILEVER CAPITAL CORP	1,200,000.00	CORP	03/22/2018	03/22/2021	1,193,868.00	825.00	1,204,255.20
89236TEU5	TOYOTA MOTOR CREDIT CORP	1,200,000.00	CORP	04/13/2018	04/13/2021	1,199,520.00	16,520.00	1,208,805.60
427866BA5	HERSHEY CO	630,000.00	CORP	05/10/2018	05/15/2021	629,565.30	7,378.00	636,459.39
06051GHH5	BANK OF AMERICA CORP	400,000.00	CORP	05/17/2018	05/17/2022	400,000.00	5,209.62	404,840.80
025816BU2	AMERICAN EXPRESS CO	1,550,000.00	CORP	05/17/2018	05/17/2021	1,549,736.50	19,471.88	1,569,742.35
808513AW5	CHARLES SCHWAB CORP	965,000.00	CORP	05/22/2018	05/21/2021	964,971.05	11,325.35	976,682.29
02665WCP4	AMERICAN HONDA FINANCE CORP	1,550,000.00	CORP	10/10/2018	12/10/2021	1,549,256.00	16,129.69	1,574,190.85
24422EUQ0	JOHN DEERE CAPITAL CORP	350,000.00	CORP	01/10/2019	01/10/2022	349,664.00	2,520.00	355,230.75
693475A7	PNC FINANCIAL SERVICES GROUP INC	1,550,000.00	CORP	02/15/2019	01/23/2024	1,561,036.00	10,247.22	1,589,876.85
69371RP75	PACCAR FINANCIAL CORP	570,000.00	CORP	03/01/2019	03/01/2022	569,498.40	1,353.75	573,544.83
05531FBG7	BB&T CORP	800,000.00	CORP	03/18/2019	06/20/2022	799,976.00	881.11	805,477.60
46647PBB1	JPMORGAN CHASE & CO	1,500,000.00	CORP	03/22/2019	04/01/2023	1,500,000.00	1,202.63	1,506,261.00
---	---	39,615,000.00	CORP	---	02/04/2021	40,270,008.80	253,609.93	39,897,151.10
CP								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
62479MRG0	MUFG Bank, Ltd.	3,200,000.00	CP	07/20/2018	04/16/2019	3,138,320.00	0.00	3,196,573.33
25214PM26	Dexia Credit Local (Inc.)	1,500,000.00	CP	10/12/2018	07/02/2019	1,470,083.75	0.00	1,489,535.00
09659CRH3	BNP Paribas	1,600,000.00	CP	10/19/2018	04/17/2019	1,578,400.00	0.00	1,598,080.00
62479MZ63	MUFG Bank, Ltd.	1,600,000.00	CP	03/11/2019	12/06/2019	1,567,720.00	0.00	1,570,230.67
---	---	7,900,000.00	CP	---	06/17/2019	7,754,523.75	0.00	7,854,419.00
FHLMC								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
3137BM6P6	FHMS K721 A2	800,000.00	FHLMC	04/09/2018	08/25/2022	806,812.50	2,060.00	812,736.00
3137FKK39	FHMS KP05 A	692,027.49	FHLMC	12/17/2018	07/25/2023	692,025.42	1,847.14	698,913.17
---	---	1,492,027.49	FHLMC	---	01/26/2023	1,498,837.92	3,907.14	1,511,649.17
FNMA								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
3136AJ7G5	FNA 14M06B A2	2,768,450.67	FNMA	12/15/2016	05/25/2021	2,824,468.54	6,179.44	2,767,564.77
3136AQDQ0	FNA 15M13A AQ2	61,929.07	FNMA	10/30/2015	09/25/2019	62,549.22	84.95	61,618.18
3136B1XP4	FNA 18M5 A2	786,455.42	FNMA	04/30/2018	09/25/2021	802,098.81	2,333.15	794,949.14
---	---	3,616,835.16	FNMA	---	06/11/2021	3,689,116.57	8,597.53	3,624,132.09
MMFUND								
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value
31846V534	FIRST AMER.US TRS MM Y	1,894,233.90	MMFUND	---	03/31/2019	1,894,233.90	0.00	1,894,233.90
---	---	1,894,233.90	MMFUND	---	03/31/2019	1,894,233.90	0.00	1,894,233.90

clearwater									
Report:	Master Balance Sheet by Lot								
Account:	SMCTA - Agg (165727)								
As of:	03/31/2019								
Base Currency:	USD								
US GOV									
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	
912828TJ9	UNITED STATES TREASURY	4,450,000.00	US GOV	09/07/2018	08/15/2022	4,263,308.59	8,989.12	4,361,000.00	
912828VF4	UNITED STATES TREASURY	505,000.00	US GOV	12/07/2015	05/31/2020	498,470.51	2,327.30	499,082.03	
912828VP2	UNITED STATES TREASURY	1,235,000.00	US GOV	05/18/2016	07/31/2020	1,275,313.64	4,093.92	1,229,017.97	
912828F62	UNITED STATES TREASURY	375,000.00	US GOV	09/09/2015	10/31/2019	376,508.79	2,361.88	372,949.22	
912828L32	UNITED STATES TREASURY	335,000.00	US GOV	07/12/2016	08/31/2020	341,432.19	400.54	330,341.41	
912828N30	UNITED STATES TREASURY	2,900,000.00	US GOV	08/03/2018	12/31/2022	2,812,773.44	15,491.37	2,888,218.75	
912828N30	UNITED STATES TREASURY	2,650,000.00	US GOV	11/06/2018	12/31/2022	2,559,630.86	14,155.90	2,639,234.38	
912828N30	UNITED STATES TREASURY	4,800,000.00	US GOV	12/13/2018	12/31/2022	4,681,125.00	25,640.88	4,780,500.00	
912828N30	UNITED STATES TREASURY	11,000,000.00	US GOV	01/10/2019	12/31/2022	10,841,445.31	58,760.36	10,955,312.50	
912828N30	UNITED STATES TREASURY	5,700,000.00	US GOV	01/31/2019	12/31/2022	5,609,601.56	30,448.55	5,676,843.75	
912828Q78	UNITED STATES TREASURY	970,000.00	US GOV	01/05/2017	04/30/2021	950,751.56	5,600.28	952,267.19	
912828R77	UNITED STATES TREASURY	3,500,000.00	US GOV	03/17/2017	05/31/2021	3,409,082.04	16,129.81	3,433,828.13	
912828R69	UNITED STATES TREASURY	8,850,000.00	US GOV	03/06/2019	05/31/2023	8,528,841.80	48,200.89	8,634,281.25	
912828X47	UNITED STATES TREASURY	7,500,000.00	US GOV	05/07/2018	04/30/2022	7,260,351.56	59,046.96	7,417,968.75	
912828X47	UNITED STATES TREASURY	2,150,000.00	US GOV	12/06/2017	04/30/2022	2,127,660.16	16,926.80	2,126,484.38	
912828X47	UNITED STATES TREASURY	3,250,000.00	US GOV	01/04/2018	04/30/2022	3,208,740.23	25,587.02	3,214,453.13	
---	UNITED STATES TREASURY	60,170,000.00	US GOV	---	08/31/2022	58,745,037.24	334,161.58	59,511,782.81	
Summary									
Identifier	Description	PAR	Security Type	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	
---	---	155,834,438.78	---	---	03/29/2020	154,956,729.98	772,125.77	155,185,676.04	
* Grouped by: Security Type									
* Groups Sorted by: Security Type									
* Weighted by: Base Market Value + Accrued									
* Holdings Displayed by: Lot									



Risk Summary

03/01/2019 - 03/31/2019

SMCTA - Agg (165727)

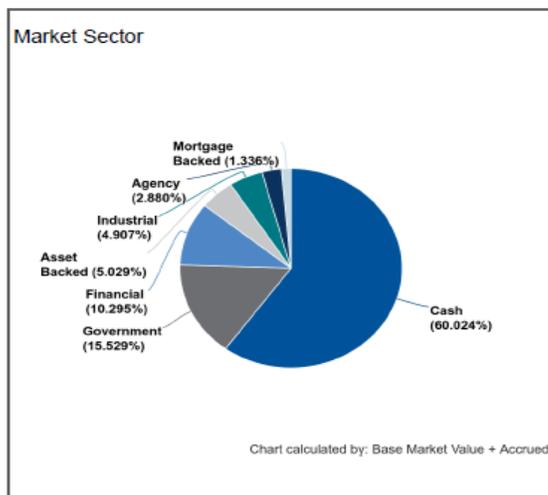
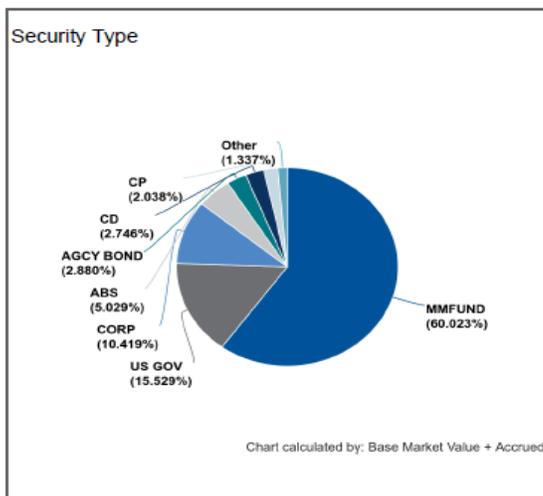
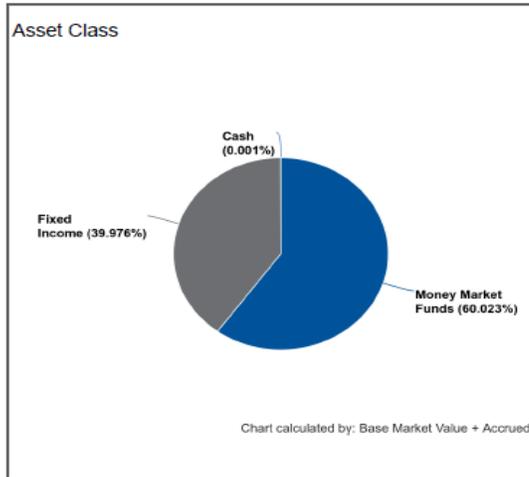
Dated: 04/17/2019

Cash and Fixed Income Summary	
<i>Risk Metric</i>	<i>Value</i>
Cash	4,314.08
MMFund	231,313,087.60
Fixed Income	154,059,253.83
Duration	2.116
Convexity	0.069
WAL	0.897
Years to Final Maturity	0.996
Years to Effective Maturity	0.896
Yield	2.503
Book Yield	0.921
Avg Credit Rating	AA-/Aa3/AA-

Issuer Concentration	
<i>Issuer Concentration</i>	<i>% of Base Market Value + Accrued</i>
(SM - CP O/M A) County Pool Old Measure A	32.878%
(SM - CP N/M A) County Pool New Measure A	26.391%
Other	19.407%
Government of the United States	15.529%
Federal National Mortgage Association, Inc.	2.664%
Mitsubishi UFJ Financial Group Inc.	1.237%
American Express Credit Account Master Trust	0.990%
Federal Home Loan Banks Office of Finance	0.904%
---	100.000%

Footnotes: 1,2

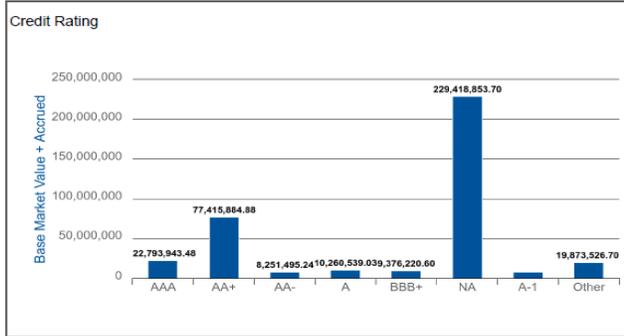
- 1) Grouped by Issuer Concentration
- 2) Groups sorted by: % of Base Market Value + Accrued





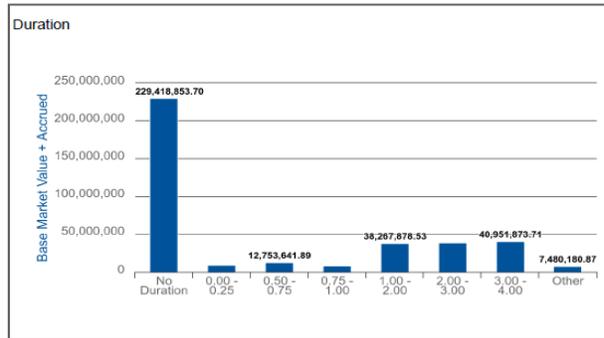
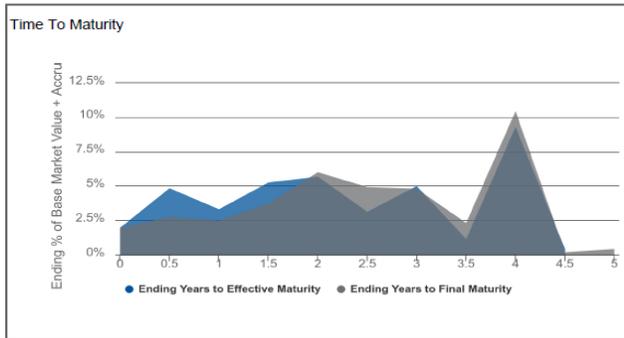
Risk Summary
03/01/2019 - 03/31/2019

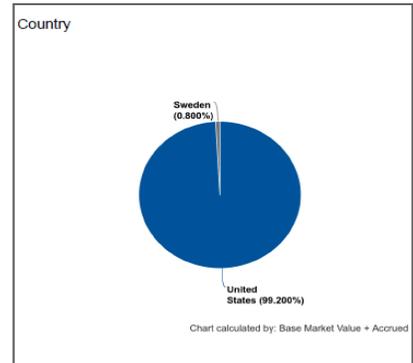
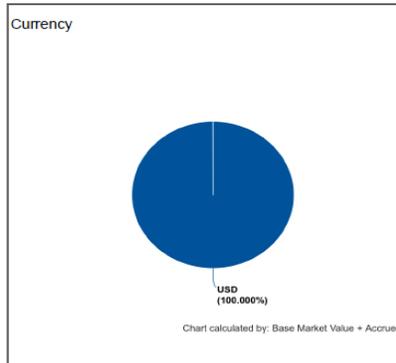
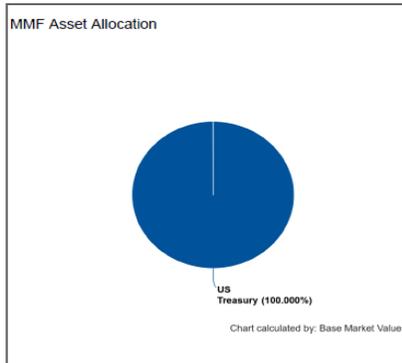
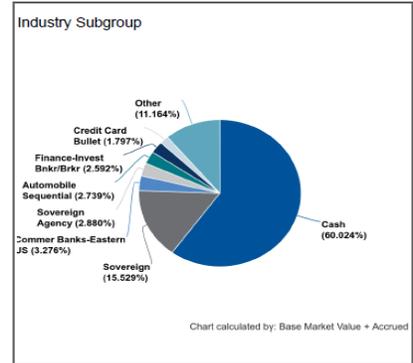
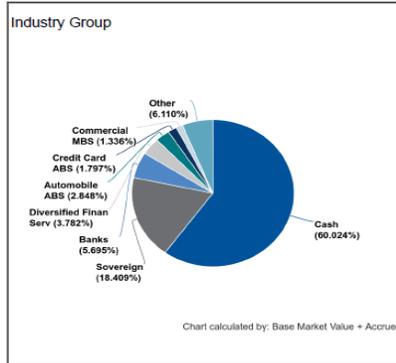
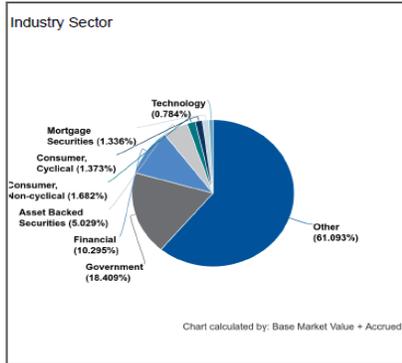
SMCTA - Agg (165727)
Dated: 04/17/2019



Credit Duration Heat Map

Rating	0 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5 - 7	7 - 10	10 - 15	15 - 30
AAA	4.936%	1.168%	0.197%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
AA	1.411%	4.086%	7.320%	10.828%	0.000%	0.000%	0.000%	0.000%	0.000%
A	2.753%	3.410%	1.709%	0.000%	0.415%	0.000%	0.000%	0.000%	0.000%
BBB	0.410%	1.288%	0.757%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
BB	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
B	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CCC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
C	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
NA	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%







GAAP Base Trading Activity
SMCTA - Agg (165727)
03/01/2019 - 03/31/2019
USD

Identifier	Description	Base Original Units	Base Current Units	Currency	Transaction Type	Trade Date	Settle Date	Final Maturity	Base Principal	Accrued Interest	Market Value
02007HAC5	ALLYA 172 A3	0.00	(141,596.42)	USD	Principal Paydown	03/15/2019	03/15/2019	08/16/2021	(141,596.42)	0.00	141,596.42
02007PAC7	ALLYA 171 A3	0.00	(37,537.11)	USD	Principal Paydown	03/15/2019	03/15/2019	06/15/2021	(37,537.12)	0.00	37,537.12
05531FBG7	BB&T CORP	800,000.00	800,000.00	USD	Buy	03/11/2019	03/18/2019	06/20/2022	799,976.00	0.00	(799,976.00)
25214PJB0	Dexia Credit Local (Inc.)	(3,200,000.00)	(3,200,000.00)	USD	Maturity	03/18/2019	03/18/2019	03/18/2019	(3,200,000.00)	0.00	3,200,000.00
3136AJ7G5	FNA 14M06B A2	0.00	(98,046.59)	USD	Principal Paydown	03/01/2019	03/01/2019	05/25/2021	(98,046.58)	0.00	98,046.58
3136AQDQ0	FNA 15M13A A2	0.00	(12,337.03)	USD	Principal Paydown	03/01/2019	03/01/2019	09/25/2019	(12,337.03)	0.00	12,337.03
3136B1XP4	FNA 18M5 A2	0.00	(15,993.53)	USD	Principal Paydown	03/01/2019	03/01/2019	09/25/2021	(15,993.53)	0.00	15,993.53
3137FKK39	FHMS KP05 A	0.00	(80,477.35)	USD	Principal Paydown	03/01/2019	03/01/2019	07/25/2023	(80,477.35)	0.00	80,477.35
31846V534	FIRST AMER:US TRS MM Y	(9,169,302.10)	(9,169,302.10)	USD	Sell	---	---	03/31/2019	(9,169,302.10)	0.00	9,169,302.10
31846V534	FIRST AMER:US TRS MM Y	10,129,368.71	10,129,368.71	USD	Buy	---	---	03/31/2019	10,129,368.71	0.00	(10,129,368.71)
34531EAD8	FORDO 17A A3	0.00	(129,690.03)	USD	Principal Paydown	03/15/2019	03/15/2019	06/15/2021	(129,690.04)	0.00	129,690.04
4497W1Q82	ING (U.S.) Funding LLC	(3,700,000.00)	(3,700,000.00)	USD	Maturity	03/08/2019	03/08/2019	03/08/2019	(3,700,000.00)	0.00	3,700,000.00
46625HJD3	JPMORGAN CHASE & CO	(1,500,000.00)	(1,500,000.00)	USD	Sell	03/15/2019	03/22/2019	01/24/2022	(1,562,025.00)	(10,875.00)	1,572,900.00
46647PBB1	JPMORGAN CHASE & CO	1,500,000.00	1,500,000.00	USD	Buy	03/15/2019	03/22/2019	04/01/2023	1,500,000.00	0.00	(1,500,000.00)
62479MQB2	MUFG Bank, Ltd.	(1,500,000.00)	(1,500,000.00)	USD	Maturity	03/11/2019	03/11/2019	03/11/2019	(1,500,000.00)	0.00	1,500,000.00
62479MZ63	MUFG Bank, Ltd.	1,600,000.00	1,600,000.00	USD	Buy	03/11/2019	03/11/2019	12/06/2019	1,567,720.00	0.00	(1,567,720.00)
89190BAD0	TAOT 17B A3	0.00	(205,837.29)	USD	Principal Paydown	03/15/2019	03/15/2019	07/15/2021	(205,837.30)	0.00	205,837.30
89238MAD0	TAOT 17A A3	0.00	(50,216.75)	USD	Principal Paydown	03/15/2019	03/15/2019	02/16/2021	(50,216.75)	0.00	50,216.75
912828Q78	UNITED STATES TREASURY	(1,600,000.00)	(1,600,000.00)	USD	Sell	03/21/2019	03/22/2019	04/30/2021	(1,566,375.00)	(8,629.83)	1,575,004.83
912828R69	UNITED STATES TREASURY	8,850,000.00	8,850,000.00	USD	Buy	03/04/2019	03/06/2019	05/31/2023	8,528,841.80	37,928.57	(8,566,770.37)
912828T67	UNITED STATES TREASURY	(8,450,000.00)	(8,450,000.00)	USD	Sell	03/04/2019	03/06/2019	10/31/2021	(8,174,384.77)	(36,764.50)	8,211,149.27
---	---	(6,239,933.39)	(7,011,665.49)	USD	---	---	---	09/09/2020	(7,117,912.48)	(18,340.76)	7,136,253.24

SMCTA – Glossary of Terms

Accrued Interest - The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date. Accrued interest occurs as a result of the difference in timing of cash flows and the measurement of these cash flows.

Amortized Cost - The amount at which an investment is acquired, adjusted for accretion, amortization, and collection of cash.

Book Yield - The measure of a bond's recurring realized investment income that combines both the bond's coupon return plus its amortization.

Average Credit Rating - The average credit worthiness of a portfolio, weighted in proportion to the dollar amount that is invested in the portfolio.

Convexity - The relationship between bond prices and bond yields that demonstrates how the duration of a bond changes as the interest rate changes.

Credit Rating - An assessment of the credit worthiness of an entity with respect to a particular financial obligation. The credit rating is inversely related to the possibility of debt default.

Duration - A measure of the exposure to interest rate risk and sensitivity to price fluctuation of fixed-income investments. Duration is expressed as a number of years.

Income Return - The percentage of the total return generated by the income from interest or dividends.

Original Cost - The original cost of an asset takes into consideration all of the costs that can be attributed to its purchase and to putting the asset to use.

Par Value - The face value of a bond. Par value is important for a bond or fixed-income instrument because it determines its maturity value as well as the dollar value of coupon payments.

Price Return - The percentage of the total return generated by capital appreciation due to changes in the market price of an asset.

Short-Term Portfolio - The city's investment portfolio whose securities' average maturity is between 1 and 5 years.

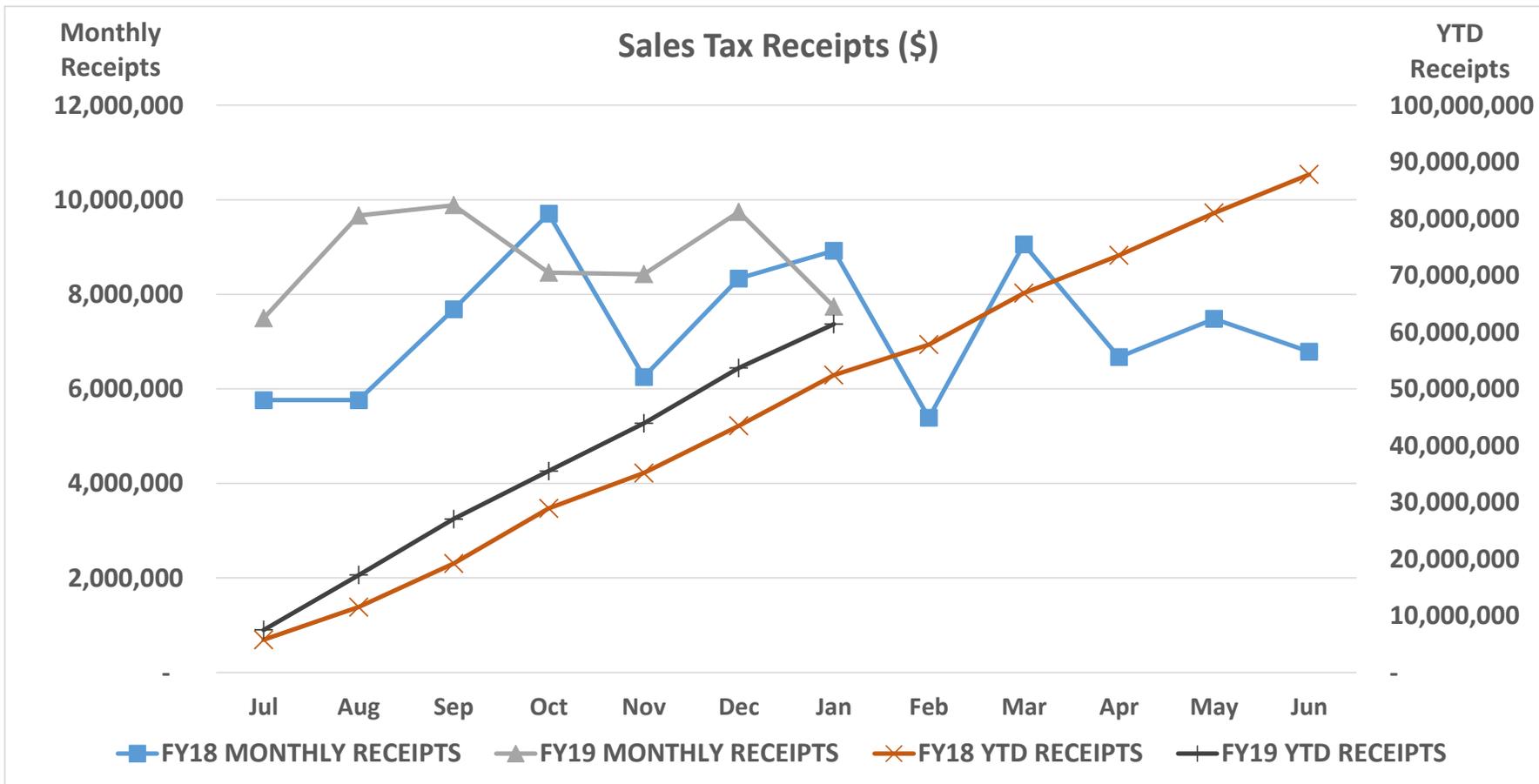
Targeted-Maturities Portfolio - The city's investment portfolio whose securities' average maturity is between 0 and 3 years.

Total Return - The actual rate of return of an investment over a given evaluation period. Total return is the combination of income and price return.

Unrealized Gains/(Loss) - A profitable/(losing) position that has yet to be cashed in. The actual gain/(loss) is not realized until the position is closed. A position with an unrealized gain may eventually turn into a position with an unrealized loss, as the market fluctuates and vice versa.

