

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CA 94070**

**MINUTES
MAY 1, 2008**

MEMBERS PRESENT: R. Foust (Chair), R. Gordon, J. Lee, K. Matsumoto,
R. O'Mahony, J. Vreeland

MEMBERS ABSENT: M. Church

STAFF PRESENT: J. Cassman, V. Harrington, R. Haskin, J. Hurley, R. Lake
M. Martinez, I. McAvoy, N. McKenna, L. Millard, D. Miller.
M. Scanlon, M. Simon

Chair Rosanne Foust called the meeting to order at 5:05 p.m. and led the Pledge of Allegiance.

CONSENT CALENDAR

- a. Approval of Minutes of April 3, 2008
- b. Acceptance of Statement of Revenues and Expenses for March 2008

A motion (O'Mahony/Matsumoto) was passed to approve the consent calendar.
(Director James Vreeland abstained.)

PUBLIC COMMENT

Rich Hedges, San Mateo, distributed an email newsletter he publishes that shows easy ways to commute on the mid-Peninsula on Caltrain shuttles funded by the TA.

Greg Conlon, Atherton, said he was President of the California Public Utilities Commission in the 1990s and responsible for rail safety. He said in 1995 there were 20 fatalities on the railroad. He secured a million dollars for fencing at that time and it was installed. He had planned to congratulate Caltrain at this meeting for the funding for quad gates because he thought it is great measure to improve safety at intersections with the railroad. Mr. Conlon said there have been three fatalities on the railroad in a month and more needs to be done than just fencing. He said a psychiatrist will argue that people do not commit suicides at stations but in private locations so there needs to be a way to preclude people from access to the right of way. Grade separations will be the ultimate way to prevent access to the railroad. Mr. Conlon said he was going to work with the cities of Menlo Park and Atherton to move ahead with grade separations. He said BART is a closed system and has only one or two suicides a year. He asked the TA and Caltrain to move with urgency because he thinks three fatalities in one month are too many.

Chair Rosanne Foust said the Board appreciated the acknowledgement of the funding for quad gates. She said the TA Board is as concerned as are other boards about rail safety and will continue all efforts for rail safety.

PROGRAM – SOUTH SAN FRANCISCO FERRY SERVICE

Chair Foust requested that this item be moved up on the agenda.

Chief Development Officer Ian McAvoy said there will be funds for a ferry program when part of the 2004 Measure A kicks in on January 1, 2009. The TA has engaged two project sponsors for ferry service, South San Francisco and Redwood City. Mr. McAvoy introduced Barry Nagel, City Manager for the City of South Francisco.

Mr. Nagel said the City of South San Francisco is working closely with the Water Emergency Transportation Authority (WETA) to bring a \$51 million ferry terminal project to South San Francisco for service via Jack London Square in Oakland. It is anticipated that the TA Board will provide \$15 million of Measure A funds for the project. Mr. Nagel introduced, John Sindzinski, Manager, Planning and Development for WETA.

Mr. Sindzinski's presentation stated the following about the ferry service project.

- Revenues of \$51.2 million have been identified and include Regional Measure 2 (RM2) funding, San Mateo County sales tax, Federal funds and Proposition 1B funding, which will be made available in June of this year.
- The service from Jack London Square to South San Francisco is primarily designed to serve as a commute for people in biotech and other industries in the Oyster Point industrial area.
- Ridership is forecast at 900 trips a day when service is scheduled to begin in 2009-10.
- The ferry terminal will be built in the Oyster Point Marina with removal of docks nine to 11.
- The terminal will accommodate two boats at a time with a gangway in the middle between the fixed pier and "floating" terminal, which will move up and down with the tides.
- The covered terminal will accommodate two full boatloads of riders. It will have a viewing terrace for easy passenger access, as is required by the Bay Conservation and Development Commission.
- Two ferry boats are under construction in Seattle. The smaller will carry 149 passengers, the larger 199 in addition to over 30 bicycles.
- Marina dredging and dock removal will begin in the summer of 2008. Terminal construction and off-site float fabrication will begin in the fall of 2008 with project completion scheduled for fall 2009.
- Capital costs of \$51.2 million include environmental mitigation and design, vessels and terminal construction, management/permitting, miscellaneous and contingency costs, site improvements and the San Mateo County Harbor District lease; \$.5 million of funding will be used to meet ADA requirements at Jack London Square dock in Oakland.
- Congressman Tom Lantos was acknowledged for his efforts to secure Federal funding for the project.

Chair Foust said there was