Weighted Average Life (WAL) - The average number of years for which each dollar of unpaid principal on an investment remains outstanding, weighted by the size of each principal payout.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
FY2019
MARCH 2019**



SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CHECKS WRITTEN
March 2019

Unit	Ref	Name	Amount	Method	Description
SMCTA	000252	MATSUMOTO, KARYL M.	100.00	ACH	Board Member Compensation
SMCTA	000253	GROOM, CAROLE	100.00	ACH	Board Member Compensation
SMCTA	000254	HORSLEY, DONALD	100.00	ACH	Board Member Compensation
SMCTA	000255	FRESCHET, MAUREEN ANN	100.00	ACH	Board Member Compensation
SMCTA	000256	BEACH, EMILY RANDOLPH	100.00	ACH	Board Member Compensation
SMCTA	000257	MEDINA, RICO E.	100.00	ACH	Board Member Compensation
SMCTA	000258	BEACH, EMILY RANDOLPH	100.00	ACH	Board Member Compensation
SMCTA	000260	HORSLEY, DONALD	200.00	ACH	Board Member Compensation
SMCTA	000262	FRESCHET, MAUREEN ANN	200.00	ACH	Board Member Compensation
SMCTA	000263	BEACH, EMILY RANDOLPH	100.00	ACH	Board Member Compensation
SMCTA	004886	ROMERO, CARLOS	100.00	CHK	Board Member Compensation
SMCTA	000259	OFFICE DEPOT	66.87	ACH	Office Supplies
SMCTA	000261	KHOURI CONSULTING LLC	4,050.00	ACH	Legislative Advocate
SMCTA	004867	HOLLAND & KNIGHT LLP	3,500.00	CHK	Legislative Advocate
SMCTA	004884	EISENHART, ALEX	144.57	CHK	Supplies for Groundbreaking Event
SMCTA	004892	PUBLIC FINANCIAL MANAGEMENT, INC.	9,250.00	CHK	Advisory Fees
SMCTA	004893	USI INSURANCE SERVICES NATIONAL, INC.	624.25	CHK	Insurance - General Due to SamTrans for Q3 and Q4 of FY2018 and Q1 and Q2 of FY2019 - Wages, Fringes Benefits, Overhead, Paratransit, Caltrain, Bank Charges, Postage, etc.
SMCTA	900150	SAN MATEO COUNTY TRANSIT DISTRICT	12,932,260.66	WIR	Consultants (1)
SMCTA	000251	URS CORPORATION	10,584.07	ACH	Consultants (2)
SMCTA	004868	NORTH AMERICAN TITLE	2,100.00	CHK	Consultants (2)
SMCTA	004869	PACIFIC GAS & ELECTRIC COMPANY	13,615.41	CHK	Consultants (3)
SMCTA	004888	HNTB CORPORATION	88,814.87	CHK	Consultants (4)
SMCTA	004889	MARK THOMAS & COMPANY AND AECOM JV	755,655.37	CHK	Consultants (5)
SMCTA	004890	MARK THOMAS & COMPANY AND AECOM JV	51,505.60	CHK	Capital programs (6)
SMCTA	004891	PACIFIC GAS & ELECTRIC COMPANY	6,421.20	CHK	Capital programs (6)
SMCTA	900152	SAN MATEO COUNTY TRANSIT DISTRICT	55,354.57	WIR	Capital programs (7)
SMCTA	004870	PENINSULA TRAFFIC CONGESTION RELIEF	28,658.32	CHK	Capital programs (7)
SMCTA	004871	PENINSULA TRAFFIC CONGESTION RELIEF	16,999.47	CHK	Capital programs (7)
SMCTA	004872	PENINSULA TRAFFIC CONGESTION RELIEF	65,316.88	CHK	Capital programs (7)
SMCTA	004873	PENINSULA TRAFFIC CONGESTION RELIEF	15,636.99	CHK	Capital programs (7)
SMCTA	004874	PENINSULA TRAFFIC CONGESTION RELIEF	15,071.20	CHK	Capital programs (7)
SMCTA	004875	PENINSULA TRAFFIC CONGESTION RELIEF	28,822.72	CHK	Capital programs (7)
SMCTA	004876	PENINSULA TRAFFIC CONGESTION RELIEF	15,207.45	CHK	Capital programs (7)
SMCTA	004877	PENINSULA TRAFFIC CONGESTION RELIEF	53,471.81	CHK	Capital programs (7)
SMCTA	004878	PENINSULA TRAFFIC CONGESTION RELIEF	15,299.85	CHK	Capital programs (7)
SMCTA	004879	PENINSULA TRAFFIC CONGESTION RELIEF	41,001.93	CHK	Capital programs (7)
SMCTA	004881	SAN MATEO COUNTY COMM COLLEGE DISTRICT	30,649.05	CHK	Capital programs (7)
SMCTA	004882	SOUTH SAN FRANCISCO, CITY OF	88,880.04	CHK	Capital programs (7)
SMCTA	004883	DALY CITY, CITY OF	11,696.40	CHK	Capital programs (7)
SMCTA	004885	MENLO PARK, CITY OF	21,099.55	CHK	Capital programs (7)
SMCTA	900153	PENINSULA CORRIDOR JOINT POWERS BOARD	192,024.24	WIR	Capital programs (7)
SMCTA	004880	SAN FRANCISCO COUNTY TRANSPORTATION	271,216.74	CHK	Capital programs (8)
SMCTA	004887	SAN MATEO, CITY OF	100,000.00	CHK	Capital programs (9)
SMCTA	900148	DEPARTMENT OF TRANSPORTATION	1,173,741.57	WIR	Capital programs (10)
SMCTA	900149	PENINSULA CORRIDOR JOINT POWERS BOARD	1,420,644.11	WIR	Capital programs (11)
SMCTA	900151	PENINSULA CORRIDOR JOINT POWERS BOARD	53,350.00	WIR	Capital programs (12)
SMCTA	900155	PENINSULA CORRIDOR JOINT POWERS BOARD	6,315,851.53	WIR	Capital programs (13)
SMCTA	900154	DEPARTMENT OF TRANSPORTATION	1,139,909.06	WIR	Capital programs (14)
			<u>25,049,796.35</u>		

- (1) 101 Peninsula Ave/Poplar I/C
- (2) 101 Interchange to Broadway
- (3) Highway Oversight \$11,386.34; 101 HOV Ln Whipple - San Bruno \$77,428.53
- (4) 101 Interchange to Broadway \$2,067.25; 101 HOV Ln Whipple - San Bruno \$753,588.12
- (5) Hwy 1 Grey Whale Cove-Miramar \$30,460.30; US 101/SR 92 Direct Connector \$10,161.91;
US101/SR92 Interchang Area Imp \$10,883.39
- (6) 101 HOV Ln Whipple - San Bruno
- (7) Shuttles FY19-20 Funding
- (8) 101 Managed Lanes (Nof I-380)
- (9) Parking Expansion RC,MP, Hills
- (10) 101 Interchange to Willow \$1,171,980.61; 101 HOV Ln Whipple - San Bruno \$1,760.96
- (11) CBOSS/PTC Project
- (12) FY17/FY18 Local Shuttles
- (13) 25th Ave Grade Separation \$5,651,862.90; S. Linden Ave-Scott St Grade S \$157,415.76;
Caltrain Business Plan \$178,667.24; Broadway Grade Separation \$327,905.63
- (14) US 101/SR 92 Direct Connector \$5,480.60; US101/SR92 Interchang Area Imp \$7,338.60;
101 Interchange to Willow \$1,124,236.38; 101 HOV Ln Whipple - San Bruno \$2,853.48

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET
REVIEW AND OUTLOOK**

ACTION

Staff recommends the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended March 31, 2019.

SIGNIFICANCE

The San Mateo County Transportation Authority (TA) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover in order to meet the 30-day requirement.

BUDGET IMPACT

As this reports on the Quarterly Market Review and Outlook, there is no budget impact.

BACKGROUND

The TA is required by State law to submit quarterly reports within 30 days of the end of the quarter covered by the report to the Board of Directors. The report is required to include the following information:

1. Type of investment, issuer, and date of maturity, par and dollar amount invested in all securities, investments and money held by the local agency;
2. Description of any of the local agency's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the local agency or under management by any outside party that is not a local agency or the State of California Local Agency Investment Fund (LAIF), a current market value as of the date of the report and the source of this information;
4. Statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and,

5. Statement that the local agency has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on pages 7, 8 and 9. The schedule separates the investments into two groups: the Investment Portfolio managed by PFM Asset Management LLC (PFM), and Liquidity funds, which are managed by TA staff. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds.

PFM provides the TA a current market valuation of all the assets under its management for each quarter. Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

The Liquidity funds managed by TA staff are considered to be cash equivalents and therefore market value is considered to be equal to book value (i.e. cost). The shares of beneficial interest generally establish a nominal value per share. Because the Net Asset Value is fixed at a nominal value per share, book and market value are equal and rate of income is recalculated on a daily basis.

The portfolio and this Quarterly Investment Report comply with the Investment Policy and the provisions of Senate Bill 564 (1995). The TA has the ability to meet its expenditure requirements for the next six months.

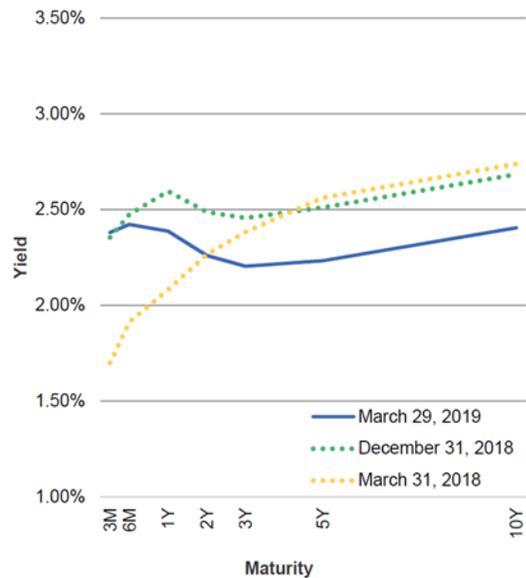
DISCUSSION

TREASURY YIELD

- Investors' appetite for riskier equity assets, coupled with the Fed's recent move to a more "patient" stance regarding further rate hikes, drove Treasury yields further downward during the first quarter
- The 2-year Treasury decreased by 23 basis points from December 31, 2018 to end the quarter at 2.26%

U.S. Treasury Curve

	1Q2019 3/29/19	4Q2018 12/31/18	1Q2018 3/31/18
3-month	2.38%	2.35%	1.70%
6-month	2.42%	2.48%	1.91%
1-year	2.39%	2.60%	2.08%
2-year	2.26%	2.49%	2.27%
3-year	2.20%	2.46%	2.38%
5-year	2.23%	2.51%	2.56%
10-year	2.41%	2.68%	2.74%



Source: Bloomberg, as of 03/29/2019.

PORTFOLIO RECAP

- Continuing the trend from the fourth quarter of 2018, interest rates moved lower during the first quarter of 2019, as the Fed stated it has no plans for further rate action in 2019. However, in a strong reversal from the prior quarter, equity markets rebounded, credit spreads tightened, and volatility decreased.
- U.S. Treasury yields with maturities beyond one year fell 20-30 basis points (0.20% to 0.30%). In the last week of the quarter, the 3-month to 10-year part of the yield curve inverted temporarily, renewing concerns about a possible recession.
- Our portfolio strategy included the following elements:
- Because of the maturity of the current business cycle, slower growth prospects, and a Fed now on hold for further rate hikes, we removed our defensive bias with regard to portfolio duration (duration positioning short of the benchmark), a strategy that had been in place for much of 2017-18 while rates were rising. We are now targeting a duration that is in line with the benchmark.
- Sector allocation strategy continued to favor broad diversification, generally including the widest range of permitted investments. While the fourth quarter flight to safer assets resulted in Treasuries being the best performing sector, the first quarter's rebound generated strong excess returns for the portfolio, as most fixed income sectors outperformed similar duration Treasuries.
- After corporate yield spreads increased to their widest levels in over two years in the fourth quarter, we sought opportunities to add allocations in the sector as spreads moved tighter throughout the first quarter.
- With agency spreads near historic lows, we continued to favor Treasuries in the government space.

INVESTMENT STRATEGY OUTLOOK

With the Fed on hold and the market's current outlook for lower future interest rates, we will maintain a neutral duration posture in the portfolio relative to the benchmark.

- As a result of the outlook for slower economic growth, we continue to recommend maintaining diversification among investment grade sectors with a tilt towards higher grade corporate bonds given their income-producing potential.
- Our outlook for each of the major investment-grade fixed-income sectors are as follows:
- As federal agency spreads remain very tight, we expect agency purchases to be minimal, seeking better value in either Treasuries or other sectors. Given the inverted-to-flat yield curve, we will also evaluate callable agencies for their incremental yield.
- In the corporate sector, yield spreads have narrowed, settling in around longer-term, post-recession historical averages. Although the Treasury yield curve is flat, the corporate spread curve remains positively sloped, offering value for extending maturities. But, given international growth concerns, we remain diligent in our issuer and security selection process.
- Allocations to AAA-rated ABS will be maintained. The sector offers an attractive incremental income compared to similar duration government securities and continues to offer a defensive outlet relative to other credit instruments.
- Short-term, high quality credit in the form of negotiable certificates of deposit and commercial paper offer good income potential, especially in light of the partially inverted Treasury yield curve.

Budget Impact

Total return is interest income plus capital gains (or minus losses) on an investment and is the most important measure of performance as it is the actual return on investment during a specific time interval. For the quarter ending March 31, the total return of the portfolio was **1.32 percent**. This compares to the benchmark return of **1.10 percent**. The Performance graph on page 8 shows the relative performance of the TA over the last 12 months.

The yield at cost represents the yield on a fixed-income security at its current rate (at the time of purchase) of return until maturity equivalent to the annual percentage rate of interest an investor would receive for investing the purchase price of a given security in a bank account that paid interest semiannually. As of the end of the quarter, the portfolio's yield to maturity at cost was **2.41 percent**.

The yield at market is the yield that an investor can expect to receive in the current interest rate environment utilizing a buy-and-hold investment strategy. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending March 31, the portfolio's market yield to maturity was **2.45 percent**.

Prepared by: Connie Mobley-Ritter, Director - Treasury

650-508-7765

INVESTMENT GLOSSARY

Asset Backed Securities - An asset-backed security (ABS) is a financial security backed by a loan, lease or receivables against assets other than real estate and mortgage-backed securities. For investors, asset-backed securities are an alternative to investing in corporate debt.

Certificate of Deposit - A certificate of deposit (CD) is a savings certificate with a fixed maturity date, specified fixed interest rate and can be issued in any denomination aside from minimum investment requirements. A CD restricts access to the funds until the maturity date of the investment. CDs are generally issued by commercial banks and are insured by the FDIC up to \$250,000 per individual.

Collateralized Mortgage Obligation - Collateralized mortgage obligation (CMO) refers to a type of mortgage-backed security that contains a pool of mortgages bundled together and sold as an investment. Organized by maturity and level of risk, CMOs receive cash flows as borrowers repay the mortgages that act as collateral on these securities. In turn, CMOs distribute principal and interest payments to their investors based on predetermined rules and agreements.

Commercial Paper - Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts receivable, inventories and meeting short-term liabilities. Maturities on commercial paper rarely range any longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.

Credit Spreads - The spread between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

Duration - The term duration has a special meaning in the context of bonds. It is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows. It is an important measure for investors to consider, as bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

Net Asset Value - Net asset value (NAV) is value per share of a mutual fund or an exchange-traded fund (ETF) on a specific date or time. With both security types, the per-share dollar amount of the fund is based on the total value of all the securities in its portfolio, any liabilities the fund has and the number of fund shares outstanding.

Roll-down - A roll-down return is a form of return that arises when the value of a bond converges to par as maturity is approached. The size of the roll-down return varies greatly between long and short-dated bonds. Roll-down is smaller for long-dated bonds that are trading away from par compared to bonds that are short-dated.

Roll-down return works two ways in respect to bonds. The direction depends on if the bond is trading at a premium or at a discount. If the bond is trading at a discount the roll-down effect will be positive. This means the roll-down will pull the price up towards par. If the bond is trading at a premium the opposite will occur. The roll-down return will be negative and pull the price of the bond down back to par.

Volatility - Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

Yield Curve - A yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates, and it is also used to predict changes in economic output and growth.

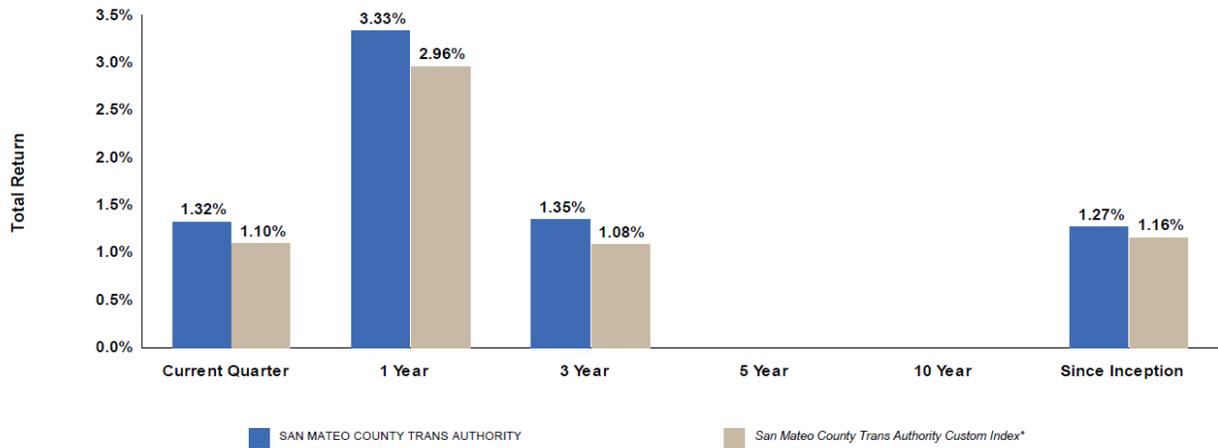
Yield to Maturity - Yield to maturity (YTM) is the total return anticipated on a bond if the bond is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate. In other words, it is the internal rate of return of an investment in a bond if the investor holds the bond until maturity and if all payments are made as scheduled.

Source: Investopedia.com

EXHIBIT 1

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (03/31/15)
			1 Year	3 Year	5 Year	10 Year	
SAN MATEO COUNTY TRANS AUTHORITY	2.16	1.32%	3.33%	1.35%	-	-	1.27%
San Mateo County Trans Authority Custom Index*	2.09	1.10%	2.96%	1.08%	-	-	1.16%
Difference		0.22%	0.37%	0.27%	-	-	0.11%

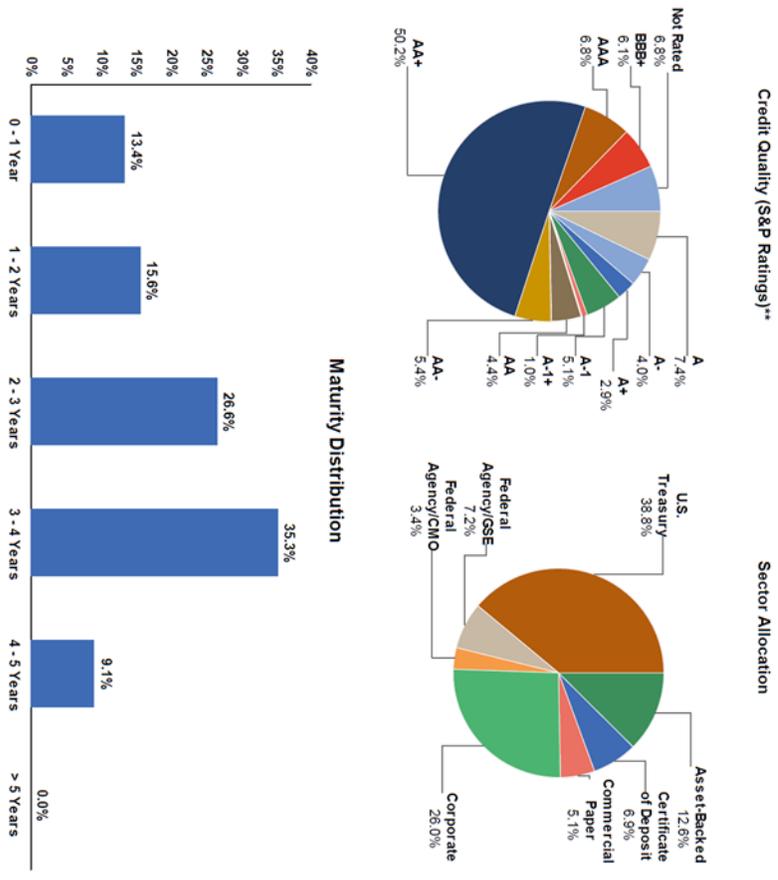


Portfolio performance is gross of fees unless otherwise indicated.

*The Authority's custom benchmark is the 0-5 Yr US Treasur Index, as of 6/30/2016. Before 6/30/2016, the Authority's index was 15% 0-1 Yr UST, 15% 0-1 Yr Aaencv, 20% 1-3 Yr US Govt, 20% 3-5 Yr US Govt, 10% 1-10 Yr US Govt, and 20% 1-5 Yr Corp.

EXHIBIT 2

Portfolio Statistics	
As of March 31, 2019	
Per Value:	\$153,935,891
Total Market Value:	\$156,019,781
Security Market Value:	\$153,353,342
Accrued Interest:	\$772,205
Cash:	\$1,894,234
Amortized Cost:	\$152,922,904
Yield at Market:	2.45%
Yield at Cost:	2.41%
Effective Duration:	2.16 Years
Duration to Worst:	2.22 Years
Average Maturity:	2.53 Years
Average Credit:	AA



**Securities held in the Authority's portfolio are in compliance with California state statutes and the Authority's investment policy dated September 2017.

EXHIBIT 3

Sector Allocation & Compliance

- The portfolio is in compliance with the Authority's Investment Policy and California Government Code.

Security Type	Market Value as of March 31, 2019	% of Portfolio	Permitted by Policy	In Compliance	Average Credit Rating
U.S. Treasury	\$59,512,833	16.1%	100%	✓	AA+
Federal Agency/GSE	\$11,068,964	3.0%	100%	✓	AA+
Federal Agency/CMO	\$5,132,965	1.4%	20%	✓	AA+
Corporate Notes	\$39,895,733	10.8%	30%	✓	A
Negotiable CDs	\$10,544,684	2.8%	10%	✓	A+
Asset-Backed Securities	\$19,343,563	5.2%	30%	✓	AAA
Commercial Paper	\$7,854,600	2.1%	15%	✓	A-1
Securities Sub-Total	\$153,353,342	41.4%			
Accrued Interest	\$772,205				
Securities Total	\$154,125,547				
Money Market Fund	\$1,894,234	0.5%	10%	✓	AAAm
San Mateo County Pool	\$207,762,158	56.0%	100%	✓	AAAm
LAIF	\$7,685,913	2.1%	100%	✓	NR
Total Investments	\$371,467,852	100.0%			

Market values, excluding accrued interest. Detail may not add to total due to rounding. Current investment policy as of September 2017.

Base Risk Summary - Fixed Income

01/01/2019 - 03/31/2019

SMCTA - Agg (165727)

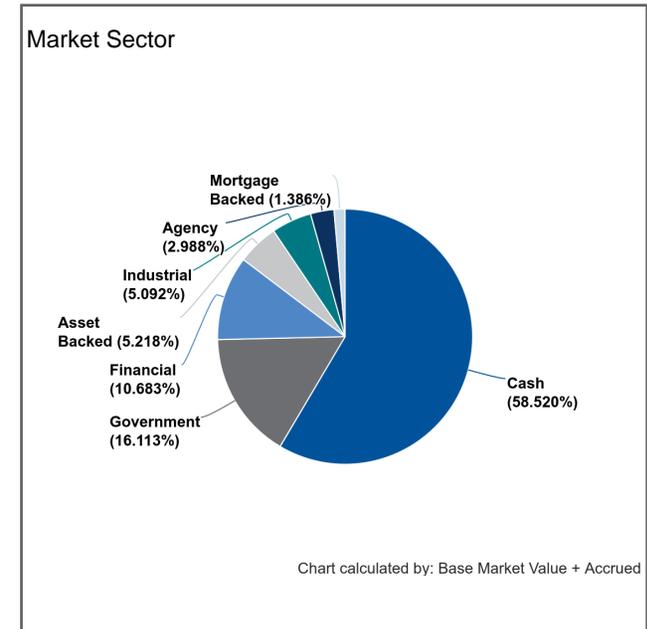
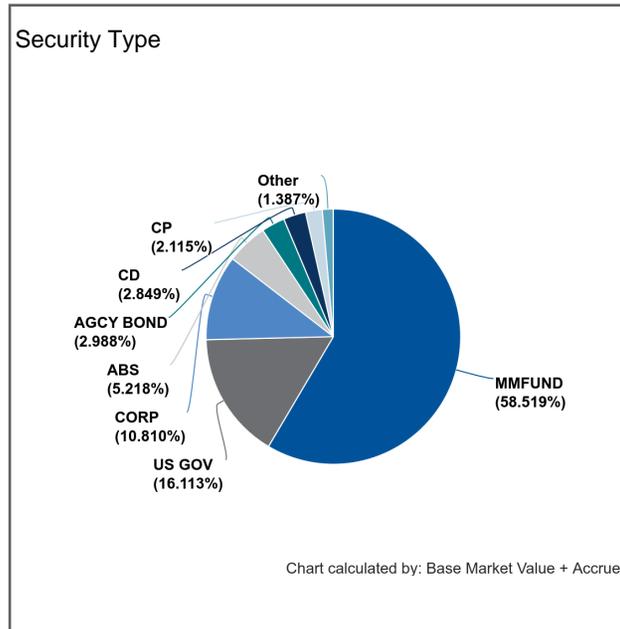
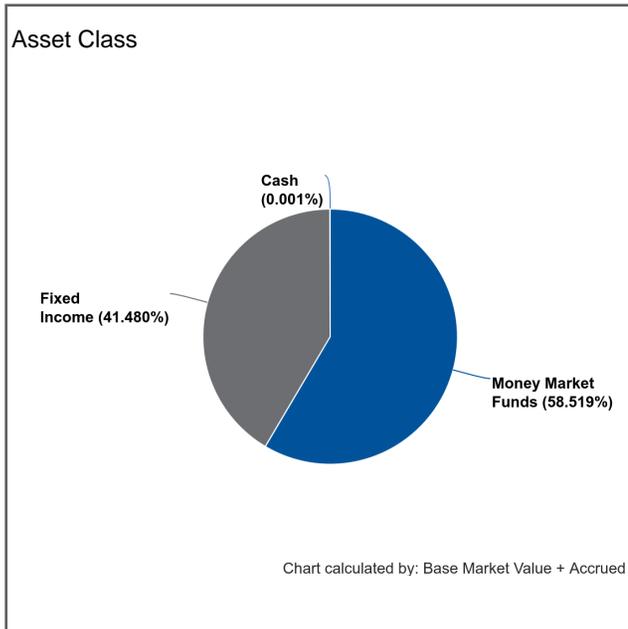
Dated: 04/24/2019

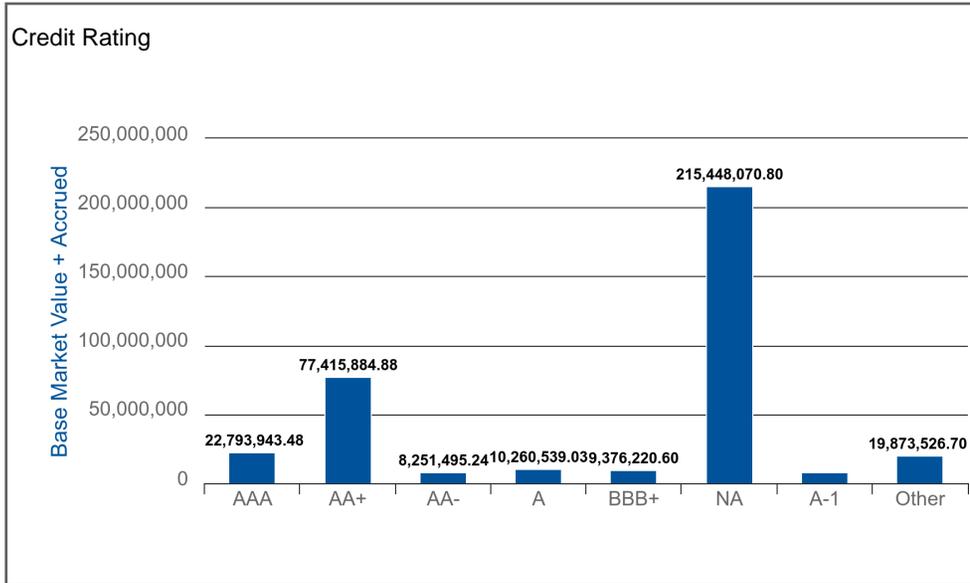
Balance Sheet	
Book Value + Accrued	371,318,554.80
Net Unrealized Gain/Loss	87,317.80
Market Value + Accrued	371,405,872.61

Cash and Fixed Income Summary	
Risk Metric	Value
Cash	4,314.08
MMFund	217,342,304.70
Fixed Income	154,059,253.83
Duration	2.116
Convexity	0.069
WAL	0.931
Years to Final Maturity	1.033
Years to Effective Maturity	0.930
Yield	2.503
Book Yield	0.956
Avg Credit Rating	AA-/Aa3/AA-

Issuer Concentration	
Issuer Concentration	% of Base Market Value + Accrued
(SM - CP O/M A) County Pool Old Measure A	29.941%
(SM - CP N/M A) County Pool New Measure A	25.998%
Other	20.803%
Government of the United States	16.113%
Federal National Mortgage Association, Inc.	2.764%
(SM - LAIF) State of California	2.069%
Mitsubishi UFJ Financial Group Inc.	1.283%
American Express Credit Account Master Trust	1.027%
---	100.000%

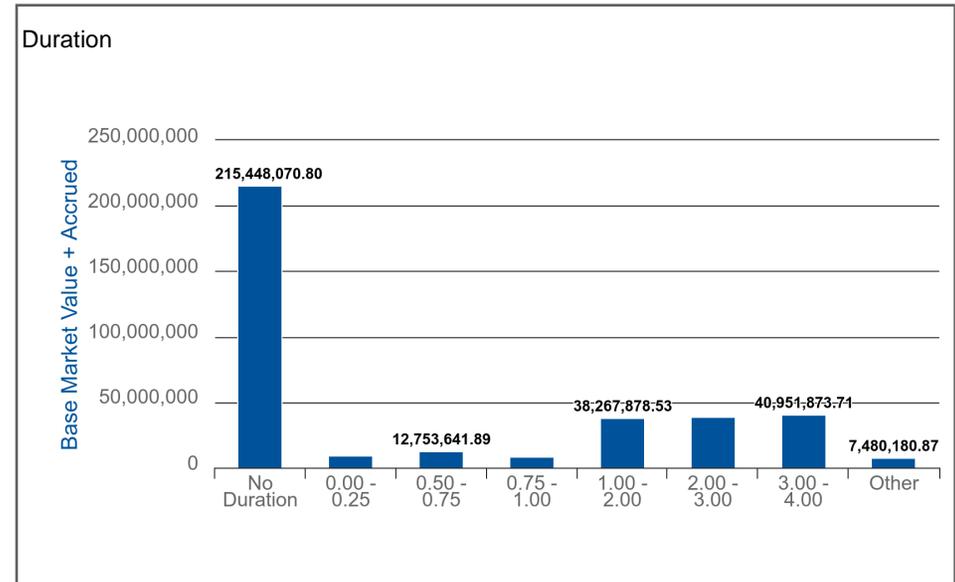
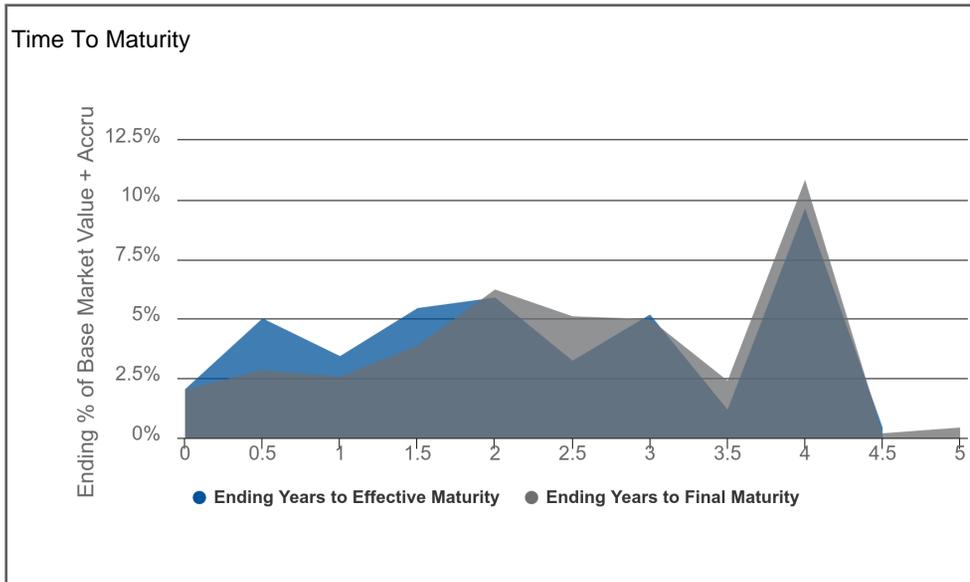
Footnotes: 1,2





Credit Duration Heat Map

Rating	0 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5 - 7	7 - 10	10 - 15	15 - 30
AAA	5.122%	1.212%	0.204%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
AA	1.464%	4.239%	7.601%	11.026%	0.000%	0.000%	0.000%	0.000%	0.000%
A	2.857%	3.538%	1.772%	0.000%	0.431%	0.000%	0.000%	0.000%	0.000%
BBB	0.426%	1.314%	0.785%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
BB	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
B	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CCC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
C	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
NA	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

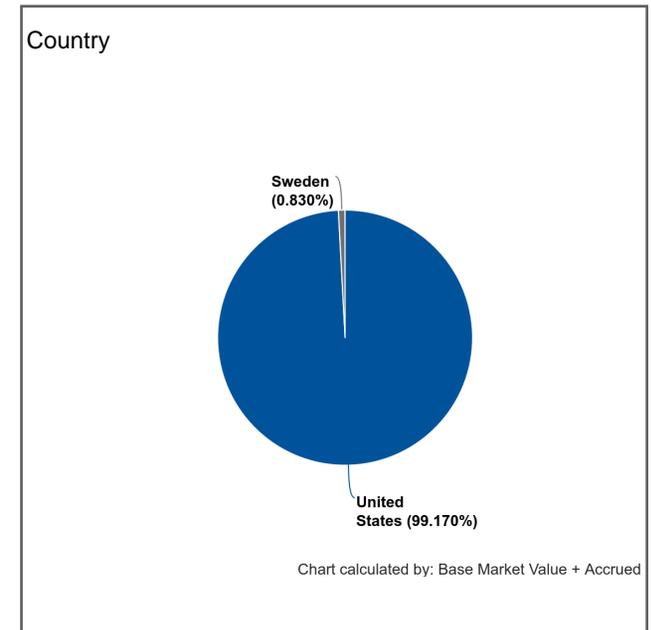
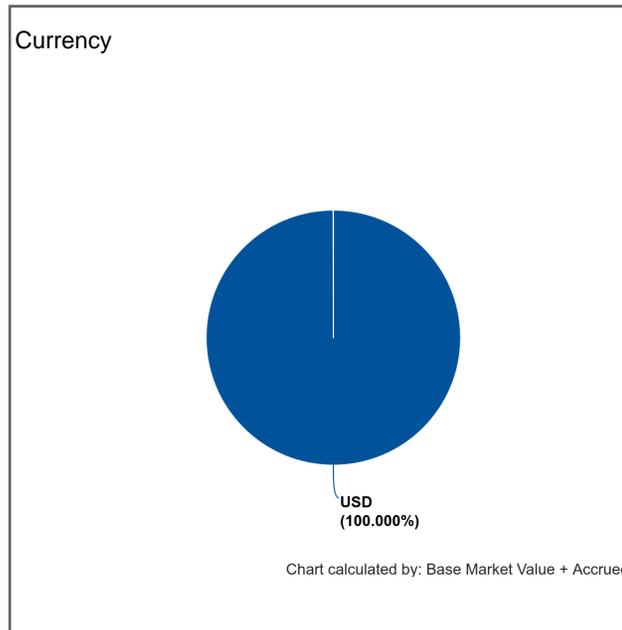
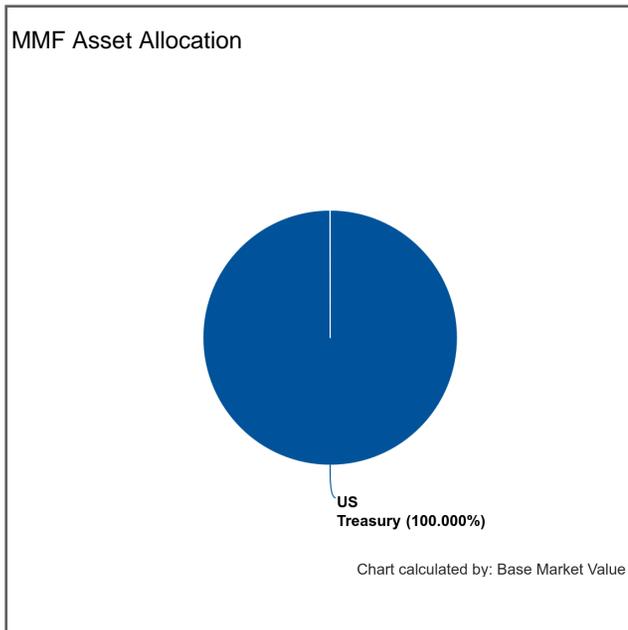
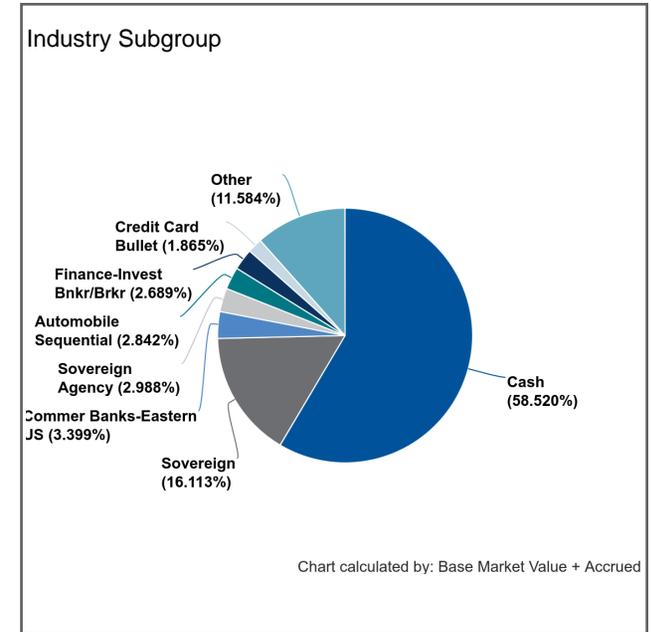
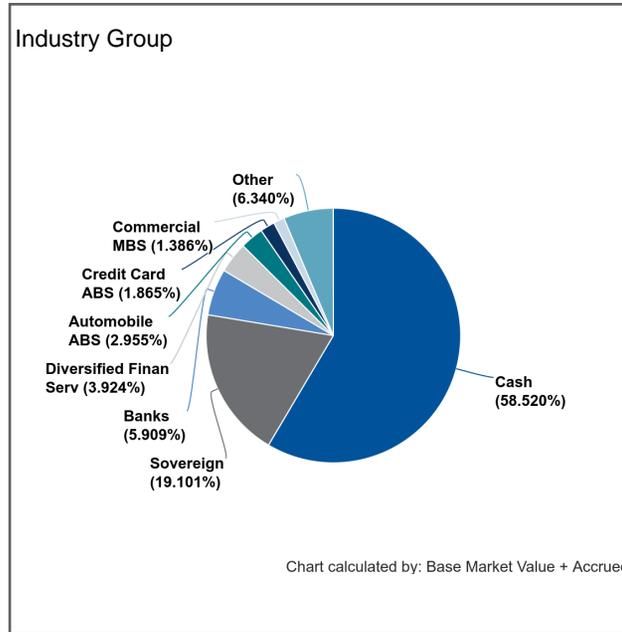
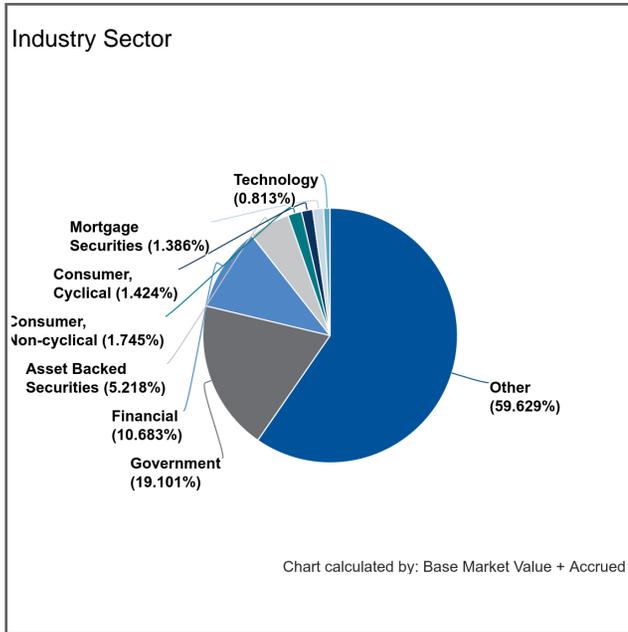


Base Risk Summary - Fixed Income

01/01/2019 - 03/31/2019

SMCTA - Agg (165727)

Dated: 04/24/2019



Base Risk Summary - Fixed Income

01/01/2019 - 03/31/2019

SMCTA - Agg (165727)

Dated: 04/24/2019

1: * Grouped by: Issuer Concentration. 2: * Groups Sorted by: % of Base Market Value + Accrued.

clearwater								
Report:	Master Balance Sheet by Lot							
Account:	SMCTA - Agg (165727)							
As of:	03/31/2019							
Base Currency	USD							
ABS								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Market Value
34531EAD8	FORDO 17A A3	1,607,613.90	ABS	01/25/2017	06/15/2021	1,607,607.95	1,193.21	1,599,389.25
02007PAC7	ALLYA 171 A3	421,166.90	ABS	01/31/2017	06/15/2021	421,130.09	318.22	419,208.73
89238MAD0	TAOT 17A A3	541,974.87	ABS	03/15/2017	02/16/2021	541,911.07	416.72	539,469.01
02007HAC5	ALLYA 172 A3	1,720,822.32	ABS	03/29/2017	08/16/2021	1,720,619.44	1,361.36	1,713,006.75
17305EGB5	CCGIT 17A3 A3	1,600,000.00	ABS	05/22/2017	04/07/2020	1,604,272.00	14,848.00	1,588,839.67
89190BAD0	TAOT 17B A3	2,870,450.16	ABS	05/17/2017	07/15/2021	2,870,230.00	2,245.33	2,851,931.81
02582JHG8	AMXCA 174 A	1,200,000.00	ABS	05/30/2017	05/15/2019	1,199,807.76	874.67	1,198,513.11
47788BAD6	JDOT 17B A3	1,000,000.00	ABS	07/18/2017	10/15/2021	999,926.80	808.89	993,635.16
43814PAC4	HAROT 173 A3	580,000.00	ABS	09/29/2017	09/18/2021	579,937.19	374.91	576,183.32
89238BAD4	TAOT 18A A3	700,000.00	ABS	01/31/2018	05/16/2022	699,991.95	731.11	697,438.30
17305EGK5	CCGIT 18A1 A1	1,500,000.00	ABS	01/31/2018	01/20/2023	1,499,792.40	7,366.25	1,498,700.90
47788CAC6	JDOT 2018 A3	485,000.00	ABS	02/28/2018	04/18/2022	484,965.13	573.38	485,317.08
02582JHQ6	AMXCA 181 A	2,610,000.00	ABS	03/21/2018	10/17/2022	2,609,696.98	3,097.20	2,612,954.25
02004VAC7	ALLYA 182 A3	1,100,000.00	ABS	04/30/2018	11/15/2022	1,099,800.24	1,427.56	1,104,724.35
36255JAD6	GMCAR 183 A3	700,000.00	ABS	07/18/2018	05/16/2023	699,836.76	880.83	705,744.57
14313FAD1	CARMX 183 A3	750,000.00	ABS	07/25/2018	06/15/2023	749,897.78	1,043.33	757,355.94
---	---	19,387,028.15	ABS	---	11/09/2021	19,389,423.54	37,560.95	19,342,412.19
AGCY BOND								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
3130A8QS5	FEDERAL HOME LOAN BANKS	3,200,000.00	AGCY BOND	07/15/2016	07/14/2021	3,180,540.80	7,700.00	3,117,113.60
3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	825,000.00	AGCY BOND	08/19/2016	08/17/2021	822,177.68	1,260.42	804,984.68
3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	2,675,000.00	AGCY BOND	08/19/2016	08/17/2021	2,664,166.25	4,086.81	2,610,101.83
3135G0P49	FEDERAL NATIONAL MORTGAGE ASSOCIATION	700,000.00	AGCY BOND	09/02/2016	08/28/2019	698,908.00	641.67	695,834.30
3135G0T60	FEDERAL NATIONAL MORTGAGE ASSOCIATION	900,000.00	AGCY BOND	08/01/2017	07/30/2020	897,273.00	2,287.50	889,787.70
3130ACE26	FEDERAL HOME LOAN BANKS	365,000.00	AGCY BOND	09/08/2017	09/28/2020	363,828.35	41.82	359,633.41
3137EAEJ4	FREDDIE MAC	990,000.00	AGCY BOND	09/29/2017	09/29/2020	988,208.10	89.38	979,029.81
3135G0U92	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,600,000.00	AGCY BOND	01/11/2019	01/11/2022	1,598,848.00	9,333.33	1,615,331.20
---	---	11,255,000.00	AGCY BOND	---	05/06/2021	11,213,950.18	25,440.92	11,071,816.52
CASH								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
CCYUSD	Receivable	4,314.08	CASH	---	03/31/2019	4,314.08	0.00	4,314.08
CCYUSD	Receivable	4,314.08	CASH	---	03/31/2019	4,314.08	0.00	4,314.08
CD								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
06417GUE6	The Bank of Nova Scotia	1,500,000.00	CD	04/06/2017	04/05/2019	1,500,000.00	14,086.25	1,499,874.60
06417GU22	The Bank of Nova Scotia	1,600,000.00	CD	06/07/2018	06/05/2020	1,599,392.00	15,879.11	1,605,428.77
87019U6D6	Swedbank AB	3,100,000.00	CD	11/17/2017	11/16/2020	3,100,000.00	26,584.22	3,055,681.06
78012UEE1	Royal Bank of Canada	2,750,000.00	CD	06/08/2018	06/07/2021	2,750,000.00	28,215.00	2,764,411.64
86565BPC9	Sumitomo Mitsui Banking Corporation	1,550,000.00	CD	10/18/2018	10/16/2020	1,547,892.00	24,083.13	1,548,369.12
---	---	10,500,000.00	CD	---	09/16/2020	10,497,284.00	108,847.71	10,473,765.19

CORP								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
6174467P8	MORGAN STANLEY	3,150,000.00	CORP	11/10/2016	07/24/2020	3,516,187.50	32,243.75	3,257,191.35
38141GGQ1	GOLDMAN SACHS GROUP INC	2,750,000.00	CORP	11/28/2016	07/27/2021	3,035,092.50	25,666.67	2,891,531.50
084670BL1	BERKSHIRE HATHAWAY INC	3,150,000.00	CORP	12/23/2016	08/14/2019	3,167,829.00	8,636.25	3,145,523.85
06051GFW4	BANK OF AMERICA CORP	175,000.00	CORP	11/03/2017	04/19/2021	176,358.00	2,067.19	174,198.68
89236TDH5	TOYOTA MOTOR CREDIT CORP	1,150,000.00	CORP	10/18/2016	10/18/2019	1,149,425.00	8,070.76	1,143,206.95
717081EB5	PFIZER INC	2,080,000.00	CORP	11/21/2016	12/15/2019	2,078,502.40	10,411.56	2,063,312.16
24422ETL3	JOHN DEERE CAPITAL CORP	685,000.00	CORP	03/15/2017	01/06/2022	681,979.15	4,286.01	685,673.36
172967LF6	CITIGROUP INC	1,575,000.00	CORP	01/10/2017	01/10/2020	1,574,370.00	8,682.19	1,571,690.93
594918BV5	MICROSOFT CORP	1,520,000.00	CORP	02/06/2017	02/06/2020	1,518,981.60	4,296.11	1,511,126.24
25468PDP8	WALT DISNEY CO	660,000.00	CORP	03/06/2017	03/04/2020	659,828.40	965.25	655,847.94
037833CS7	APPLE INC	1,325,000.00	CORP	05/11/2017	05/11/2020	1,323,648.50	9,275.00	1,315,122.13
437076BQ4	HOME DEPOT INC	750,000.00	CORP	06/05/2017	06/05/2020	749,565.00	4,350.00	743,999.25
14913Q2A6	CATERPILLAR FINANCIAL SERVICES CORP	1,100,000.00	CORP	09/07/2017	09/04/2020	1,099,076.00	1,526.25	1,088,634.80
06051GGS2	BANK OF AMERICA CORP	965,000.00	CORP	09/18/2017	10/01/2021	965,000.00	11,232.60	955,901.98
713448DX3	PEPSICO INC	1,015,000.00	CORP	10/10/2017	04/15/2021	1,014,797.00	9,360.56	1,004,899.74
931142EA7	WAL-MART STORES INC	1,550,000.00	CORP	10/20/2017	12/15/2020	1,547,752.50	8,671.39	1,536,507.25
05531FAZ6	BB&T CORP	750,000.00	CORP	10/26/2017	02/01/2021	749,655.00	2,687.50	742,483.50
44932HAG8	IBM CREDIT LLC	1,500,000.00	CORP	02/06/2018	02/05/2021	1,499,265.00	6,183.33	1,499,152.50
63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	625,000.00	CORP	02/26/2018	03/15/2021	624,306.25	805.56	627,408.13
63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	875,000.00	CORP	04/19/2018	03/15/2021	871,298.75	1,127.78	878,371.38
904764AZ0	UNILEVER CAPITAL CORP	1,200,000.00	CORP	03/22/2018	03/22/2021	1,193,868.00	825.00	1,204,255.20
89236TEU5	TOYOTA MOTOR CREDIT CORP	1,200,000.00	CORP	04/13/2018	04/13/2021	1,199,520.00	16,520.00	1,208,805.60
427866BA5	HERSHEY CO	630,000.00	CORP	05/10/2018	05/15/2021	629,565.30	7,378.00	636,459.39
06051GHH5	BANK OF AMERICA CORP	400,000.00	CORP	05/17/2018	05/17/2022	400,000.00	5,209.62	404,840.80
025816BU2	AMERICAN EXPRESS CO	1,550,000.00	CORP	05/17/2018	05/17/2021	1,549,736.50	19,471.88	1,569,742.35
808513AW5	CHARLES SCHWAB CORP	965,000.00	CORP	05/22/2018	05/21/2021	964,971.05	11,325.35	976,682.29
02665WCP4	AMERICAN HONDA FINANCE CORP	1,550,000.00	CORP	10/10/2018	12/10/2021	1,549,256.00	16,129.69	1,574,190.85
24422EUQ0	JOHN DEERE CAPITAL CORP	350,000.00	CORP	01/10/2019	01/10/2022	349,664.00	2,520.00	355,230.75
693475AV7	PNC FINANCIAL SERVICES GROUP INC	1,550,000.00	CORP	02/15/2019	01/23/2024	1,561,036.00	10,247.22	1,589,876.85
69371RP75	PACCAR FINANCIAL CORP	570,000.00	CORP	03/01/2019	03/01/2022	569,498.40	1,353.75	573,544.83
05531FBG7	BB&T CORP	800,000.00	CORP	03/18/2019	06/20/2022	799,976.00	881.11	805,477.60
46647PBB1	JPMORGAN CHASE & CO	1,500,000.00	CORP	03/22/2019	04/01/2023	1,500,000.00	1,202.63	1,506,261.00
---	---	39,615,000.00	CORP	---	02/04/2021	40,270,008.80	253,609.93	39,897,151.10
CP								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
62479MRG0	MUFG Bank, Ltd.	3,200,000.00	CP	07/20/2018	04/16/2019	3,138,320.00	0.00	3,196,573.33
25214PM26	Dexia Credit Local (Inc.)	1,500,000.00	CP	10/12/2018	07/02/2019	1,470,083.75	0.00	1,489,535.00
09659CRH3	BNP Paribas	1,600,000.00	CP	10/19/2018	04/17/2019	1,578,400.00	0.00	1,598,080.00
62479MZ63	MUFG Bank, Ltd.	1,600,000.00	CP	03/11/2019	12/06/2019	1,567,720.00	0.00	1,570,230.67
---	---	7,900,000.00	CP	---	06/17/2019	7,754,523.75	0.00	7,854,419.00
FHLMC								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
3137BM6P6	FHMS K721 A2	800,000.00	FHLMC	04/09/2018	08/25/2022	806,812.50	2,060.00	812,736.00
3137FKK39	FHMS KP05 A	692,027.49	FHLMC	12/17/2018	07/25/2023	692,025.42	1,847.14	698,913.17
---	---	1,492,027.49	FHLMC	---	01/26/2023	1,498,837.92	3,907.14	1,511,649.17
FNMA								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
3136AJ7G5	FNA 14M06B A2	2,768,450.67	FNMA	12/15/2016	05/25/2021	2,824,468.54	6,179.44	2,767,564.77

3136AQDQ0	FNA 15M13A AQ2	61,929.07	FNMA	10/30/2015	09/25/2019	62,549.22	84.95	61,618.18
3136B1XP4	FNA 18M5 A2	786,455.42	FNMA	04/30/2018	09/25/2021	802,098.81	2,333.15	794,949.14
---	---	3,616,835.16	FNMA	---	06/11/2021	3,689,116.57	8,597.53	3,624,132.09
MMFUND								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
31846V534	FIRST AMER:US TRS MM Y	1,894,233.90	MMFUND	---	03/31/2019	1,894,233.90	0.00	1,894,233.90
SM - CP N/M A	County Pool New Measure A	96,558,906.08	MMFUND	02/28/2019	03/31/2019	96,558,906.08	0.00	96,558,906.08
SM - CP O/M A	County Pool Old Measure A	111,203,251.51	MMFUND	02/28/2019	03/31/2019	111,203,251.51	0.00	111,203,251.51
SM - LAIF	Local Agency Investment Fund	7,685,913.21	MMFUND	---	03/31/2019	7,685,913.21	0.00	7,685,913.21
---	---	217,342,304.70	MMFUND	---	03/31/2019	217,342,304.70	0.00	217,342,304.70
US GOV								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
912828TJ9	UNITED STATES TREASURY	4,450,000.00	US GOV	09/07/2018	08/15/2022	4,263,308.59	8,989.12	4,361,000.00
912828VF4	UNITED STATES TREASURY	505,000.00	US GOV	12/07/2015	05/31/2020	498,470.51	2,327.30	499,082.03
912828VP2	UNITED STATES TREASURY	1,235,000.00	US GOV	05/18/2016	07/31/2020	1,275,313.64	4,093.92	1,229,017.97
912828F62	UNITED STATES TREASURY	375,000.00	US GOV	09/09/2015	10/31/2019	376,508.79	2,361.88	372,949.22
912828L32	UNITED STATES TREASURY	335,000.00	US GOV	07/12/2016	08/31/2020	341,432.19	400.54	330,341.41
912828N30	UNITED STATES TREASURY	2,900,000.00	US GOV	08/03/2018	12/31/2022	2,812,773.44	15,491.37	2,888,218.75
912828N30	UNITED STATES TREASURY	2,650,000.00	US GOV	11/06/2018	12/31/2022	2,559,630.86	14,155.90	2,639,234.38
912828N30	UNITED STATES TREASURY	4,800,000.00	US GOV	12/13/2018	12/31/2022	4,681,125.00	25,640.88	4,780,500.00
912828N30	UNITED STATES TREASURY	11,000,000.00	US GOV	01/10/2019	12/31/2022	10,841,445.31	58,760.36	10,955,312.50
912828N30	UNITED STATES TREASURY	5,700,000.00	US GOV	01/31/2019	12/31/2022	5,609,601.56	30,448.55	5,676,843.75
912828Q78	UNITED STATES TREASURY	970,000.00	US GOV	01/05/2017	04/30/2021	950,751.56	5,600.28	952,267.19
912828R77	UNITED STATES TREASURY	3,500,000.00	US GOV	03/17/2017	05/31/2021	3,409,082.04	16,129.81	3,433,828.13
912828R69	UNITED STATES TREASURY	8,850,000.00	US GOV	03/06/2019	05/31/2023	8,528,841.80	48,200.89	8,634,281.25
912828X47	UNITED STATES TREASURY	7,500,000.00	US GOV	05/07/2018	04/30/2022	7,260,351.56	59,046.96	7,417,968.75
912828X47	UNITED STATES TREASURY	2,150,000.00	US GOV	12/06/2017	04/30/2022	2,127,660.16	16,926.80	2,126,484.38
912828X47	UNITED STATES TREASURY	3,250,000.00	US GOV	01/04/2018	04/30/2022	3,208,740.23	25,587.02	3,214,453.13
---	UNITED STATES TREASURY	60,170,000.00	US GOV	---	08/31/2022	58,745,037.24	334,161.58	59,511,782.81
Summary								
Identifier	Description	PAR	Security Type	Settle Date	Final Maturity	Original Cost	Accrued Interest	Base Market Value
---	---	371,282,509.58	---	---	04/11/2020	370,404,800.78	772,125.77	370,633,746.84
* Grouped by: Security Type								
* Groups Sorted by: Security Type								
* Weighted by: Base Market Value + Accrued								
* Holdings Displayed by: Lot								



**AGENDA ITEM #9
MAY 2, 2019**

Memorandum

Date: April 19, 2019
To: TA Board of Directors
From: Jim Hartnett, Executive Director
Subject: Executive Director's Report – May 2, 2019

101/Holly Interchange Reconstruction Project

The City of San Carlos is scheduled to advertise the 101/Holly Interchange Reconstruction project in late April 2019 and plans to award the construction bid in early August 2019 with construction to begin in September 2019. Construction is anticipated to last for 18 months until March 2021.

The project has previously experienced a delay in obtaining a stormwater permit from the San Francisco Bay Regional Water Quality Control Board and an encroachment permit from Caltrans. The Active Transportation Program (ATP) construction grant awarded to this project was due to expire on December 31, 2018. The City of San Carlos was able to secure a 12-month time extension from the California Transportation Commission (CTC) to obligate the ATP funds no later than December 31, 2019, which the City will be able to do since the project is now scheduling to go into construction this year.

The TA has allocated up to \$14.6 million of Measure A funding for the construction phase of the project. The total construction cost which includes a new pedestrian overcrossing is estimated at \$22 million.

Measure W and TA Strategic Plan 2020-2024

The TA Strategic Plan Ad Hoc Committee had its first meeting on April 16. The Committee will update the Board at the May 2 Board meeting a summary of its first meeting.

The Stakeholder Advisory Committee (SAG) met on April 24 and the Technical Advisory Committee (TAG) met on April 25. In addition to covering the Ad Hoc Committee agenda, SAG and TAG members participated in an exercise that assessed commonality of the two Measures while preserving the voter approved goals and objective of Measure A and the core principle of Measure W.

An update to the full Board on Strategic Plan activity is scheduled for the June 2019 meeting.

**AGENDA ITEM #10
MAY 2, 2019**

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Jim Hartnett
Executive Director

FROM: Derek Hansel
Chief Financial Officer

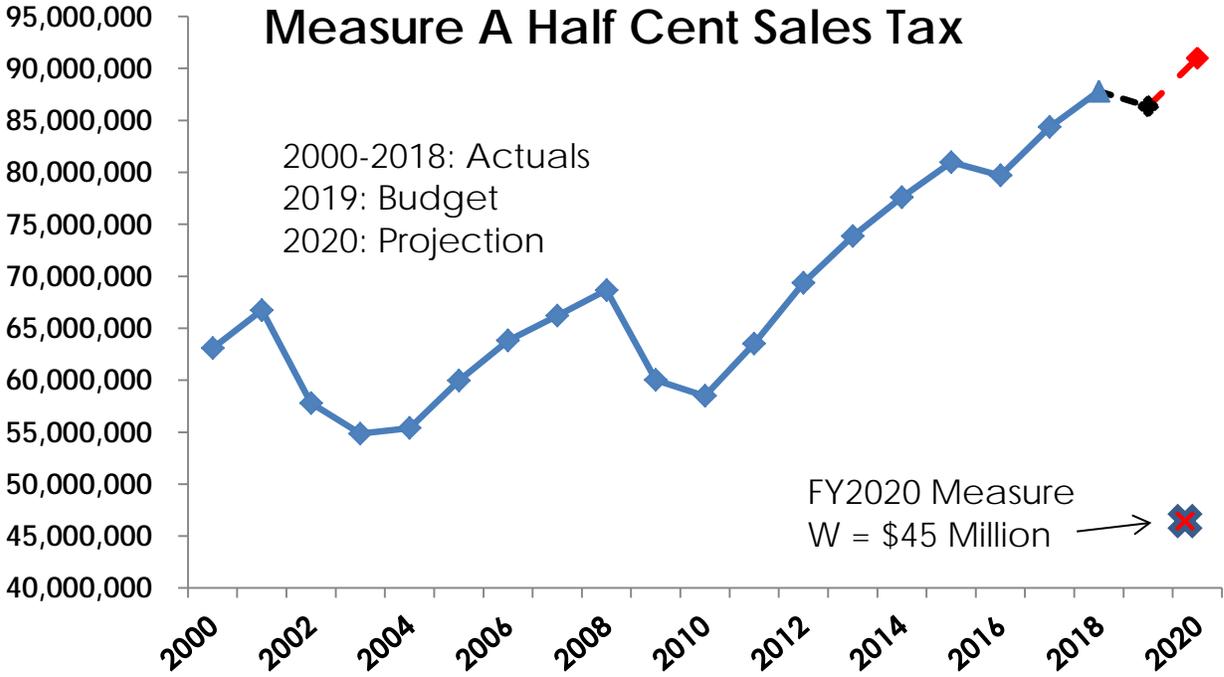
SUBJECT: **CALL FOR A PUBLIC HEARING AT THE JUNE 6, 2019 MEETING ON THE
PRELIMINARY BUDGET FOR FISCAL YEAR 2020**

ACTION

Staff requests the San Mateo County Transportation Authority establish a public hearing on June 6, 2019, to consider adoption of the Fiscal Year 2020 Budget. In accordance with Section 131266 of the California Public Utilities Code, a public hearing is required for the adoption of the annual budget of a county transportation authority and shall be published not later than the 15th day prior to the date of the hearing, pursuant to Section 6061 of the Government Code.

Prepared By: Jeannie Chen, Manager, Budgets 650-508-7733
Tina Medeiros, Senior Budget Analyst 650-508-6302

Sales Tax (Attachment A, lines 1 and 3) San Mateo County Ordinance No. 04223, which authorized the TA to extend the one-half of 1 percent Retail Transactions and Use Tax for an additional 25 years beginning January 1, 2009 and ending December 31, 2033, was approved by the voters in November 2004. San Mateo County Ordinance No. 105, which authorized the TA to receive 50 percent of one-half of 1 percent (0.5%) of the Retail Transactions and Use Tax for 30 years beginning July 1, 2019 and ending June 30, 2049, was approved by the voters in November 2018. Sales Tax is cyclical and subject to changes in the economy. The following graph shows historical Sales Tax receipts not adjusted for inflation.



Total sales tax receipts are projected to total \$136.5 million in FY2019, which is an **increase** of \$50.1 million, or 58.1 percent, from the FY2019 revised budget. \$45.5 million of the increase is from the Measure W tax. The estimated increase is based on historical trends and is in line with Metropolitan Transportation Commission’s (MTC) fund estimate, which includes projections from the San Mateo County auditor. The economic indicators of high employment in diverse industries, increased wages, and economic growth signal continued growth of sales tax in San Mateo County for FY2020.

Interest Income (Attachment A, line 5) is income revenue generated from fund balances in the Old and New Measure A and Measure W County Pools, the TA’s Investment Portfolio, and Local Agency Investment Fund (LAIF). Interest Income for FY2020 is \$8.7 million, an **increase** of \$2.7 million or 46.3 percent higher than the FY2019 revised budget. This increase is due to the addition of Measure W and average interest rates being favorable in 2019; interest rates are expected to level off in FY2020. In FY2019, the TA is experiencing improved investment performance as the

TA's Investment Advisor has been given the authority to actively manage the portfolio within the constraints of TA investment policies. The FY2020 preliminary budget assumes interest rates of 2.1% on LAIF and Old Measure and New Measure pools and 2.1% on the remaining portfolio.

Miscellaneous Income (Attachment A, line 7) is budgeted at \$0 for FY2020. The \$50 million included in the FY2019 revised budget was to account for the project funds received from Facebook and SAMCEDA for the 101 Managed Lanes project (SMCTA#000791).

Rental Income (Attachment A, line 9) is generated from properties the TA owns and leases out to lessees. Rental Income for FY2020 is projected at \$0.9 million, an **increase** of \$75,267 or 9.0 percent increase due to increased occupancy and an increase in the CPI index.

Expenditures

Budget expenditures by the six primary Measure A program categories are as follows:

<u>Category</u>	<u>% of Tax</u>
Transit	30.0%
Highways	27.5%
Local Streets & Transportation	22.5%
Grade Separation	15.0%
Pedestrian & Bicycle	3.0%
Alternative Congestion Relief	1.0%
Administration-Staff Support	1.0%
Total	100.0%

Budget expenditures by the four primary Measure W program categories are as follows:

<u>Category</u>	<u>% of Tax</u>
Countywide Highway	22.5%
Local Congestion Relief	12.5%
Pedestrian & Bicycle	5.0%
Regional Transit Connections	10.0%
Total ¹	50.0%

The total proposed expenditures (Attachment A, line 34) are \$124.9 million, a **decrease** of \$4.9 million or 3.8 percent compared to the FY2019 revised budget due

¹ Pursuant to Measure W, the other 50% of the sales tax revenues are used for operations of the San Mateo County Transit District.

to the FY2019 one-time \$50 million expenditure budget for the 101 Managed Lanes project, partially offset by the FY2020 inclusion of \$45.5 million of Measure W funds. The FY2020 preliminary budget expenditures are composed primarily of \$33.2 million in Annual Allocations (Attachment A, line 18), \$41.4 million in Measure A Categories (Attachment A, line 20), \$45.5 million in Measure W Categories (Attachment A, line 22), \$2.3 million in Oversight (Attachment A, line 26), and \$2.5 million in Total Administrative Expenses (Attachment A, line 32).

Preliminary expenditures for FY2020 fall into the following major categories:

Annual Allocations (Attachment A, line 18)

Annual Allocations are considered as “pass-through,” and are based on the actual revenues received which are then transferred to the Annual Allocations categories. Total Annual Allocations are projected at \$33.2 million, an increase of \$1.7 million or 5.4 percent from the FY2019 revised budget. Annual Allocations include projects with FY2020 funding requirements as detailed in Attachment B.

- **Allocation to Local Entities** – The FY2020 preliminary budget of \$20.5 million is for the improvement and maintenance of local transportation, including streets and roads for the twenty cities in the County and the unincorporated County.
- **SFO Bart Extension** – The FY2020 preliminary budget of \$1.8 million is a direct allocation to BART, and it represents SamTrans’ share of financial assistance associated with the existing San Mateo County / SFO Bart extension.
- **Paratransit** – The FY2020 preliminary budget of \$3.6 million is to meet the paratransit needs of the county.
- **Transfer to SMCTD for Caltrain** – The FY2020 preliminary budget of \$7.3 million is for the San Mateo County local share for Caltrain operational expenditures; this represents the up-to 8% of sales tax receipts that can be transferred to Caltrain for rail operations.

Measure A Categories (Attachment A, line 20)

Measure A Categories include programs as detailed in Attachment B. These categories include Alternative Congestion Relief, Dumbarton, Caltrain, Pedestrian and Bicycle Program, Local Shuttle, Streets and Highways, Grade Separation, and the San Mateo County Ferry Service.

- **Alternative Congestion Relief** – The \$910,000 in the FY2020 preliminary budget is the full 1 percent of projected sales tax outlined in the 2004 Transportation Expenditure Plan (TEP). Of the total, \$342,964 is proposed to be set aside for future alternative congestion relief projects. The remainder \$567,036 is budgeted for Commute.org’s Transportation Demand Management Program.
- **Dumbarton** – The FY2020 preliminary budget of \$1.8 million is for station facilities and enhancement for the Dumbarton rail corridor through East Palo Alto, Menlo Park, and Redwood City.

- **Caltrain** – The San Mateo County local share for the system-wide improvement program in the FY2020 preliminary budget is \$7.3 million. System-wide capital improvements anticipated to be undertaken in FY2020 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 \$2.7 million represents the full 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 \$3.6 million for this line item represents the funds set aside for shuttles receiving allocations in the FY2020 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 \$15.7 million, and for supplemental roadway projects in the amount of \$9.3 million. These funds will be used for projects selected through future calls for projects.
- **Grade Separation** – \$13.6 million for this line item would have been budgeted as available for Grade Separation projects. However the TA Board previously allocated \$74.0 million to the 25th Avenue Grade Separation project. The funds not being budgeted in FY2020 help meet that commitment as well as other more recent allocations.
- **San Mateo County Ferry Service** - \$1.8 million for this line item would have been budgeted as available for financial assistance for the ferry service to South San Francisco and Redwood City. The budget authority for Ferry was increased in FY2010 to include future years' budget authority for the South San Francisco Ferry Terminal. The funds not being budgeted in FY2020 help meet that commitment.

Measure W Categories (Attachment A, line 22)

Measure W Categories include programs as detailed in Attachment B. These categories include Countywide Highway, Local Congestion Relief, Pedestrian and Bicycle Program, and Regional Transit Connections.

- **Countywide Highway** – The \$20.5 million dollars in the FY2020 preliminary budget is the full 22.5 percent of projected sales tax outlined in the 2020 TEP.
- **Local Congestion Relief** – The FY2020 preliminary budget of \$11.4 million is the full 12.5 percent for Congestion Relief Projects in the 2020 TEP.
- **Pedestrian and Bicycle Relief** – The Pedestrian and Bicycle line item for \$4.6

million represents the full 5 percent of sales tax revenues designated for this category in the 2020 TEP. These funds will be used for projects selected through future calls for projects.

- **Regional Transit Connection** – The FY2020 preliminary budget of \$9.1 million is the full 10 percent for Congestion Relief Projects in the 2020 TEP. These funds will be used for projects to improve transit connectivity between the County and the region.

Oversight (Attachment A, line 26)

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. The oversight category contains \$2.3 million for TA costs associated with implementing the various TEP categories. This number is an increase to the FY2019 revised budget, as staff estimates an increased level of staff oversight work in FY2020, as compared to FY2019.

Staff Support (Attachment A, line 29)

Staff support includes wages and benefits to administer the TA. The FY2020 preliminary budget of \$1.4 million is an increase of \$234,786 due to a 3 percent salary increase, an increase in the CalPERS unfunded and retiree medical liabilities, and an increase of \$76,695 in new full-time equivalents (FTEs), and changes in staff labor distribution. A majority of the \$1.4 million budget will be funded by the 1.0 percent of the FY2020 Measure A sales tax category designated for staff support, and the remainder will be funded from previous years' surpluses in this category.

Other Admin Expenses (Attachment A, line 31)

Other Admin Expenses represent administrative expenses other than Staff Support and Measure A Info-Other. Other Admin Expenses is \$1.1 million and primarily consists of \$370,400 of legal expenses, \$289,297 of insurance expense, and \$166,425 of bank and audit fees. The \$377,428 increase to FY2019 revised budget is primarily due to \$250,000 of one-time legal expenses for the Managed Lanes project, and increased consultant costs.

Total Administrative (Attachment A, line 32)

Total administrative expenditures are projected to **increase** by \$0.6 million or 32.3 percent from the FY2019 revised budget primarily due to increased wages and benefits and one-time administration costs.

Prepared By: Jeannie Chen, Manager, Budgets
Tina Medeiros, Senior Budget Analyst

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SAN MATEO COUNTY TRANSPORTATION AUTHORITY
FY2020 PRELIMINARY BUDGET

	FY2018 <u>ACTUAL</u> A	FY2019 <u>ADOPTED</u> B	FY2019 <u>REVISED</u> C	FY2020 <u>PRELIMINARY</u> D	FY20 PRELIMINARY TO FY19 REVISED Increase (Decrease) E = D-C	BUDGET PERCENT CHANGE F = E/C	
REVENUE:							
1 Sales Tax - Measure A	87,817,926	86,353,200	86,353,200	91,000,000	4,646,800	5.4%	1
2							2
3 Sales Tax - Measure W	-	-	-	45,500,000	45,500,000		3
4							4
5 Interest Income	6,355,686	5,927,618	5,927,618	8,673,040	2,745,422	46.3%	5
6							6
7 Miscellaneous Income	1,500	-	50,000,000	-	(50,000,000)	-100.0%	7
8							8
9 Rental Income	1,073,673	836,684	836,684	911,951	75,267	9.0%	9
10							10
11 Grant Proceeds	3,038,578	1,550,000	1,550,000	-	(1,550,000)	-100.0%	11
12							12
13 TOTAL REVENUE	98,287,363	94,667,502	144,667,502	146,084,991	1,417,489	1.0%	13
14							14
15							15
EXPENDITURES:							
16							16
17							17
18 Annual Allocations	31,093,145	31,518,918	31,518,918	33,215,000 (1)	1,696,082	5.4%	18
19							19
20 Measure A Categories	145,860,863	41,017,770	94,541,474	41,405,000 (1)	(53,136,474)	-56.2%	20
21							21
22 Measure W Categories				45,500,000 (1)	45,500,000		22
23							23
24 Dumbarton Maintenance of Way	209,237						24
25							25
26 Oversight	1,565,179	1,800,000	1,800,000	2,250,000	450,000	25.0%	26
27							27
28 Administrative:							28
29 Staff Support	1,018,372	1,121,306	1,152,885	1,387,670	234,786	20.4%	29
30 Measure A Info-Others	5,373	15,000	15,000	15,000	-	0.0%	30
31 Other Admin Expenses	665,616	726,687	726,687	1,104,115	377,428	51.9%	31
32 Total Administrative	1,689,362	1,862,993	1,894,572	2,506,786	612,214	32.3%	32
33							33
34 TOTAL EXPENDITURES	180,417,786	76,199,681	129,754,964	124,876,786	(4,878,178)	-3.8%	34
35							35
36 EXCESS/(DEFICIT)	(82,130,423)	18,467,821	14,912,538	21,208,205	6,295,667	42.2%	36
37 <i>*Previously allocated budget</i>		(12,952,980) (2)	(12,952,980) (2)	(15,470,000) (3)			37
38 Adjusted EXCESS/(DEFICIT)		5,514,841	1,959,558	5,738,205	3,778,647	192.8%	38
39							39
40 BEGINNING FUND BALANCE	489,814,617	489,705,061	405,634,282	409,643,752			40
41							41
42 ESTIMATED ENDING FUND BALANCE	407,684,194	495,219,902	407,593,840	415,381,958			42
43							43

44 (1) See Attachment B for details.

45 (2) The FY2019 proposed budget does not include Grade Separation that was previously included in FY2017 per resolution 2016-25. The budget authority was increased
46 in FY2017 to include future years' budget authority for the 25th Ave Grade Separation Project.

47 (3) The FY2020 proposed budget does not include Grade Separation and Ferry that were previously included in budgets in FY2017 and FY2010
48 per resolutions 2016-25 and 2009-09 respectively.

49 The budget authority for Grade Separation was increased in FY2017 to include future years' budget authority for the 25th Ave Grade Separation Project.

50 The budget authority for Ferry was increased in FY2010 to include future years' budget authority for the South San Francisco Ferry Terminal.

ATTACHMENT B

FY2020 ALLOCATIONS AND EXPENDITURES

		MEASURE A TEP % Share	FY 2020 Preliminary Budget	
ANNUAL ALLOCATIONS:				
1	ALLOCATION TO LOCAL ENTITIES	22.50%	20,475,000	1
2	SFO BART EXTENSION	2.00%	1,820,000	2
3		Total Pass-Thru	22,295,000	3
4				4
5	PARATRANSIT	4.00%	3,640,000	5
6	TRANSFER TO SMCTD FOR CALTRAIN	8.00%	7,280,000	6
7				7
8	TOTAL ANNUAL ALLOCATIONS		33,215,000	8
9				9
10	MEASURE A CATEGORIES:	PROJECT		10
11	ALTERNATIVE CONGESTION RELIEF	1.00%		11
12	Available for future ACR projects 000903		342,964	12
13	Commute.org TDM program 000807		567,036	13
14	DUMBARTON 100263	2.00%	1,820,000	14
15	CALTRAIN 000605	8.00%	7,280,000	15
16	PEDESTRIAN AND BICYCLE PROGRAM 000816	3.00%	2,730,000	16
17	LOCAL SHUTTLE 000902	4.00%	3,640,000	17
18	STREETS AND HIGHWAYS			18
19	Key congested corridors program 000900	17.30%	15,743,000	19
20	Supplemental roadway projects 000901	10.20%	9,282,000	20
21	GRADE SEPARATION 100258	15.00%	- (1)	21
22	SAN MATEO COUNTY FERRY SERVICE 100264	2.00%	- (1)	22
23				23
24	TOTAL MEASURE A CATEGORIES		41,405,000	24
25	Staff Support	1.00%	910,000	25
26	TOTAL MEASURE A SALES TAX		75,530,000	26
27				27
28	MEASURE W CATEGORIES:*			28
29	COUNTYWIDE HIGHWAY	22.50%	20,475,000	29
30	LOCAL CONGESTION RELIEF	12.50%	11,375,000	30
31	PEDESTRIAN AND BICYCLE IMPROVEMENTS	5.00%	4,550,000	31
32	REGIONAL TRANSIT CONNECTIONS	10.00%	9,100,000	32
33	TOTAL MEASURE W CATEGORIES		45,500,000	33
34				34
35	(1) The FY2020 proposed budget does not include Grade Separation and Ferry that was previously included in budgets in FY2017 and FY2010			
36	per resolutions 2016-25 and 2009-09.			
37	The budget authority for Grade Separation was increased in FY2017 to include future years' budget authority for the 25th Ave Grade Separation Project.			
38	The budget authority for Ferry was increased in FY2010 to include future years' budget authority for the South San Francisco Ferry Terminal.			
39				
40	*Starting in FY2020, the TA will receive 50% of a Half Cent Sales tax (Measure W).			
41				

**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: **APPROVAL OF THE JOINT EXERCISE OF POWERS AGREEMENT FOR THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AGENCY AND APPOINTMENT OF JPA BOARD MEMBERS**

ACTION

The Joint TA-C/CAG Ad Hoc Committee recommends, and staff concurs, that the Board approve and authorize the TA Board Chair to execute the Joint Exercise of Powers Agreement (JEPA), included as Attachment 1, to create a Joint Powers Agency (JPA) between the San Mateo County Transportation Authority (TA) and the City/County Association of Governments of San Mateo County (C/CAG) for the San Mateo County Express Lanes.

Staff further recommends that the Board appoint three of its members to serve on the JPA Board of Directors.

SIGNIFICANCE

The TA and C/CAG Boards need to approve a JEPA to create the Express Lanes JPA to own, manage, contract for operation of, and collect toll revenues of express lanes in San Mateo County. The JEPA outlines, among other things, the organization, governance, functions, powers, and staffing model of the JPA. In order to stay on track for the Express Lanes JPA to submit a timely application to the California Transportation Commission (CTC) to be the tolling authority for the San Mateo 101 Express Lanes, the Joint TA-C/CAG Ad Hoc Committee recommended that TA and C/CAG Boards each approve the JEPA before the application submittal later this Spring. C/CAG approved the attached JEPA at its April 11, 2019 meeting.

After the TA Board approved retaining joint ownership with C/CAG of the San Mateo County Express Lanes at its February 7, 2019 meeting, the Joint TA-C/CAG Ad Hoc Committee met several times in March and April to finalize the terms and conditions of the JEPA, including how the JPA would be staffed. The JEPA now reflects the final agreement reached by the Joint Ad Hoc Committee, and the staffing model is described below; full details are also included in Attachment A of the JEPA.

Executive Council and Independent Policy/Program Manager reporting to JPA

- The JPA will have an Executive Council that consists of the Executive Directors of the TA and C/CAG. Each Executive Director may have one designee who will have full authority to act on behalf of the appointing Executive Director.
- The Executive Council will also be responsible for negotiating a number of agreements to support the operations of the Express Lanes with agencies including but not limited to the following: Bay Area Infrastructure Financing Authority (BAIFA) to provide overall operation of the express lanes; Bay Area Toll Authority (BATA) to provide Fasstrak® services; Caltrans for road maintenance; and California Highway Patrol (CHP) for enforcement.
- The JPA is to retain an independent Policy/Program Manager via contract. The Policy/Program Manager will report directly to the JPA Board, and will coordinate with the Executive Council as necessary. Primary duties of the Policy/Program Manager will include the following:
 - a. Seek input from the Executive Council and others, develop, and make recommendations to the JPA Board on policies including but not limited to tolling principles, toll ordinance, toll discounts, equity, and net revenue expenditure priorities.
 - b. Collaborate with BAIFA and make recommendations on toll system, and toll equipment maintenance and upgrades.
 - c. Collaborate with Executive Council and all TA and C/CAG staff who provide services to the JPA on recommendations to the JPA Board, including but not limited to Toll Expenditure Plan and the JPA Budget.
 - d. Represent San Mateo County Express Lanes' interests at regional and other express lanes forums, in collaboration with the Executive Council.
 - e. Implement and support the management of contracts and agreements for the JPA in collaboration with the Executive Council.
 - f. Provide support to the JPA as necessary, and as assigned by the JPA Board.

Staff support to the JPA

1. The TA will be the Fiscal Agent for the JPA. The San Mateo County Transit District (District), which is the administering agency of the TA, will provide finance, auditing, accounting and treasury staff to support the JPA. In addition, the District will provide staffing in the areas of marketing and communications. These staff will report to the TA Executive Director on day-to-day operations. Work performed by these staff on matters relating to the JPA will be approved by the Executive Council. These staff are expected to coordinate with and support the work of the Policy/Program Manager.
2. C/CAG staff will provide contracts, procurement, and Board Clerk services to the JPA. C/CAG staff will procure, manage, and maintain JPA contracts and agreements. C/CAG staff will also prepare and distribute board meeting agenda and notices, maintain records, and filing of Form 700. These staff will report to the C/CAG Executive Director on day-to-day operations. Work performed by these staff on matters relating to the JPA will be approved by the Executive Council. These staff are expected to coordinate with and support the work of the Policy/Program

Manager.

3. The JPA will contract with the San Mateo County Counsel's Office for legal support.

BUDGET IMPACT

There is no immediate budget impact associated with the approval of the JPA. However, staff is currently assessing funding advances that will likely be made to the JPA in the near future as toll revenues will not be collected until the 101 Express Lanes begin operations in 2022 or later. It is anticipated that the start-up and on-going operating and maintenance costs of the JPA will need to be borrowed from the TA and/or C/CAG initially, with the expectation that the JPA will repay such funding advances with future toll revenues. For the TA, this is in addition to the \$50 Million the TA will need to advance for the capital construction costs of the San Mateo County Express Lanes that was included in the project funding plan.

Staff will return to the TA Board at subsequent meetings with any funding advance recommendations and/or actions.

BACKGROUND

On November 16, 2018, the TA Board of Directors held a joint workshop with the C/CAG Board of Directors to receive information regarding options on ownership and operation of the US101 Managed Lanes facility, once construction of the project is complete. The US101 Managed Lanes Project will consist of one express lane in each direction on US101 between roughly the southern border of San Mateo County and the 101-380 interchange.

The TA and C/CAG Boards took actions at their February 2019 meetings to retain ownership of the San Mateo County Express Lanes. Since then, the Joint Ad Hoc Committee met several times to reach agreement on governance and staffing of the JPA.

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

650-508-6228

RESOLUTION NO. 2019 –

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

* * *

**APPROVING THE JOINT EXERCISE OF POWERS AGREEMENT FOR THE
SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AGENCY**

WHEREAS, on November 2, 2004, the voters of San Mateo County (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, by Resolution 2016-13, the TA became a co-sponsor of the 101 Corridor Managed Lanes Project (Project) with the City/County Association of Governments of San Mateo County (C/CAG); and

WHEREAS, the Project will address congestion and improve mobility on Highway 101 by creating an express lane in each direction between the Santa Clara County line and Interstate 380 in San Bruno, and will incentivize the use of public transit, carpools, and other shared-ride options, while also creating a new revenue stream from individuals willing to pay a fee to drive in the express lanes, which will be available to fund additional transportation enhancements in the corridor; and

WHEREAS, the TA programmed and allocated funds for the Project in October 2012, October 2015 and February 2018 to plan, environmentally-clear and design the Project, and took action to accept and expend private funds for the Project's design and construction in June 2016 and August 2018, respectively; and

WHEREAS, following the TA and C/CAG Boards of Directors making inconsistent decisions in December 2018 regarding what entity or entities should be owner(s) and operator(s) of the Project, a Joint TA-C/CAG Managed Lanes Ad Hoc Advisory Committee, consisting of three members from each agency's Board of Directors, was formed by the chairpersons of each Board to make joint recommendations on Project ownership and operations, and on governance issues arising from the TA and C/CAG's joint sponsorship of the Project; and

WHEREAS, at its February 7, 2019 meeting, the Board of Directors of the San Mateo County Transportation Authority approved the following: (1) the TA and C/CAG will retain ownership of the 101 Corridor Managed Lanes Project and contract with the Bay Area Infrastructure Financing Authority (BAIFA) to operate the express lanes on their behalf, subject to the California Transportation Commission (CTC)'s approval; and (2) the TA and C/CAG will form a Joint Powers Agency (JPA) to exercise their shared rights and responsibilities as joint owners of the Project, which decisions were also made by the C/CAG Board of Directors on February 14, 2019; and

WHEREAS, the Joint TA-C/CAG Managed Lanes Ad Hoc Advisory Committee has since been discussing the details of the management and staffing structure of the JPA; and

WHEREAS, the recommendations of the Joint Ad Hoc Committee are expressed in the Joint Exercise of Powers Agreement (JEPA), which is included as Attachment 1 and which sets forth the terms and conditions that will govern the management, operation, financing, and expenditure of revenues generated by express lanes in San Mateo County; and

WHEREAS, the C/CAG Board of Directors approved the JEPA at its April 11, 2019 meeting.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby approves the Joint Exercise of Powers Agreement attached hereto to create a Joint Powers Agency between the TA and the C/CAG governing the ownership, management and operations of express lanes in San Mateo County; and

BE IT FURTHER RESOLVED, that the Board authorizes the Chair of the TA to execute the attached JEPA on behalf of the San Mateo County Transportation Authority; and

BE IT FURTHER RESOLVED, that the Board authorizes the Executive Director, or his designees, to take such other actions as may be necessary to give effect to this resolution.

Regularly passed and adopted this 2nd day of May, 2019 by the following vote:

AYES:

NOES:

ABSENT:

**JOINT EXERCISE OF POWERS AGREEMENT
FOR THE SAN MATEO COUNTY EXPRESS LANES**

THIS JOINT EXERCISE OF POWERS AGREEMENT ("Agreement"), is made and entered as of the ___ day of _____, 2019 by and between the San Mateo County Transportation Authority ("TA") and City/County Association of Governments of San Mateo County ("C/CAG"), each of which is a public entity duly organized and existing in the County of San Mateo under the constitution and laws of the State of California and individually or collectively called "Member" or "Members."

W I T N E S S E T H:

WHEREAS, the Joint Exercise of Powers Act (California Government Code Section 6500 et seq., the "Act") authorizes the Members to enter into an agreement for the joint exercise of any power common to them and, by that agreement, create an entity that is separate from each of the Members; and

WHEREAS, the TA was formed by the voters of San Mateo County in 1988 with the passage of the original Measure A and extended by the voters of the San Mateo County in 2004 pursuant to California Public Utilities Code Section 131000, et seq.; and

WHEREAS, C/CAG is a joint powers agency formed in 1990 pursuant to the Act by the County of San Mateo and the 20 cities and towns located in the County of San Mateo to be the responsible agency in San Mateo County to prepare and adopt the congestion management program per California Government Code Section 65089 et seq., and which develops and implements countywide plans required under additional State laws, particularly concerning transportation, air quality, storm water runoff, hazardous waste, solid waste and recycling, and serves as the Congestion Management Agency for the County of San Mateo; and

WHEREAS, the TA and C/CAG are the co-sponsors of the US-101 Express Lanes Project ("Project"), which includes (i) the conversion of the existing High Occupancy Vehicle ("HOV") lanes into express lanes from the northern terminus of the Santa Clara County express lanes to the Whipple Road Interchange and (ii) the construction of new express lanes from Whipple Road to north of I-380 in San Mateo County. When completed, the Project will provide continuous express lanes in San Mateo County, in both the northbound and southbound directions of US-101; and

WHEREAS, by this Agreement, the Members desire to create a joint powers agency to apply to the California Transportation Commission to own, administer, and manage the operations of the Project; to share in the ownership, administration, and management of any potential future express lanes within San Mateo County ; to set forth the terms and conditions governing the management, operation, financing, and expenditure of

revenues generated by express lanes in San Mateo County; and to exercise the powers described herein and as provided by law (including but not limited to California Streets and Highways Code Section 149.7, as it now exists and may hereafter be amended).

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Members hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. For the purposes of this Agreement, the following words have the following meanings:

"Act" means the Joint Exercise of Powers Act of the State of California, California Government Code Section 6500 et seq., as they now exist or may hereafter be amended.

"Agreement" means this Joint Exercise of Powers Agreement.

"Bay Area Infrastructure Financing Authority" or "BAIFA" means the joint powers authority between the Metropolitan Transportation Commission and the Bay Area Toll Authority, which oversees the planning, financing, construction and operation of freeway express lanes and related transportation projects in the San Francisco Bay Area.

"Board of Directors" or "Board" means the governing body of the Express Lanes JPA.

"Indebtedness" means bonds, notes or other obligations of the Express Lanes JPA issued pursuant to any provision of law which may be used by the Express Lanes JPA for the authorization and issuance of debt, including bonds, notes, or other obligations.

"Bond Law" means Article 2 of the Act, as now or hereafter amended, or any other law hereafter legally available for use by the Express Lanes JPA in the authorization and issuance of bonds to finance needed public facilities or services.

"Caltrans" means the California State Department of Transportation, which owns the right-of-way and roadway on which the express lanes will operate.

"C/CAG" means the City/County Association of Governments of San Mateo County, a sponsor of the Project during Project initiation and co-sponsor of the Project during environmental, and design and build phases.

"Controller" means the Controller of the Express Lanes JPA designated pursuant to Section 4.7 of this Agreement.

"County" means the County of San Mateo, State of California.

"Expenditure Plan" means a policy document establishing the plan for use of express lane revenues to facilitate travel in the corridor where tolls are collected, as required by California Streets and Highways Code section 149.7, as it now exists and may hereafter be amended.

"Fiscal year" means the period from July 1st to and including the following June 30th, or such other period as the Board may specify by resolution.

"Gross Revenues" means all revenues received by the Express Lanes JPA for the operations of express lanes, including but not limited to tolls and interest on funds of the Express Lanes JPA.

"Joint Facilities" means all facilities, equipment, resources and property to be managed and operated by the Express Lanes JPA and, if and when acquired or constructed, any improvements and additions thereto and any additional facilities or property acquired or constructed by the Express Lanes JPA or either of the Members related to express lanes in the County.

"Express Lanes Joint Powers Authority" or "Express Lanes JPA" means the joint powers authority established by this Agreement as authorized by California Government Code Section 6503.5.

"Member" or "Members" means each party, individually or collectively, respectively, to this Agreement (e.g., the TA and C/CAG).

"Secretary" means the secretary of the Express Lanes JPA appointed pursuant to Section 4.6 of this Agreement.

"State" means the State of California.

"TA" means the San Mateo County Transportation Authority, a co-sponsor of the Project during Project environmental, and design and build phases.

"Treasurer" means the Treasurer of the Express Lanes JPA designated pursuant to Section 4.7 of this Agreement.

ARTICLE II

GENERAL PROVISIONS

Section 2.1. Express Lanes JPA.

(a) Pursuant to Section 6503.5 of the Act, the parties to this Agreement hereby recognize and confirm the continued existence of a public entity separate and independent from the Members, hereafter to be known as the "Express Lanes Joint Powers Authority" or "Express Lanes JPA," pursuant to the terms and conditions set forth in this Agreement.

(b) Within thirty (30) days after the effective date of this Agreement, and after any amendment, the Express Lanes JPA must cause a notice of such Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by California Government Code Section 6503.5.

(c) Within thirty (30) days after the effective date of this Agreement, and after any amendment, the Express Lanes JPA must cause a copy of such Agreement or amendment to be filed with the State Controller pursuant to California Government Code Section 6503.6.

(d) Within ten (10) days after the effective date of this Agreement, the Express Lanes JPA must cause a statement of the information concerning the Express Lanes JPA, required by California Government Code Section 53051, to be filed with the office of the California Secretary of State and with the County Clerk, amending and clarifying the facts required to be stated pursuant to subdivision (a) of Government Code Section 53051.

Section 2.2. Purpose. The purpose of the Express Lanes JPA is to exercise the common powers of the Members to:

- (a) Own, manage, operate and maintain the Joint Facilities under authorities such as California Streets and Highways Code Section 149.7;
- (b) Collect toll and any other revenues generated by the Joint Facilities;
- (c) Implement the financing, acquisition, and construction of additions and improvements to the Joint Facilities;
- (d) Enter into and manage contracts, which may include but are not limited to the following:
 - i. the Express Lanes Operation Contract with BAIFA;
 - ii. a maintenance contract with Caltrans; and
 - iii. an enforcement contract with the California Highway Patrol;

- (c) Oversee BAIFA's operation of the facility;
- (d) Make policy decisions related to the express lane operations in the County, including but not limited to setting tolls to cover costs (operating and maintaining facility; administering system; covering BAIFA contract) and setting revenue generation targets;
- (e) Prepare and adopt the plan for expenditure of toll lane revenues within the corridor in which they are collected;
- (f) Implement or contract for implementation of such expenditure plan;
- (g) Create and implement an equity program associated with express lanes in the County, if desired; and
- (h) Issue and repay Indebtedness of the Express Lanes JPA

Each of the Members is authorized to exercise all such powers (except the power to issue and repay Indebtedness of the Express Lanes JPA) pursuant to its organic law, and the Express Lanes JPA is authorized to issue and provide for the repayment of Indebtedness pursuant to the provisions of the Bond Law or other applicable law.

Section 2.3. Term. The Effective Date of this Agreement is June 1, 2019. This Agreement will continue in effect until such time as all of the following have occurred: (i) all Indebtedness, if any, and the interest thereon issued by the Express Lanes JPA under the Bond Law, the Act or other applicable law have been paid in full or provision for such payment have been made, (ii) the Express Lanes JPA and the Members have paid all sums due and owing pursuant to this Agreement or pursuant to any contract executed pursuant to this Agreement, and (iii) dissolution has occurred pursuant to Section 3.3.

ARTICLE III

POWERS AND OBLIGATIONS OF EXPRESS LANES JPA

Section 3.1. General Powers. The Express Lanes JPA will have the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Express Lanes JPA, including, but not limited to, the powers to:

- (a) Seek, receive and administer funding from any available public or private source, including toll and any other revenues and grants or loans under any available federal, state, and local programs for assistance in achieving the purposes of the Express Lanes JPA;
- (b) Contract for the services of engineers, attorneys, planners, financial and other necessary consultants, and/or other public agencies;
- (c) Make and enter into any other contracts;

- (d) Employ agents or officers;
- (e) Acquire, lease, construct, own, manage, maintain, dispose of or operate (subject to the limitations herein) any buildings, works, or improvements, including but not limited to the Joint Facilities;
- (f) Acquire, hold, manage, maintain, or dispose of any other property by any lawful means, including without limitation gift, purchase, lease, lease-purchase, license, or sale;
- (g) Incur all authorized Indebtedness;
- (h) Receive gifts, contributions, and donations of property, funds, services, and other forms of financial or other assistance from any persons, firms, corporations, or governmental entities; and
- (i) Sue and be sued in its own name; and
- (j) Seek the adoption or defeat of any federal, state, or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the Express Lanes JPA; and
- (k) Adopt rules, regulations, policies, plans, programs, bylaws, and procedures governing the operation of the Express Lanes JPA and the Joint Facilities;
- (l) Invest any money in the treasury pursuant to California Government Code Section 6505.5 that is not required for the immediate necessities of the Express Lanes JPA, as the Express Lanes JPA determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to California Government Code Section 53601, as it now exists or may hereafter be amended;
- (m) Carry out and enforce all the provisions of this Agreement; and
- (n) Exercise all other powers not specifically mentioned herein, but common to the Members, and authorized by California Government Code Section 6508 as it now exists or may hereafter be amended.

Section 3.2. Specific Powers and Obligations.

(a) Audit. The records and accounts of the Express Lanes JPA must be audited annually by an independent certified public accountant, and copies of such audit report must be filed with the State Controller and the County Auditor and will be provided to each Member no later than fifteen (15) days after receipt of such audit reports by the Express Lanes JPA. The Board of Directors may, by unanimous vote, replace the annual audit with an audit covering up to a two-year period.

(b) Securities. The Express Lanes JPA may use any statutory power available to it under the Act and any other applicable laws of the State of California,

whether heretofore or hereinafter enacted or amended, for issuance and sale of any Bonds or other evidences of indebtedness necessary or desirable to finance the exercise of any power of the Express Lanes JPA, and may borrow from any source including, without limitation, the federal government, for these purposes.

(c) Liabilities. The debts, liabilities, and obligations, whether contractual or non-contractual, of the Express Lanes JPA will be the debts, liabilities, and obligations of the Express Lanes JPA alone, and not the debts, liabilities, or obligations of the Members or their member entities.

(d) Hold Harmless and Indemnification. To the fullest extent permitted by law, the Express Lanes JPA agrees to save, indemnify, defend, and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses, or costs of any kind, whether actual, alleged, or threatened, including attorneys' fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are in any way attributable in whole or in part, to negligent acts or omissions of the Express Lanes JPA or its officers, or agents or the employees, officers, or agents of any Member while acting within the course and scope of an agency relationship with the Express Lanes JPA.

(e) Manner of Exercise. For purposes of California Government Code Section 6509, the powers of the Express Lanes JPA will be exercised subject to the restrictions upon the manner of exercising such powers as are imposed upon the TA.

(f) Review of Agreement. This Agreement will be reviewed every four (4) years by the Members, but its terms and conditions may be reviewed more frequently whenever the Members agree to do so. Upon the completion of every such review, the Express Lanes JPA will prepare a report regarding any recommended changes to the Agreement and transmit such report to each of the Members.

Section 3.3. Dissolution of Express Lanes JPA.

(a) Notice. Either Member can express its intent to dissolve the Express Lanes JPA with at least 12 months' written notice.

(b) Intent. Such intent may be expressed by the TA only upon a two-thirds (2/3) vote of its Board of Directors. Such intent may be expressed by C/CAG only upon a vote by a majority of its Board of Directors and only when the members voting in favor of such action represent a majority of the population of the County.

(c) Agreement with Successor Entity. The Express Lanes JPA cannot be dissolved until a successor entity, qualified by State law then in-effect, has agreed to (i) assume ownership of the Express Lanes JPA's Joint Facilities and other assets, (ii) provide for the assumption or discharge of the Express Lanes JPA's Indebtedness and other liabilities, and (iii) carry out all duties associated with operation and maintenance of the express lanes and management of the expenditure of the Gross Revenues. Such

agreement must be expressed in a contract between the successor entity, the Express Lanes JPA, the TA and C/CAG, which may be executed only upon approval of (i) a two-thirds (2/3) vote of the TA Board of Directors, (ii) a majority vote of the C/CAG Board of Directors and only when the members voting in favor of such action represent a majority of the population of the County, and (iii) a super majority (five (5) votes) of the Express Lanes JPA Board of Directors.

ARTICLE IV

ORGANIZATION, GOVERNANCE AND FUNCTIONS OF EXPRESS LANES JPA

Section 4.1. Governing Board.

(a) The Board will govern the Express Lanes JPA in accordance with this Agreement and will have three (3) Board members per Member.

(b) Each Board member will serve for a term of two years, although a Board member may be removed during his or her term or re-appointed for multiple terms at the pleasure of the appointing authority.

(c) All voting power of the Express Lanes JPA will reside in the Board.

(d) Each Board member will cease to be a member of the Board when such member ceases to hold office on the legislative body of the Member that appointed him or her. Vacancies will be filled by the respective appointing Member in the same manner as initial appointments.

(e) The composition of the Board and the Members' appointments to fill vacancies should reflect a balanced representation from the different regions of the County.

Section 4.2. Compensation and Expense Reimbursement.

(a) All Board members are entitled to a stipend for attending each Board meeting upon the enactment of a resolution of the Board to authorize such stipends.

(b) A Board member may waive the compensation to which he or she would otherwise be entitled under the preceding paragraph by notifying the Secretary in writing that he or she expressly and irrevocably waives any such compensation that he or she would otherwise be entitled to be paid in the future for services as a Board member. This written waiver must: (i) be voluntary; (ii) be irrevocable; (iii) expressly waive any and all future compensation to which the Board member may be entitled under this Section 4.2; (iv) acknowledge that, by waiving compensation, the Board member understands he or she is not entitled to any compensation he or she would otherwise be eligible to receive pursuant to this Section 4.2; (v) acknowledge that the amount of the waived compensation will be retained in the Express Lane JPA's general assets; and (vi) be dated and signed by the Board Member and filed with the Secretary before the

compensation is paid. The Secretary must retain the original copy of a Board member compensation waiver in accordance with a record retention policy established by the Board in full accordance with all applicable statutory requirements.

(c) Each Board member will be reimbursed for reasonable and necessary expenses actually incurred in the conduct of the Express Lanes JPA's business, pursuant to an expense reimbursement policy established by the Board in full accordance with all applicable statutory requirements.

Section 4.3. Conflicts of Interest.

(a) Political Reform Act. Board members will be considered "public officials" within the meaning of the Political Reform Act of 1974, as amended, and its regulations, for purposes of financial disclosure, conflict of interest, and other requirements of such Act and regulations, subject to a contrary opinion or written advice of the California Fair Political Practices Commission. The Express Lanes JPA must adopt a conflict-of-interest code in compliance with the Political Reform Act.

(b) Levine Act. Board members are "officials" within the meaning of California Government Code Section 84308 et seq., commonly known as the "Levine Act," and therefore subject to the restrictions of such act on the acceptance, solicitation, or direction of contributions.

Section 4.4. Board Meetings

(a) Time and Place. The Board will meet quarterly, or more often as needed, at a place designated by the Board with the location included in the notice of each meeting under the Ralph M. Brown Act, California Government Code Section 54950 et seq. The date, time and place of regular meetings of the Board will be designated on a meeting calendar adopted by the Board each year.

(b) Call and Conduct. All meetings of the Board will be called and conducted in accordance with the provisions of the Ralph M. Brown Act, other applicable law, and Rosenberg's Rules of Order.

(c) Quorum. Four (4) Board members will constitute the quorum of the Board required to conduct a meeting of the Board.

(d) Rules. The Board may adopt from time to time such bylaws, rules, and regulations for the conduct of meetings of the Board and of the affairs of the Express Lanes JPA consistent with this Agreement and other applicable law.

(e) Minutes. The Secretary will cause minutes of all meetings of the Board to be drafted and mailed to each Member promptly after each meeting. Upon approval by the Board, such minutes will become a part of the official records of the Express Lanes JPA.

Section 4.5. Voting.

(a) All actions of the Board will require five (5) Board members to be present for voting.

(b) Except as set forth in paragraph (c), below, actions of the Board require the affirmative vote of at least four (4) Board members. Board members may not cast proxy or absentee votes. Each member will have an equal vote.

(c) Adoption or amendment of an Expenditure Plan, or approval of an agreement with a successor agency as a prerequisite for dissolution of the Express Lanes JPA under paragraph 3.3 (c), requires the affirmative vote of at least five (5) Board members.

Section 4.6. Officers.

(a) The Board will elect a Chair and Vice-Chair from among its members, and will appoint a Secretary who may, but need not, be a member of the Board. The Chair and Vice Chair will serve one-year terms and must be appointees of different Members. The Chair and Vice Chair positions must be held by appointees of alternating Members in alternating years (e.g., in Year 1, one of Member A's appointees will be the Chair and one of Member B's appointees will be the Vice Chair; the opposite will be true in Year 2). This rotation and the term of office may be altered as designated in rules or bylaws established by the Board. The officers will perform the duties normal to said offices as described below. If the Chair or Vice Chair ceases to be a member of the Board, the resulting vacancy will be filled, for the remainder of the vacant term, at the next meeting of the Board held after each vacancy occurs.

(b) Chair. The Chair will preside over all meetings of the board and will sign all contracts on behalf of the Express Lanes JPA, except contracts that the Board may authorize an officer or agent, or employee of the Express Lanes JPA to sign. The Chair will perform such other duties as may be imposed by the Board in accordance with law and this Agreement.

(c) Vice-Chair. The Vice-Chair will act, sign contracts, and perform all of the Chair's duties in the absence of the Chair.

(d) Secretary. The Secretary must countersign contracts signed on behalf of the Express Lanes JPA, and will be the official custodian of all records of the Express Lanes JPA. The Secretary will attend to such filings as required by applicable law. The Secretary will perform such other duties as may be imposed by the Board.

Section 4.7. Fiscal Agent/Auditor/Controller and Treasurer. The TA is designated as the Fiscal Agent of the Express Lanes JPA. The San Mateo County Transit District (as managing agency of the TA) will serve as the Auditor/Controller and Treasurer of the Express Lanes JPA. The Treasurer will be the depository and will have custody of all of the accounts, funds, and money of the Express Lanes JPA from

whatever source. The Auditor/Controller and the Treasurer will perform the duties and functions, assume the obligations and authority set forth in Sections 6505, 6505.5 and 6505.6 of the Act, and assure strict accountability of all funds and reporting of all receipts and disbursements of the Express Lanes JPA. The Auditor Controller and Treasurer are designated as having charge of, handling or having access to funds or property of the Express Lanes JPA for purposes of the Official's Bond required under Section 6505.5 of the Act and Section 4.10 of this Agreement.

The Express Lanes JPA may change the Fiscal Agent, Auditor/Controller and/or Treasurer, and/or appoint other persons possessing the qualifications set forth in Section 6505.5 of the Act to these offices, by resolution of the Board of Directors. The designations set forth in this Section 4.7 will be considered concurrently with consideration of amendments to Attachment A as described in Section 4.8 of the Agreement.

Section 4.8. Staffing. C/CAG and the TA recognize the benefits that their respective organizations and staff support bring to the Express Lanes JPA. Both agencies will make their best efforts to provide staff resources to the Express Lanes JPA as may be required or requested by the Express Lanes JPA. Upon execution of this Agreement, staffing for the Express Lanes JPA will be provided in accordance with the model set forth in Attachment A to this Agreement. The Express Lanes JPA may amend Attachment A from time to time by resolution of the Board of Directors.

Section 4.9. Additional Officers and Consultants. The Board may appoint any additional officers deemed necessary or desirable. Such additional officers also may be officers or employees of a Member or of the Express Lanes JPA. The Board may also retain such other consultants or independent contractors as may be deemed necessary or appropriate to carry out the purposes of this Agreement.

Section 4.10. Official's Bond. The officers or persons designated to have charge of, handle, or have access to any funds or property of the Express Lanes JPA will be so designated and empowered by the Board. Each such officer or person will be required to file an official bond with the Express Lanes JPA in an amount established by the Board. Should the existing bond or bonds of any such officer or persons be extended to cover the obligations provided herein, said bond will be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein will be appropriate expenses of the Express Lanes JPA. If it is prudent to do so, the Express Lanes JPA may procure a blanket bond on behalf of all such officers and persons.

Section 4.11. Status of Officers. All of the privileges and immunities from liability, exemption from laws, ordinances, and rules, all pension, relief, disability, worker's compensation, and all other benefits that apply to the activity of officers or agents of the Express Lanes JPA when performing their respective functions within the territorial limits of a Member will apply to them to the same degree and extent while engaged in the performance of any of their functions and duties under the provisions of this Agreement and Chapter 5 of Division 7 of Title 1 of the California Government Code, commencing with Section 6500. However, none of the officers or agents appointed by

the Board will be deemed to be employed by any of the Members or to be subject to any of the requirements of such Members by reason of their appointment or employment by the Express Lanes JPA.

Section 4.12. Committees. The Board may create permanent or ad hoc committees to give advice to the Board of Directors on such matters as may be referred to such committees by the Board. Qualified persons will be appointed to such committees by the Board and each such appointee will serve at the pleasure of the Board. All regular, adjourned, and special meetings of such committees will be called and conducted in accordance with the applicable requirements of the Ralph M. Brown Act, Government Code Section 54950 et seq., as it now exists or may hereafter be amended, and all other applicable law.

ARTICLE V

OPERATIONS AND FACILITIES

Section 5.1. Assumption of Responsibilities by the Express Lanes JPA. As soon as practicable after the date of this Agreement, the Members must appoint their representatives to the Board. At its first meeting, the Board will elect a Chair and Vice-Chair, and appoint a Secretary as prescribed in Article IV.

Section 5.2. Delegation of Powers; Transfer of Records, Accounts, Funds and Property. Each of the Members hereby delegates to the Express Lanes JPA the power and duty to maintain, operate, manage, and control the Joint Facilities, as they may be expanded from time to time, and revenues generated by express lanes in the County.

Section 5.3. Joint Facilities Costs, Reserves and Capital. Upon the organization of the Board, the Express Lanes JPA will assume financial responsibility for the improvement, alteration, maintenance, and operation of the Joint Facilities and will pay all contractual and administrative expenses of the Express Lanes JPA. Once revenues are generated by express lanes in the County, the Express Lanes JPA will establish reasonable reserves and undertake appropriate capital projects to maintain the Joint Facilities. The Members acknowledge that the Express Lanes JPA likely will be required to incur Indebtedness for contractual and administrative expenses before and after express lanes are operational.

ARTICLE VI

BUDGET AND OTHER FINANCIAL PROVISIONS

Section 6.1. Fiscal Year. The Express Lanes JPA Fiscal Year will begin each July 1 and end on the following June 30.

Section 6.2 Annual Budget. The Express Lanes JPA will adopt an annual budget for each fiscal year. Once the Express Lanes JPA's first annual budget is adopted, no

expenditures may be made by or on behalf of the Express Lanes JPA unless authorized by a budget or budget amendment.

Section 6.4. Expenditures Within Approved Annual Budget. All expenditures within the limitations of the approved annual budget will be made in accordance with the rules, policies and procedures adopted by the Board.

Section 6.5. Disbursements. Warrants will be drawn upon the approval and written order of the Board, and the Board will requisition the payment of funds only upon approval of claims, disbursements, and other requisitions for payment in accordance with this Agreement and other rules, regulations, policies and procedures adopted by the Board.

Section 6.6. Accounts. All funds will be received, transferred, or disbursed by the Controller. The Treasurer will account for such funds separately, in accordance with the generally accepted accounting principles applicable to governmental entities, with strict accountability of all funds. All revenues, expenditures, and status of bank accounts and investments will be reported to the Board quarterly or as the Board may direct and, in any event, not less than annually, pursuant to procedures established by the Board.

ARTICLE VII

MISCELLANEOUS

Section 7.1. Amendments. This Agreement may be amended by a writing or writings executed by the Members approved by resolution of each Member's governing body.

Section 7.2. Notice. Any notice required to be given or delivered by any provision of this Agreement will be personally delivered or deposited in the U.S. Mail, registered or certified, postage prepaid, addressed to the Members at their addresses as reflected in the records of the Express Lanes JPA, and will be deemed to have been received by the Member to which the same is addressed upon the earlier of receipt or seventy-two (72) hours after mailing.

Section 7.3. Good Faith Negotiations. The Members acknowledge that differences between them and among the Board members may arise from time to time and agree to make good faith efforts to resolve any such differences via good faith negotiations among the Members or Board members, as the case may be. If such negotiations do not resolve the dispute, and no Member gives a notice to dissolve the Express Lanes JPA as provided in this Agreement, then the Members may resolve disputes in any manner permitted by law or in equity.

Section 7.4. Attorney's Fees. In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in

such litigation or other proceeding will be entitled to an award of its actual and reasonable attorney's fees, costs, and expenses incurred in the proceeding.

Section 7.5. Successors. This Agreement will be binding upon and inure to the benefit of any successor of a Member.

Section 7.6. Assignment and Delegation. No Member may assign any rights or delegate any duties under this Agreement without the written consent of the other Member, and any attempt to make such an assignment will be null and void for all purposes.

Section 7.7. Counterparts. This Agreement may be executed in one (1) or more counterparts, all of which together will constitute a single agreement, and each of which will be an original for all purposes.

Section 7.8. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any applicable law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions of this Agreement will not be affected thereby and to that end the parts, terms, and provisions of this Agreement are severable.

Section 7.9. Integration. This Agreement represents the full and entire Agreement among the Members with respect to the matters covered herein.

Section 7.10. Execution. The legislative bodies of the Members each have authorized execution of this Agreement, as evidenced by the respective signatures attested below.

IN WITNESS WHEREOF, the Parties have hereunder subscribed their names the day and year indicated below.

CITY/COUNTY ASSOCIATION OF
GOVERNMENTS OF SAN MATEO
COUNTY (C/CAG)

By: _____

Name: _____

Its: _____

Attest:

C/CAG Clerk of the Board

Approved as to Form:

Legal Counsel for C/CAG

SAN MATEO COUNTY
TRANSPORTATION AUTHORITY (TA)

By: _____

Name: _____

Its: _____

Attest:

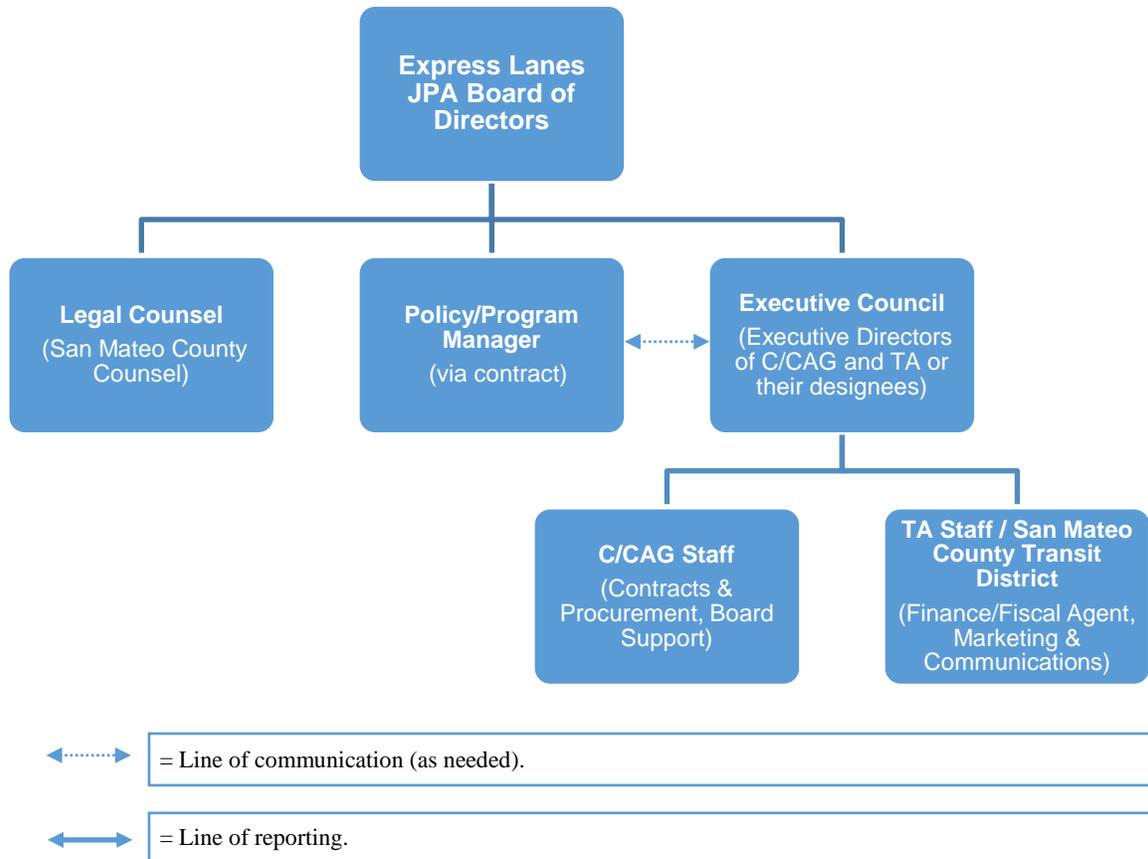
TA Secretary

Approved as to Form:

Legal Counsel for the TA

ATTACHMENT A

EXPRESS LANES JPA INITIAL STAFFING MODEL



A. The San Mateo County Express Lanes Joint Powers Authority (JPA) will retain an independent Policy/Program Manager via contract. That Manager will report directly to the JPA Board. He/she will also coordinate with the Executive Council as necessary. On a day-to-day basis, the Policy/Program Manager is expected to coordinate with any of the staff listed below under Sections (C) and (D) as necessary. The main duties of the Policy/Program Manager will be to:

- Seek input from the Executive Council and others, develop, and make recommendations to the JPA Board on policies including but not limited to tolling principles, toll ordinance, toll discounts, equity, and net revenue expenditure priorities.
- Collaborate with Bay Area Infrastructure Financing Authority (BAIFA) and make recommendations on toll system, and toll equipment maintenance and upgrades.
- Represent San Mateo County Express Lanes interests at regional and other express lanes forums, in collaboration with Executive Council.

- Collaborate with the Executive Council and all TA and C/CAG staff who provide service to the JPA on recommendations to the JPA Board, including but not limited to Toll Expenditure Plan and the JPA Budget.
 - Implement and support the management of contracts and agreements for the JPA in collaboration with the Executive Council.
 - Provide other support to the JPA Board as necessary.
- B. The JPA will have an Executive Council that consists of the Executive Director of the TA and the Executive Director of C/CAG. Each Executive Director may have one designee who will have full authority to act on behalf of the appointing Executive Director. The Executive Council may make recommendations to the JPA Board directly, or coordinate with the Policy/Program Manager on joint recommendations to the JPA Board. The Executive Council will also be responsible for negotiation of agreements with agencies to support the operations of the Express Lanes, including but not limited to the following: BAIFA to provide overall operation of the express lanes; Bay Area Toll Authority (BATA) to provide Fastrak® services; Caltrans for road maintenance; and California Highway Patrol (CHP) for enforcement. As soon as the Policy/Program Manager is on board, he/she will participate in such negotiations and contract preparation in collaboration with the Executive Council.
- C. The TA will be the Fiscal Agent for the JPA. The San Mateo County Transit District (District), which is the administering agency of the TA, will provide the following staffing for the JPA:
- Fiscal Agent and Finance
 - Budgeting and reporting
 - Accounting, including accounts payable and accounts receivables
 - Audits
 - Treasury
 - Marketing and Communications
 - Marketing use of the lanes
 - Promoting the broader benefits of the lanes
 - Media relations
 - Website creation and maintenance
 - Community relations (addressing community concerns about policies, operation of the lanes, etc.)

These staff will report to the TA Executive Director on day-to-day operations. Work performed by these staff on matters relating to the JPA will be approved by the Executive Council. These staff are expected to coordinate with the Policy/Program Manager.

D. C/CAG will provide the following staffing for the JPA:

- Contracts & Procurement
 - Procure, manage, and maintain all JPA contracts and agreements
 - Manage consultant work scope, cost and schedule
 - Review and approve invoices, and submit to TA for payments
 - Maintain contracts between JPA and other entities

- Board Clerk and Support
 - Board support to the JPA, including agenda, notices, and records of meetings
 - Serve as the Board Clerk
 - Manage public records requests
 - Ensure Form 700s are completed and filed

These staff will report to the C/CAG Executive Director on day-to-day operations. Work performed by these staff on matters relating to the JPA will be approved by the Executive Council. These staff are expected to coordinate with the Policy/Program Manager.

E. The JPA will contract with the San Mateo County Counsel's Office for legal support.

F. The JPA Board will revisit this staffing Plan, including all of the above provisions, the need of employees, and the effectiveness of the Executive Council, from time to time, but no later than two years from now or April 2021.

**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: **US 101 – NORTH OF 380 MANAGED LANES PROJECT UPDATE**

ACTION

No action is required. This item is being presented to the Board for information only.

SIGNIFICANCE

This presentation is part of a series of program reports presented to the Board. Each of the San Mateo County Transportation Authority's (TA) six Measure A program areas – Transit, Highways, Local Streets/Transportation, Grade Separations, Pedestrian and Bicycle, and Alternative Congestion Relief Programs – are featured individually throughout the year. This month features a presentation that provides an updated overview for the US 101- I-280 Managed Lanes Project, which is currently in the Project Initiation Document (PID) phase of work.

The PID explores, develops and assess an array of options, if implemented, which would extend the managed lanes system north of I-380 into San Francisco via I-280. The presentation will provide an update on the PID work, including the array of options being studied.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

At the request of C/CAG and as part of the 2012 Highway Program Call for Projects, the TA funded and prepared a Project Initiation Document (PID) for a project that would add auxiliary lanes to the US 101 between Oyster Point and the San Francisco County Line. This PID, which included range of project alternatives, was approved by Caltrans on June 9, 2015.

In October 2015, the TA Board of Directors authorized funding for the environmental phases of two projects on the 101 Corridor: 101 Auxiliary Lanes (Oyster Point to San Francisco County Line) and 101 Managed Lanes (Whipple to I-380). Further work on the auxiliary lanes did not advance because proposed project concepts developed for the managed lanes south of I-380 could influence and potentially change direction on the project approach; project concepts may need to include managed lanes within the limits of the proposed auxiliary lanes project.

To appropriately respond to this potential change of direction and help make the best investment of Measure A funding, the TA Board of Director authorized in January 2018 the reallocation of \$1 million for a PID that would develop and evaluate the extension of managed lanes into San Francisco.

The TA, C/CAG and SFCTA have partnered on this effort through the preparation of a PID.

Prepared by: Joseph Hurley, San Mateo TA Program Director

650-508-7942



US 101 – North of I-380 Managed Lanes Project

TA Board Meeting
May 02, 2019
Agenda Item #12 (b)



Presentation Overview

- Purpose and Need for Project
- Project Stakeholder Roles
- Constraints and Deficiencies
- Project Status
- Alternatives
- Cost
- Schedule
- Next Step



Purpose

- Create a facility that extends the benefits of the San Mateo 101 Express Lanes Project into San Francisco;
- Increase person throughput;
- Encourage carpooling and transit use;
- Improve travel time and reliability for HOV and transit users;
- Minimize degradation to general purpose lanes and local streets;
- Optimize freeway system management and traffic operations.



Need

Congestion is projected to worsen as a result of continued expansion of commercial and residential development adversely affecting the economic vitality and sustainability of San Mateo and San Francisco Counties.





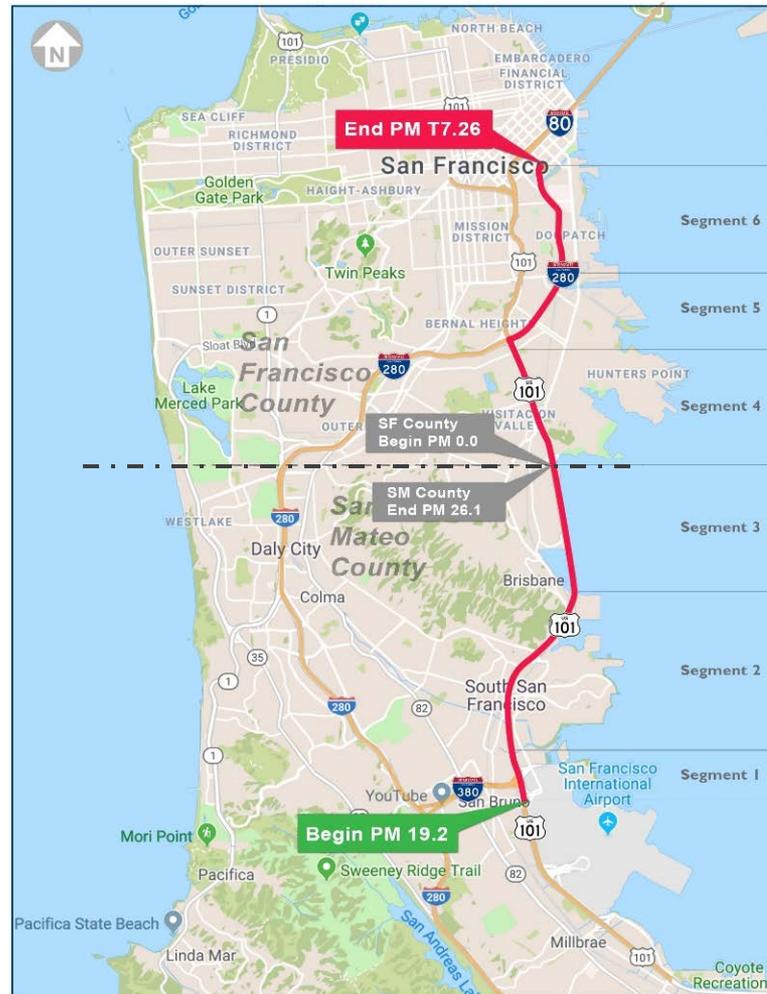
Project Stakeholder Roles

- Caltrans
 - Partnering Agency
 - Approval Agency

- SMCTA, C/CAG, SFCTA
 - Sponsors
 - Funding Agencies
 - Implementing Agencies



Location Map



↑
Project Limits
↓



Constraints and Deficiencies

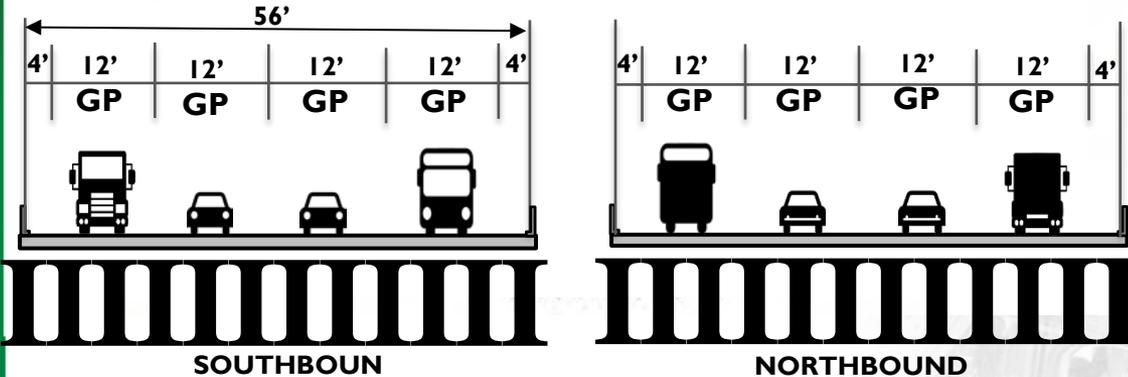
- Major Freeway Bottlenecks/ Heavy Congestion;
- Absence of Managed Lanes facilities for carpool and buses;
- Nonstandard design features;
- Existing infrastructure in need of upgrades;
- Constrained Right-of-way and vertical clearances at major railroad crossings;
- Legislation restrictions.



Example of constraints: Grand Avenue Railroad Underpass



Existing Condition:

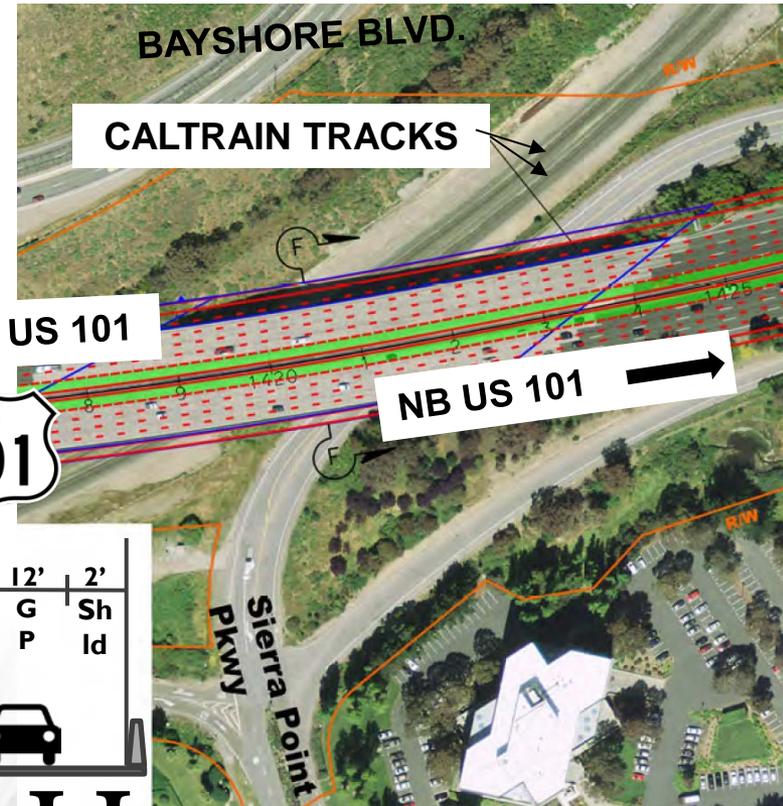
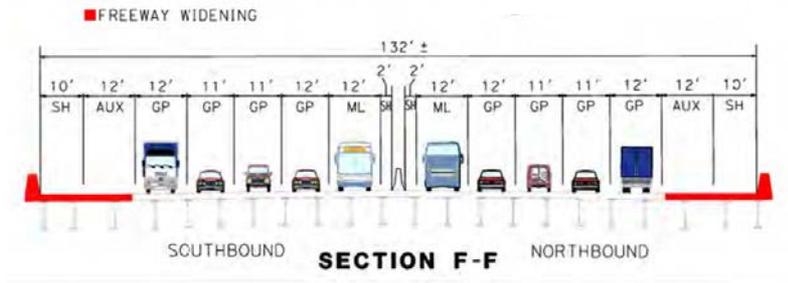


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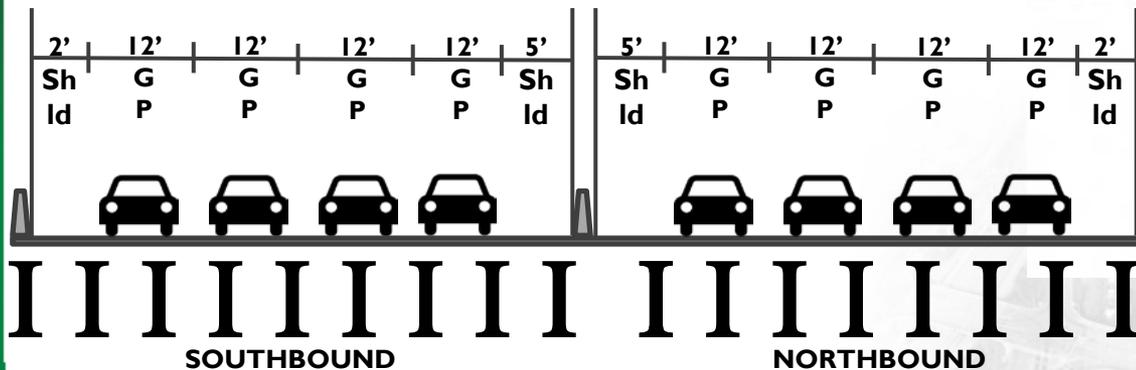


Example of constraints: Sierra Park Parkway Railroad Underpass

Proposed Widening:



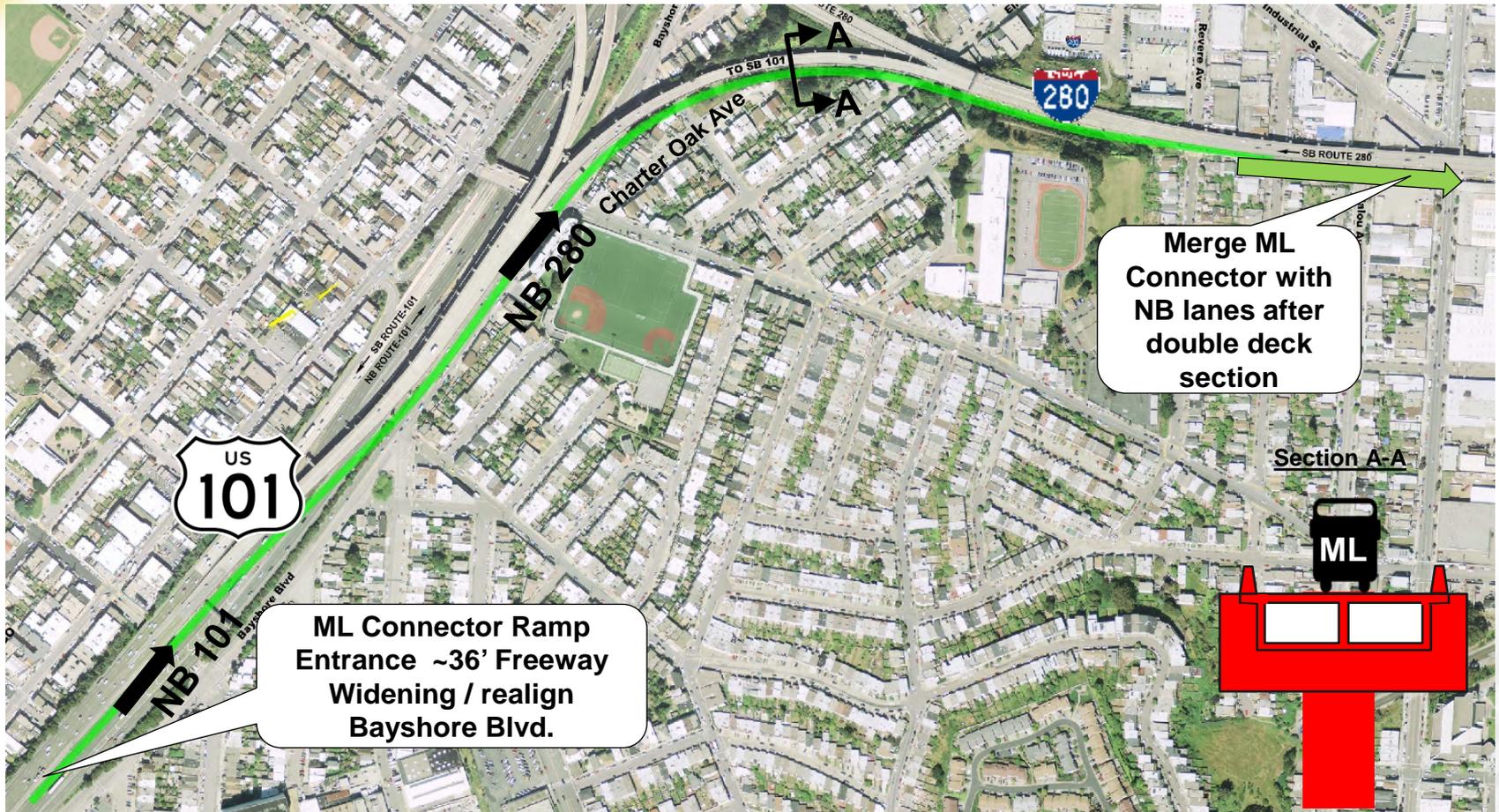
Existing Condition:





Example of constraints:

NB101 – NB280 Connection





Policy Constraints

- State Legislation AB No. 798
- Title 23 of US Code

Current State and Federal Legislation prohibits conversion of a general purpose lane to an Express Lane.



Project Status

- **Past Studies**

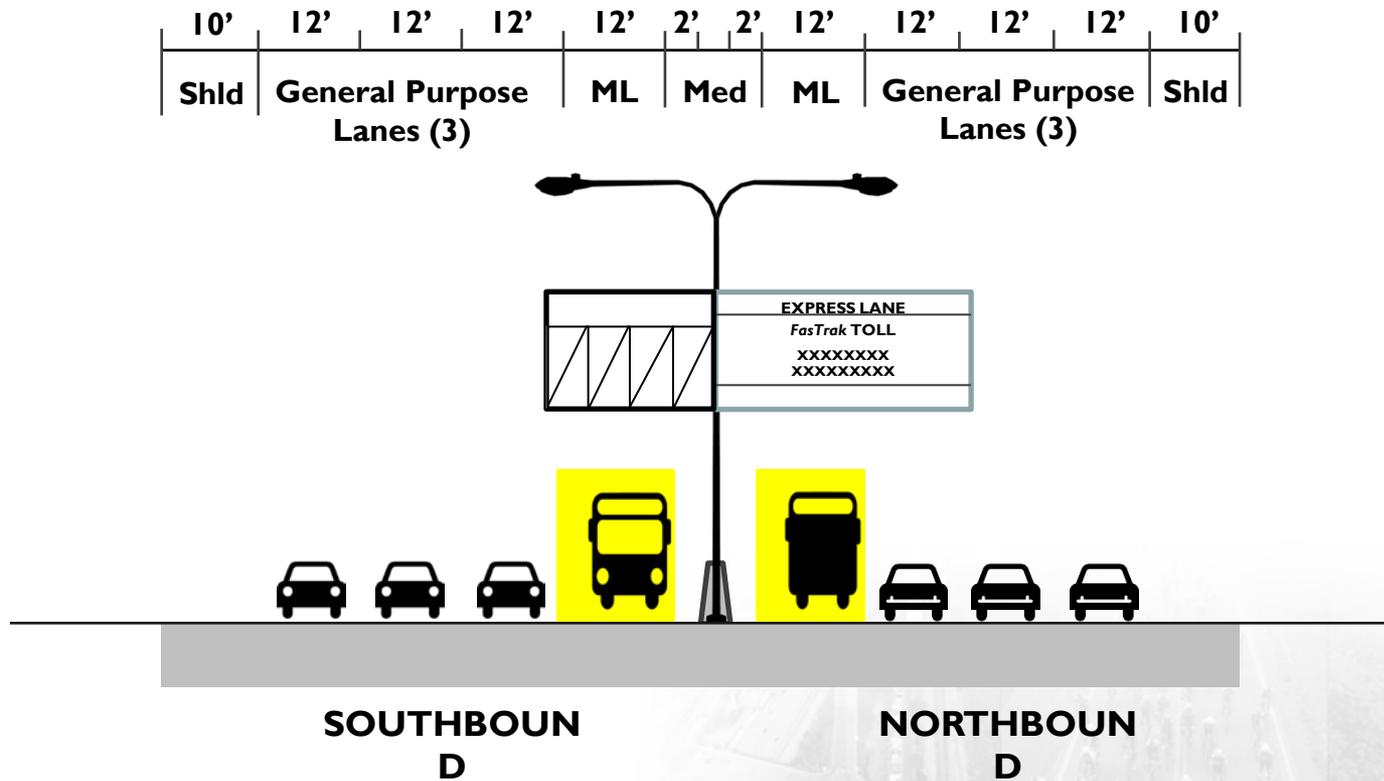
- **US 101 Auxiliary Lanes Project**
(Oyster Point to San Francisco County Line, completed in 2015)
- **Freeway Corridor Management Study**
(Completed in 2017)

- **Current Study**

US 101 – North of I-380 Managed Lanes Project
(Supplemental PSR-PDS to include Managed Lanes concepts into San Francisco County; scheduled to complete in May 2019)

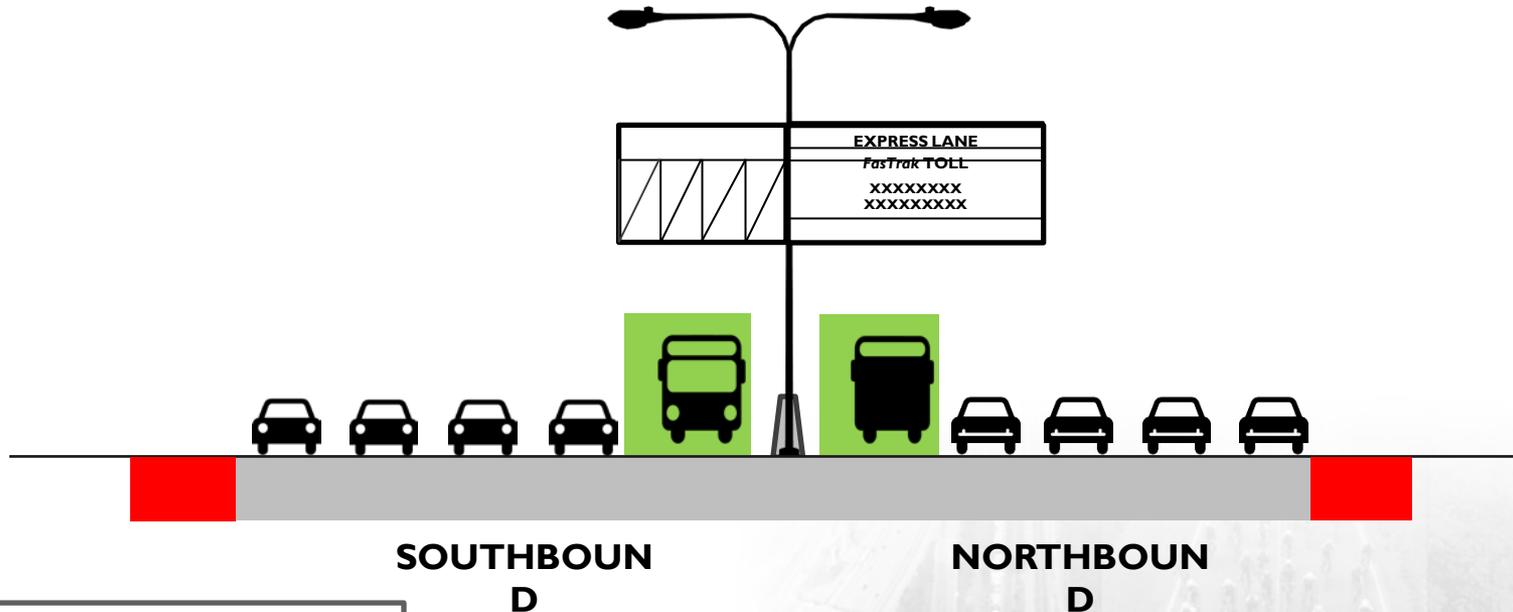
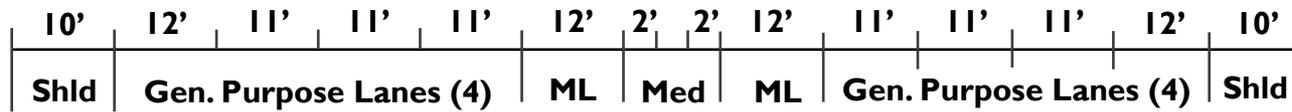


Minimum Footprint Alternative Typical Section – SM County





Maximum Footprint Alternative Typical Section – SM County

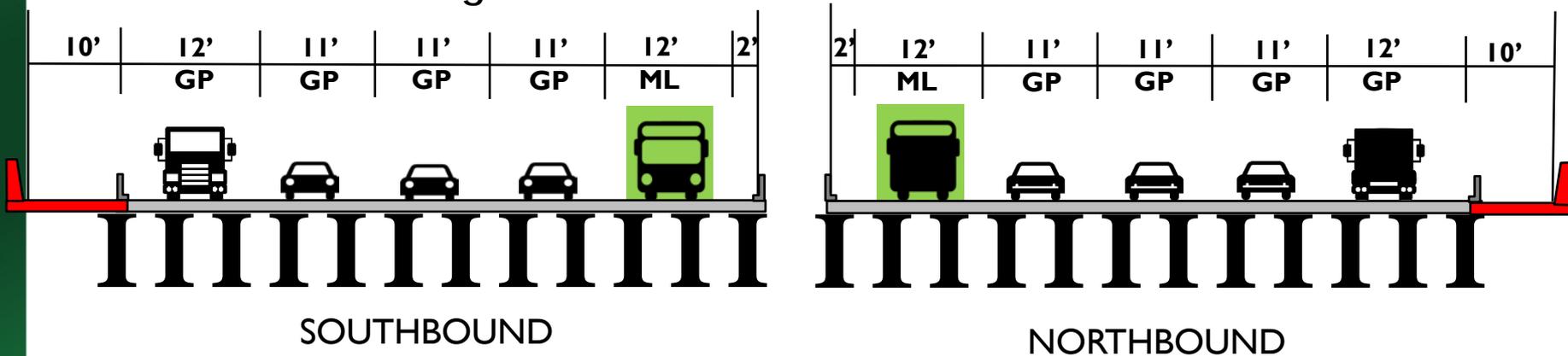


 Freeway Widening

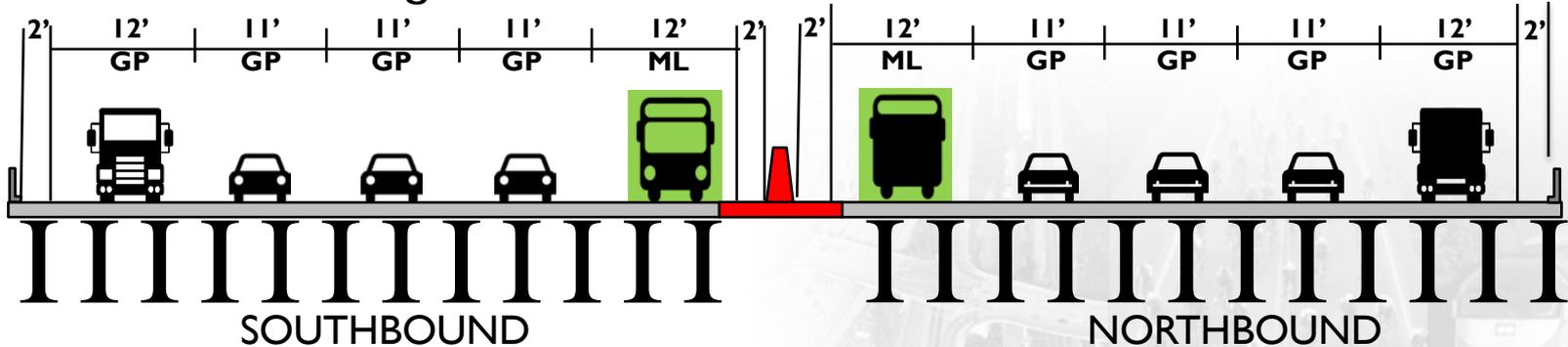


Maximum Footprint Alternative Typical Section at South San Francisco Overhead (Grand Ave. / Railroad Xing)

Outside Widening

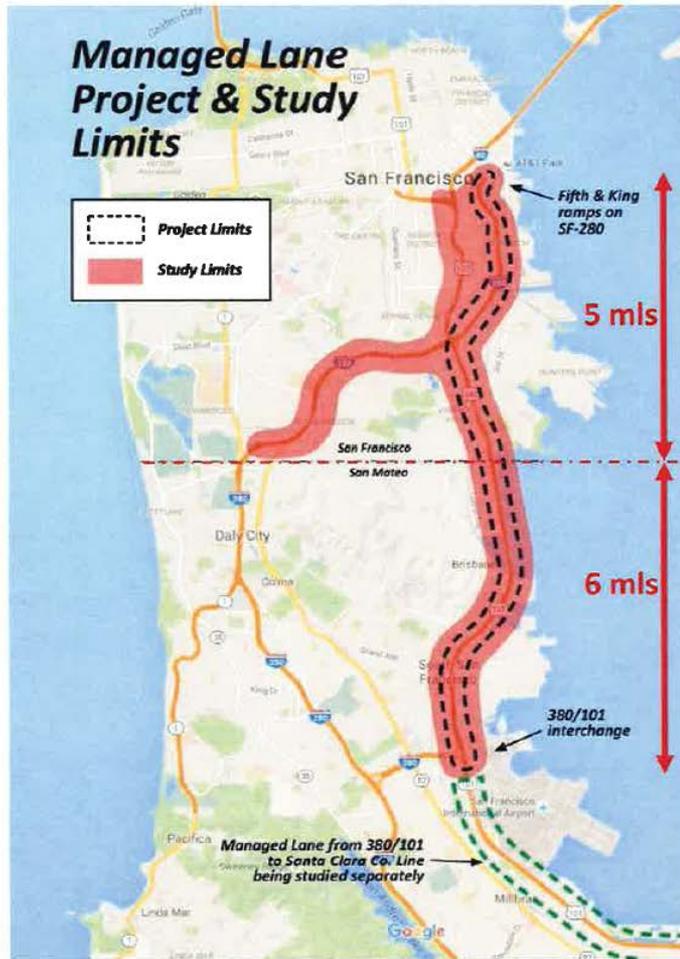


Median Widening





Alternatives Definition



in SF County

MINIMUM FOOTPRINT
280 - Lane Conversions
101 - County Line to 280 – no change NB

MAXIMUM FOOTPRINT
280 - Shoulder Conversions
101 - Improve NB 101-280 Direct Connector

in SM County

MINIMUM FOOTPRINT
101 - #1 Lane Conversion

MAXIMUM FOOTPRINT
101 - Add lane (widening)



Project Total Cost* (\$M)

Alternatives	San Mateo	San Francisco
Minimum	\$176 - \$226	\$188 - \$578
Maximum	\$383	\$322- \$652

* Source of cost estimate is the US101- North of I-380 PSR/PDS intended for long range planning purposes only and not for programming or committing capital funds.

* Total cost includes environmental through construction phases of work.



Schedule*

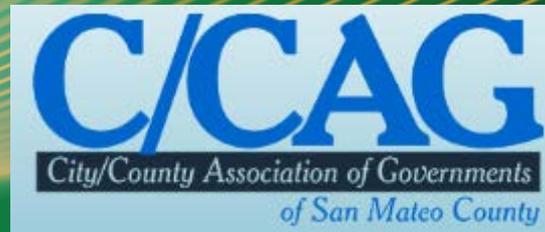
Begin Environmental	Summer 2019
Circulate Draft	Spring 2021
Environmental Document	
Project Approval	Fall 2021
Complete Final Design	Spring 2023
Advertise Contract	Summer 2023
Begin Construction	Fall 2023
End Construction	Fall 2026

* Assume funding is secured.



Next Step

- Traffic Data Collection for San Mateo and San Francisco Counties – May 2019
- Decision to move forward collectively or individually in the Environmental phase
- Funding Allocation for Environmental phase – Summer 2019
- Initiate Environmental phase – Summer 2019



US 101 – North of I-380 Managed Lanes Project



**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transit District

THROUGH: Jim Hartnett
Executive Director

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE AND APPROVAL OF LEGISLATIVE PROPOSALS**

ACTION

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

SIGNIFICANCE

The 2019 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board, and specifies those bills on which staff proposes that the District take a formal position.

Prepared By: Casey Fromson, Government and
Community Affairs Director

650-508-6493



April 12, 2019

TO: Board Members, San Mateo County Transportation Authority
FROM: Gus Khouri, Principal
Khoury Consulting

RE: STATE LEGISLATIVE UPDATE – MAY

On March 20, we had the privilege of sitting down with Governor Newsom to discuss a wide variety of topics. Our meeting primarily focused on discussing Governor Newsom’s budget proposal to tie affordable housing production to the receipt of local streets and roads funding, the influence of the California Air Resources Board (CARB) on transportation funding decisions, advocating for endorsements or prospective endorsements of SB1 Cycle 2 requests, and additional funding for passenger rail as a way to reduce greenhouse gas emissions and vehicle miles traveled. The following is a summary of those conversations:

Tightening the Nexus Between Affordable Housing and Transportation Funding

On March 11, Governor Newsom released draft budget trailer bill language strongly encouraging local jurisdictions to make accommodations to increase the availability (zoning) of affordable housing supply, and providing funding to do so, while linking housing production to the receipt of local streets and roads for failure to take action.

This proposal, which is essentially draft language without a bill number, sets higher short-term housing production goals for cities and counties, and provides \$750 million in support and incentives to help these jurisdictions plan and zone for these higher, ambitious housing targets. The proposal would also update and modernize the state’s long-term housing goals, known as Regional Housing Needs Allocations (RHNA), to better reflect regional housing and transportation needs. Under this proposal, the Department of Housing and Community Development (HCD), in collaboration with the Office of Planning and Research and stakeholders, must also propose an improved RHNA process and methodology that promotes and streamlines housing development.

The HCD, in coordination with the California State Transportation Agency and the Office of Planning and Research, would be required to engage stakeholders to develop and

propose policies for linking transportation and other non-housing funds – including, very specifically, local streets and road funds from SB 1 – with housing goals by the end of 2022.

The language authorizes the state to withhold SB 1’s local streets and roads funds from any jurisdiction that does not have a compliant housing element and has not zoned and entitled for its updated annual housing goals, beginning July 1, 2023.

The Association of Bay Area Governments is projected to receive about \$22.9 million from the \$250 million statewide planning pot, and roughly \$77.3 million from the \$500 million statewide set-aside based on each region’s proportionate share of annual housing targets.

The Administration plans to convene discussions with stakeholders, including local governments, to assess the most equitable path forward in linking transportation funding and other local government economic development tools to make progress toward required housing production goals.

In our discussion with Governor Newsom, he emphasized that he respects the will of the voters as it pertains to allowing all SB 1 funding to continue to flow, and that funding would only be held in the most egregious circumstances as demonstrated by the City of Huntington Beach. In our conversations in the Capitol, legislators were staunchly opposed to withholding SB 1 funding.

CTC and CARB Collaboration to Reduce Greenhouse Gas Emissions

Per Assembly Bill (AB) 179 of 2017, the CTC and CARB are required to convene a meeting twice a year to coordinate transportation policies, with a focus on reducing vehicle miles traveled and greenhouse gas emissions. A tension exists with transportation planning agencies who are being asked to go above and beyond to meet future emission reduction targets, despite not having purview over housing production or job creation location, while implementing voter-approved expenditure plans, such as Measures A and W. At the state level, there is also concern about the ability to implement SB 1 programs, which voters have overwhelmingly supported to be constitutionally protected (Proposition 22 of 2010, Proposition 69 of 2018) and continued for purposes of maintaining highway and local streets and roads infrastructure, easing congestion, and providing multimodal solutions (defeat of Proposition 6 in 2018).

SB 1 Competitive Program Allocations- ATP and LPP

Under the Active Transportation Program (ATP), 50% of the funds are awarded on a competitive basis by the CTC, with 10% going to projects in small urban and rural regions, and the remaining 40% of available funds to projects selected by metropolitan planning organizations (MPO) in urban areas with populations greater than 200,000. Senator Beall has introduced SB 152 to modify ATP to have 75% of all funding to go to

MPOs, 15% to small urban and rural areas, and 10% to be allocated by the CTC on a competitive basis.

The Local Partnership Program (LPP) provides \$200 million annually for jurisdictions that have secured a voter-approved tax or fee dedicated for transportation purposes. It is split 50/50 between a formulaic share and a competitive program administered by the CTC. SMCTA and SamTrans collectively receive roughly \$3.4 million annually from the formulaic share (\$840K and \$2.6M, respectively). In May 2018, the SMCTA received \$20 million from the competitive program to help fund Phase 1 of the 101 Managed Lanes Project. Some Southern California regional transportation planning agencies have expressed a desire to pursue legislation to change program allocations to be distributed on a 95/5 split favoring a formulaic share, or some hybrid that provides a higher floor of guaranteed funding. We will continue to monitor any prospective legislative effort on this issue.

Bills of Interest

1. **SB 526 (Allen)** would require the CARB to adopt a regulation requiring Metropolitan Planning Organizations (MPOs) to determine if they will be on track to meet 2035 GHG targets. If an MPO is deemed to not be on course to meet its 2035 targets, the CTC would have to assign a lower priority to a project that increases vehicle miles traveled and GHG emissions. While SMCTA is committed to reducing greenhouse gas emissions through its pursuit of funding for passenger rail and bicycle and pedestrian programs, this bill could impact local control.. ***The author took amendments on April 11 to remove a requirement that the CTC give highest priority to GHG-reducing projects. We will continue to monitor the bill regarding its language requiring ARB to determine if agencies meet their 2035 targets.***
2. **SB 152 (Beall)** would modify the Active Transportation Program to have 75% of all funding to go to MPOs, 15% to small urban and rural areas, and 10% to be allocated by the CTC on a competitive basis.

KADESH & ASSOCIATES, LLC

Federal Update
San Mateo County Transportation Authority
March 2019

This month, the Administration rolled out its FY20 budget request over the course of two weeks; top line numbers and skeletal information was released on March 4, followed by a deeper dive on March 11. Technically, the President's budget request adheres to the BCA11 sequester spending limits for FY20: \$576 billion for defense and \$542 billion for non-defense discretionary. If enacted, this would mean cuts of 11 percent to defense and 9.2 percent to non-defense accounts. The budget request, however, also proposes using about \$165 billion in the Overseas Contingency Operations account to increase defense spending to \$750 billion while at the same time holding non-defense accounts to the BCA11 level. The House and Senate appropriations committee started their FY20 hearings, but no clear path forward in terms of spending levels for FY 20 have been established.

Additionally, the debt ceiling will need to be addressed at some point later this summer. Recall, the last suspension expired on March 1; the Treasury department will use "extraordinary measures" until Congress can pass another extension or an increase. To date, Treasury has not provided a "due date" for action, but most signs are pointing to the end of the summer deadline for action. Clearly, the budget situation and appropriations process will be ongoing and, likely, very difficult this year. We will keep staff apprised of new developments.

Secretary of Transportation, Elaine Chao, testified before the Senate Transportation, Housing and Urban Development appropriations subcommittee but, aside from some very general questions about delays in the Capital Investment Grant program (CIG) approval process, said very little of interest.

Most Member offices – including those in the TA's delegation – set their FY20 appropriations deadlines for the end of March to accommodate the House committee deadlines in April. Senators Feinstein and Harris also set their deadlines for the end of March.

Lastly, we worked closely with SamTrans staff and consultants to develop legislative proposals for Environment and Public Works consideration of the FAST Act reauthorization. This legislation is expected sometime later this summer.

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>AB 11 Chiu (D)</p> <p>Community Redevelopment Law of 2019</p>	<p>4/11/19</p> <p>Assembly Local Government Committee</p> <p>Set for hearing on 4/24</p>	<p>This bill would authorize a city or county, or two or more cities acting jointly, to propose the formation of an affordable housing and infrastructure agency by adoption of a resolution of intention that meets specified requirements.</p> <p>The bill would require:</p> <ul style="list-style-type: none"> • A public hearing process, and the adoption of a resolution that city or county to submit the resolution of intention to the Strategic Growth Council (SGC) for a determination as to whether the agency would promote statewide greenhouse gas reduction goals. • The SGC to approve formation of the agency if it determines that formation of the agency both (1) would not result in a state fiscal impact, determined as specified by the State Controller, that exceeds a specified amount and (2) would promote statewide greenhouse gas reduction goals. • Not less than 30% of all taxes allocated to the agency from an affected taxing entity be deposited into a separate fund, established by the agency, and used for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing available at an affordable housing cost, as provided. The bill would allow an agency to conduct bond financing. • The Director of the Department of Finance to adjust percentages of General Fund for school districts and community colleges to ensure no fiscal impact. <p>Amended on 4/11</p>	<p style="text-align: center;">Watch</p>
<p>AB 40 Ting (D)</p> <p>Zero-Emission Vehicles</p>	<p>4/8/19</p> <p>Assembly Transportation Committee</p>	<p>This bill, no later than January 1, 2021, would require the California Air Resources Board (CARB) to develop a comprehensive strategy to ensure that the sales of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles by 2040.</p> <p>Transportation funding is dependent on motor fuel. The state would need to find an alternative method of funding transportation infrastructure if this bill were to be enacted.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>AB 148 Quirk-Silva (D)</p> <p>Regional Transportation Plans: Sustainable Communities Strategy</p>	<p>1/24/19</p> <p>Assembly Transportation Committee</p>	<p>Existing law requires certain transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system. The existing law also requires:</p> <ul style="list-style-type: none"> • The regional transportation plan to include, if the transportation planning agency is also a metropolitan planning organization, a sustainable communities strategy which would, among other things, identify areas within the region sufficient to house an 8-year projection of the regional housing need for the region, as specified. • The State Air Resources Board, on or before September 1, 2018, and every 4 years thereafter, to prepare a report that assesses progress made by each metropolitan planning organization in meeting the regional greenhouse gas emission reduction targets set by the state board. • Each transportation planning agency to adopt and submit to the California Transportation Commission and the Department of Transportation an updated regional transportation plan every 4 or 5 years, as specified. <p>This bill would require each sustainable communities strategy to also identify areas within the region sufficient to house an 8-year projection of the emergency shelter needs for the region, as specified.</p>	<p style="text-align: center;">Watch</p>
<p>AB 185 Grayson (D)</p> <p>California Transportation Commission: Joint Meetings</p>	<p>2/4/19</p> <p>Assembly Transportation Committee</p>	<p>Existing law requires the CTC and the State Air Resources Board to hold at least 2 joint meetings per calendar year to coordinate their implementation of transportation policies.</p> <p>This bill would require the Department of Housing and Community Development to participate in those joint meetings with the CTC and CARB.</p>	<p style="text-align: center;">Watch</p>
<p>AB 252 Daly (D)</p> <p>Caltrans: NEPA</p>	<p>3/20/19</p> <p>Assembly Appropriations Committee</p> <p>Suspense File</p>	<p>This bill would remove the sunset date (January 1, 2020) for Caltrans being able to use the National Environmental Policy Act (NEPA) delegation to streamline environmental review for projects with federal funding, allowing for environmental review of projects to be expedited.</p> <p>The bill is sponsored by the Self-Help Counties Coalition (SHCC). SMCTA supported the previous version, AB 28 (Frazier) of 2017, which was also sponsored by SHCC, and had extended the sunset date from January 1, 2017 to January 1, 2020.</p>	<p style="text-align: center;">Supported</p> <p style="text-align: center;">4/4/2019</p>
<p>AB 285 Friedman (D)</p> <p>California Transportation Plan</p>	<p>4/9/19</p> <p>Assembly Appropriations Committee</p>	<p>Under existing law, Caltrans is required to prepare the California Transportation Plan, which looks at the movement of goods and people, and how the state will achieve greenhouse gas emission goals.</p> <p>This bill would require Caltrans to address in the California Transportation Plan how statewide greenhouse gas emission goals will be reduced by 2030, with carbon neutrality by 2045.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>AB 352 Garcia (D)</p> <p>Greenhouse Gas Reduction Fund: Investment Plan & Transformative Climate Communities Program</p>	<p>4/10/19</p> <p>Assembly Appropriations Committee</p> <p>Suspense File</p>	<p>This bill, beginning July 1, 2020, would require state agencies administering competitive grant programs that allocate moneys from the Greenhouse Gas Reduction Fund, such as the California Air Resources Board and Strategic Growth Council to give specified communities preferential points during grant application scoring for programs intended to improve air quality, to include a specified application timeline, to allow applicants from the Counties of Imperial and San Diego to include daytime population numbers in grant applications, and to require grant eligibility and scoring criteria to define a disadvantaged community consistent with specified allocation requirements of the Greenhouse Gas Reduction Fund so as not to preclude low-income communities, as defined, from applying for or being awarded a grant. Amended on 3/14</p>	<p style="text-align: center;">Watch</p>
<p>SB 5 Beall (D)</p> <p>Local-State Sustainable Investment Incentive Program</p>	<p>4/11/19</p> <p>Senate Appropriations Committee</p> <p>Set for hearing on 4/22</p>	<p>This bill would establish the Local-State Sustainable Investment Incentive Program, to authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority or transit village development district to apply for funding for eligible projects include, among other things, construction, predevelopment, development, acquisition, rehabilitation, and preservation of workforce and affordable housing, certain transit-oriented development, and “projects promoting strong neighborhoods.” Funding would be available in the amounts of \$200,000,000 per year from July 1, 2020, to June 30, 2025, and \$250,000,000 per year from July 1, 2025, to June 30, 2029. The source of money would come from reductions in annual ERAF contributions for applicants for projects approved pursuant to this program. Last amended on 4/8</p>	<p style="text-align: center;">Watch</p>
<p>SB 25 Caballero (D)</p> <p>CEQA: Qualified Opportunity Zones</p>	<p>4/11/19</p> <p>Senate Judiciary Committee</p>	<p>This bill would, until January 1, 2025, establish specified procedures under CEQA for the administrative and judicial review of the environmental review and approvals granted for projects located in qualified opportunity zones that are funded, in whole or in part, by specified funds. The bill would apply certain rules of court establishing procedures requiring actions or proceedings seeking judicial review pursuant to CEQA or the granting of project approvals, including any appeals to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the court to an action or proceeding seeking judicial review of the lead agency’s action related to those projects located in a qualified opportunity zone.</p> <p>The bill would require a party seeking to file an action or proceeding pursuant to CEQA to provide the lead agency and the real party in interest a notice of intent to sue within 10 days of the posting of a certain notice and would prohibit a court from accepting the filing of an action or proceeding from a party that fails to provide the notice of intent to sue. Last Amended on 4/11</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>SB 43 Allen (D)</p> <p>Carbon Taxes</p>	<p>4/14/19</p> <p>Senate Governance & Finance Committee</p> <p>Set for Hearing on 4/24</p>	<p>This bill would require the California Air resources Board (CARB), in consultation with the California Department of Tax and Fee Administration, to submit a report to the Legislature on the results of a study to propose, and to determine the feasibility and practicality of, a system to replace the tax imposed pursuant to the Sales and Use Tax Law with an assessment on retail products sold or used in the state based on the carbon intensity of the product to encourage the use of less carbon-intensive products. The bill would require CARB to revise, as necessary, the 2017 scoping plan to reflect the carbon emission reduction benefits that may be realized through the imposition of the assessment based on carbon intensities of products and to consider the results of the study in future updates to the scoping plan.</p>	<p style="text-align: center;">Watch</p>
<p>SB 50 Wiener (D)</p> <p>Planning and Zoning: Housing Development & Equitable Communities Incentive</p>	<p>4/4/19</p> <p>Senate Governance & Finance Committee</p> <p>Set for hearing on 4/24</p>	<p>This bill would require a city, county, or city and county to grant upon request an equitable communities incentive when a development proponent seeks and agrees to construct a residential development that is either a job-rich housing project or a transit-rich housing project. The bill would require that a residential development eligible for an equitable communities incentive receive waivers from maximum controls on density and automobile parking requirements greater than 0.5 parking spots per unit, up to 3 additional incentives or concessions under the Density Bonus Law, and specified additional waivers if the residential development is located within a 1/2-mile or 1/4-mile radius of a major transit stop, as defined. The bill would authorize a local government to modify or expand the terms of an equitable communities incentive, provided that the equitable communities incentive is consistent with these provisions. The bill would also delay implementation of this bill in sensitive communities, as defined, until July 1, 2020, as provided. Amended on 3/11</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>SB 127 Weiner (D)</p> <p>Transportation Funding: Complete Streets</p>	<p>4/10/19</p> <p>Senate Transportation Committee</p> <p>Set for hearing on 4/23</p>	<p>Existing law establishes the Active Transportation Program (ATP) in Caltrans for the purpose of encouraging increased use of active modes of transportation, such as biking and walking, and declares the intent of the Legislature that the program achieve specific goals, including, among other things, increasing the proportion of trips accomplished by biking and walking and the safety and mobility for nonmotorized users.</p> <p>This bill would establish a Division of Active Transportation within Caltrans and require that an undersecretary of the Transportation Agency be assigned to give attention to ATP matters to guide progress toward meeting Caltrans' ATP goals and objectives. The bill would require the CTC to give high priority to increasing safety for pedestrians and bicyclists and to the implementation of bicycle and pedestrian facilities.</p> <p>The bill would require the CTC, in connection with the asset management plan, to adopt performance measures that include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle miles traveled on the state highway system. The bill would require that SHOPP projects include capital improvements relative to accessibility for pedestrians, bicyclists, and transit users. The bill would also require that each project include in its budget the cost of pedestrian and bicycle facilities. The bill would require that the plain language performance report developed by Caltrans, in consultation with the CTC, include a description of pedestrian and bicycle facilities on each project, including the number, extent, and cost of the elements relative to the overall project.</p> <p>The bill provides an opportunity to address multi-modal solutions. While the SHOPP is oversubscribed in its ability to address maintenance needs on the state highway system, local jurisdictions are held to the same standards, but state highway projects do not always include active transportation features.</p>	<p style="text-align: center;">Watch</p>
<p>SB 128 Beall (D)</p> <p>Enhanced Infrastructure Financing Districts</p>	<p>3/28/19</p> <p>Assembly Rules Committee</p>	<p>Existing law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district, with a governing body referred to as a public financing authority, to finance public capital facilities or other specified projects of communitywide significance. Existing law authorizes the public financing authority to issue bonds for these purposes upon approval by 55% of the voters voting on a proposal to issue the bonds. Existing law requires the proposal submitted to the voters by the public financing authority and the resolution for the issuance of bonds following approval by the voters to include specified information regarding the bond issuance.</p> <p>This bill would instead authorize the public financing authority to issue bonds for these purposes without submitting a proposal to the voters. The bill would require that three public hearings be held on an enhanced infrastructure financing plan. The bill would require the resolution to issue bonds to contain specified information related to the issuance of the bonds. Amended on 3/21</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>SB 137 Dodd (D)</p> <p>Federal Transportation Funds</p>	<p>4/5/19</p> <p>Senate Appropriations Committee</p> <p>Set for hearing on 4/22</p>	<p>Existing federal law apportions transportation funds to the states under various programs, including the Surface Transportation Program and the Highway Safety Improvement Program, subject to certain conditions on the use of those funds. Existing law provides for the allocation of certain of those funds to local entities, and for the exchange of federal and state transportation funds between local entities and the state under certain circumstances.</p> <p>This bill would authorize Caltrans to allow these federal transportation funds that are allocated as local assistance to be exchanged for Road Maintenance and Rehabilitation Program funds appropriated to the department.</p>	<p>Watch</p>
<p>SB 152 Beall (D)</p> <p>Active Transportation Program</p>	<p>4/10/19</p> <p>Senate Appropriations Committee</p>	<p>Under existing law, the Active Transportation Program (ATP) is a competitive program that requires the CTC to award 50% of available funds to projects competitively awarded by the commission on a statewide basis, 10% of available funds to projects in small urban and rural regions, and the remaining 40% of available funds to projects selected by metropolitan planning organizations (MPO) in urban areas with populations greater than 200,000, with the available funds distributed to each MPO based on its relative share of the population.</p> <p>This would modify the ATP to have 75% of all funding to go directly to MPOs, 15% to small urban and rural areas, and retain 10% to be allocated by the CTC on a competitive basis.</p>	<p>Watch</p>
<p>SB 277 Beall (D)</p> <p>Transit Development: Transit Funds</p>	<p>4/5/19</p> <p>Senate Transportation Committee</p> <p>Set for hearing 4/23</p>	<p>This is currently a spot bill that may be used to reformulate the current 50/50 formula to competitive program distribution of Local Partnership Program Funds.</p>	<p>Watch</p>

SMCTA Bill Matrix – May 2019

Measure	Status	Bill Summary	Recommended Position
<p>SB 526 Allen (D)</p> <p>Regional Transportation Plans: Greenhouse Gas Emissions</p>	<p>4/11/19</p> <p>Senate Housing Committee</p>	<p>This bill would require the California Air Resources Board (CARB) to adopt a regulation that requires a metropolitan planning organization to provide any data that CARB requests to determine if the metropolitan planning organization is on track to meet its 2035 greenhouse gas emission reduction target. CARB would be required to determine if each metropolitan planning organization is on track to meet its 2035 greenhouse gas emissions reduction target. The bill would require the action element prepared by a metropolitan planning organization to identify near and long-term steps to be taken to implement a sustainable communities strategy and achieve the greenhouse gas emission reduction targets established by the state board.</p> <p>If CARB determines that a metropolitan planning organization is not on track to meet its 2035 greenhouse gas emission reduction target, the bill would require the CTC to assign a lower priority to a project that increases vehicle miles traveled and greenhouse gas emissions.</p> <p>This bill would establish an interagency working group to be administered by the Strategic Growth Council to develop and implement a State Mobility Action Plan for Healthy Communities to ensure that regional growth and development is designed and implemented in a manner to achieve the state's environmental, equity, climate, health and housing goals. The bill would require the plan to include specific actions, measures, and timelines, and an investment strategy. The bill would require the interagency working group to submit the plan to the Legislature by December 31, 2020, and every 4 years thereafter.</p> <p>This bill would make MTC responsible for new planning activities outside of the current purview of a regional transportation planning and could also jeopardize funding for safety projects by giving highest priority to projects that reduce greenhouse gas emissions. Amended on 4/11</p>	<p style="text-align: center;">Watch</p>

TA

CORRESPONDENCE

MAY 2, 2019

(as of 4/25/2019)

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(650) 508-6200

April 10, 2019

The Honorable Lorena Gonzalez, Chair
Assembly Appropriations Committee
California State Assembly
State Capitol, Room 2114
Sacramento, CA 95814

RE: SUPPORT for AB 252 (Daly)

Dear Chair Gonzalez:

On behalf of the San Mateo County Transit District (SamTrans) and the San Mateo County Transportation Authority (Transportation Authority) I write to you today in **SUPPORT** of AB 252. This bill would grant Caltrans the authority to continue performing federal environmental responsibilities for critical transportation projects under the National Environmental Policy Act (NEPA) and other federal laws.

Under the federal transportation bill of 2005 - Safe, Accountable, Flexible Efficient Transportation Equity Act: A Legacy for USERS (SAFETEA-LU) – a pilot program was established, delegating the United States Secretary of Transportation's responsibilities under the NEPA and other federal environmental laws to participating states. The pilot program has a sunset date of January 1, 2020. This bill would extend the operation of this delegation indefinitely.

The pilot program has enabled us to substantially streamline our environmental project review process under NEPA. This program removed a layer of review and provides considerable cost and time savings in processing standard environmental documents.

For these reasons, we respectfully **SUPPORT** AB 252.

Please feel free to contact Casey Fromson, Director of Government and Community Affairs, at (650) 508-6493 or via email at fromsonc@samtrans.com if you need any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jim Hartnett', is written over the word 'Sincerely,'.

Jim Hartnett
General Manager/Chief Executive Officer

cc: San Mateo County Transit District Board of Directors
San Mateo County Transportation Authority Board of Directors
San Mateo County Transit District State Legislative Delegation
San Mateo County Transportation Authority Legislative Delegation
The Honorable Tom Daly, California State Assembly



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JIM HARTNETT
EXECUTIVE DIRECTOR

April 11, 2019

The Honorable Donna Colson
Burlingame City Council
501 Primrose Road
Burlingame, CA 94010

Dear Mayor Colson,

Thank you for your letter from March 29, 2019 on the Burlingame Broadway Grade Separation Project. We appreciate the City of Burlingame's position.

We have been collaborating closely with City staff on the project, which is currently in the engineering and environmental review phase. We are planning to provide the San Mateo County Transportation Authority Board an update on the Project during the May Board meeting.

We look forward to continuing to work with you and your staff on this important project.

Regards,

A handwritten signature in blue ink, appearing to read 'Jim Hartnett', is written over a faint, larger signature.

Jim Hartnett, Executive Director
San Mateo County Transportation Authority

cc: Burlingame City Council
San Mateo County Transportation Authority Board of Directors

From: Shawn Mooney
To: [Drew Corbett](#); [Jeff Moneda \(Foster City\)](#); council@fostercity.org
Cc: [LAFC Poyatos](#); [SM City Clerk Patrice Olds](#); [Mayor Rick Bonilla](#); [FC Planning Commission](#); [Foster City Clerk Doris Palmer](#); [Sandy Wong](#); [Greg White](#); [Foster City Curtis Banks](#)
Subject: Drew Corbett & Jeff Moneda traffic complaint What are the traffic improvements ? Fashion Island Blvd - widen Marina Lagoon Bridge @ Norfolk
Date: Friday, April 05, 2019 12:35:07 PM
Attachments: [Foster City traffic relief pilot program mitigation at Norfolk & Fashion Islan intersection Widen Bridge.pdf](#)

City Manager Drew Corbett, the Foster City traffic relief program has raised many concerns for San Mateo residents.

As you know San Mateo has recently redeveloped many large projects in a concentrated area next to SR 92 between the rail road tracks and South Grant street.

People in this area are very concern about traffic is already at grid lock and desire to know what are the additional traffic improvements to mitigate this traffic explosion?

Specifically at:

- 1) East Bound 92 Delaware freeway off ramp?
- 2) 19th Avenue ?
- 3) South Grant ?
- 4) South Delaware ?
- 5) Fashion Island Blvd?
- 6) Interception at Norfolk and Fashion Island Blvd?
- 7) Marina Lagoon bridge widening?

City Manager Drew Corbett, the seven area above are in desperate need of major traffic improvements to mitigate the recent new developments in this area.

Further, the seven areas above will have addition massive traffic impacts from many large redevelopment project that have not broken ground including the Ross/TJ Max shopping center, the former City corp. yard next to the R/R tracks, the Smart and final shopping center on Norfolk.

These new projects including the projects recently developed in this area have generate millions dollars in development impact fees and as you know these impact fees per the Mitigation Act are required to be use specifically to mitigate the traffic impacts created by the new developments.

In other words, mitigations fees collected from development projects between the R/R tracts and Norfolk must be spent on improvement in the same corridor east of the R/R tracts.

In other words, the impact fees collected from these massive re-development projects can only be used to mitigate the actual adverse impacts that are created from the new developments.

That said, there should be substantial funding available for traffic improvements to the seven areas above.

Please identify the proposed and approved traffic improvements to the seven areas above that are all **east** of the Rail Road tracts.

Please limit your response to the seven area above, as my neighbors and I are primarily concerned with traffic circulation improvements below the SR 92 interchange overpass, whereby the nearby redevelopment is occurring. Please also Include pedestrian (green surface) bike lanes improvements and visual improvement as this area looks ghetto and visually unappealing for such a wealthy area Gateway.

The airspace land under 92 interchange overpass must be beautified as this area is a **prominent Gateway** to both Foster City and Mariners Island and a Regional Shopping Center and Gilead Science

Headquarter.

City Manager Drew Corbett, the **Marina Lagoon bridge piers were seismically earthquake retrofitted more than a decade ago.**

The seismic retrofit project contemplates the **bridge would be widen** at some point as the **improved bridge piling extent wider** than the existing bridge pilings on both sides.

Please provide the status of widening this bridge?

It appears there is no better time than now, because adjacent to the bridge on the north side next to the Fish Market is an undeveloped project, that will be developed soon.

On the East side of the bridge is a temporary RV storage yard in public Caltrans "air space".

Therefore, the **time is ripe to widen the bridge now** as this under sized bridge is the bottle neck of existing traffic impacts in the area.

City Manager Drew Corbett, the Marina Lagoon bridge is a critical and vital traffic thorough fare for Mariners Island, however it is even more critical for Foster City residents as Mariners Island is a fraction of the size and population compared to Foster City.

Therefore, Foster City development impact fees must also be utilized for widening this bridge and traffic improvements under the 92 interchange overpass.

Foster City has collected many millions of dollars from development impact fees from the massive redevelopment of Gilead Science Headquarters that is located in Mariners Island, north of SR 92. For clarity Foster City is predominately located south of SR 92.

Further, Foster City's traffic relief program diverts from Hillsdale Blvd on the South Norfolk that further adversely impact the Norfolk @ Fashion Island interchange at the right turn from Norfolk over the Marina Lagoon Bridge. Foster City must mitigate this traffic impact of diverting traffic seeking to access the Edgewater Blvd 92 east freeway entrance, that has been traditionally accessed from both Hillsdale Blvd and Fashion Island Blvd.

By Foster City unilaterally eliminating Hillsdale Blvd as a access to 92 east freeway entrance, Foster City has doubled the demand on the San Mateo Fashion Island to access the 92 east freeway entrance that is located smack dead center on the Foster City/ San Mateo boarder line.

It is not equitable for Foster City to eliminate Hillsdale Blvd as an 92 East freeway entrance access because it adversely impacts Mariners Island, therefore mitigation must be forthcoming.

City Manager Drew Corbett and City Manager Jeff Moneda, the Mitigation Act requires impact fee collected must be utilized for directly related impacts.

It's time for the two Cities to work together in a collaborated effort to implement traffic improvements that have mutual benefits to both communities.

The Fashion Island corridor including the Marina Lagoon Bridge are in critical need of traffic improvements.

The corridor has been neglected because the two City are not working together because the projects are located in San Mateo, however the needed improvements primarily benefit Foster City the most.

Both Cities have collected historical high development impact fees recently, yet the desperately needed traffic improvements at the Fashion Island Gateway are not forthcoming.

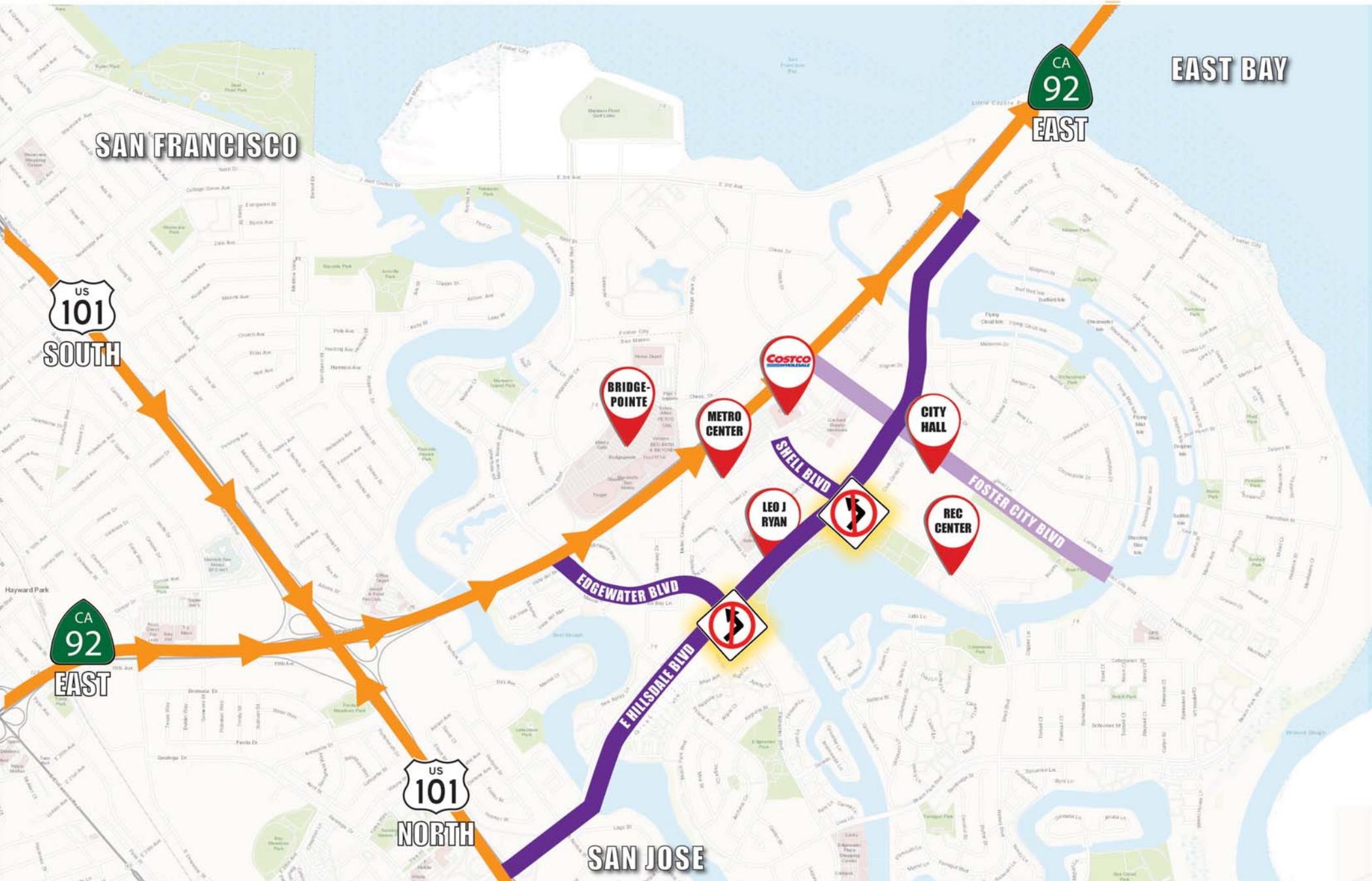
Are development impact mitigation fees be diverted outside the impact areas whereby the impact fees were collected? **If so this violated the Mitigation Act.**

City Manager Drew Corbett and City Manager Jeff Moneda, please come together to right the sinking ship. Foster City and San Mateo must figure out a improvement benefit analysis thereby establishing a percentage analysis as to the traffic improvement cost. Without such a cost splitting agreement, the traffic improvements are not being forthcoming or budgeted.

There will never be in the future a higher amount of development impact fees available to the Fashion Island corridor as there has never been such a building explosion in this particular area. That said, traffic improvement must be implements to protect the quality of life in this specific area.

Shawn Mooney
Mariners Island Resident

PROPOSED TRAFFIC RELIEF PILOT PROGRAM





Overview of Traffic Relief Pilot Program

During peak evening commute hours, from 4:00 PM to 7:00 PM, there will be no left turns from East Hillsdale Boulevard onto Edgewater Boulevard and Shell Boulevard.

What is the purpose of the proposed pilot program? To address traffic congestion, specifically cut-through traffic, down the City's main corridor - East Hillsdale Boulevard.

How long is the proposed pilot program? It will be implemented for a **3-month trial period**, dependent on City Council direction. However, the **City Manager can terminate the pilot program at any time if deemed unsafe.**

Is there any fiscal impact to the City? Yes, exact costs will be presented when brought to City Council for consideration on November 19, 2018. City staff presence will be required in order for the portable delineators to be set-up and removed each day. In addition, City staff will need to monitor & observe for any safety concerns.

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January 24, 2019

Ben Metcalf, Director
California Department of Housing and Community Development
2020 West El Camino Ave.
Sacramento, CA 95833

Re: Support for the City of South San Francisco's Affordable Housing and Sustainable Communities (AHSC) Round 4: Integrated Connectivity Project

Dear Mr. Metcalf:

I am writing to express my strong support of the City of South San Francisco's application for funding through the California Department of Housing and Community Development's (HCD) Affordable Housing and Sustainable Communities Grant Program Round 4. I hope you join me in appreciation of the City's dedication to promoting affordable housing in the Bay Area, where housing shortages are particularly acute.

Currently, the cost of housing in California is sky rocketing, while wages and household incomes struggle to keep up. This situation is exacerbated in the Bay Area where jobs easily outnumber available units, which has caused affordable housing to become practically unobtainable. South San Francisco's proposed project would directly address this problem by increasing the number of affordable units in close proximity to job centers.

The City of South San Francisco's Project will also help reduce greenhouse gas emissions by increasing active modes of transportation, such as commuting by public transit, biking and walking, thus reducing the number of vehicles on regional streets and reduce carbon emissions. The project will accomplish this by building new housing units in dense urban areas and next to transit stations, along with bike and pedestrian infrastructure.

For these reasons I am proud to support the City of South San Francisco's application through HCD's Affordable Housing and Sustainable Communities Grant Program. For any further information please do not hesitate to contact Casey Fromson, Director of Government and Community Affairs, at (650) 508-6493 or via email at fromsonc@samtrans.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Hartnett".

Jim Hartnett
General Manager/Chief Executive Officer/Executive Director

cc: Peninsula Corridor Joint Powers Board of Directors
San Mateo County Transit District Board of Directors
San Mateo County Transportation Authority Board of Directors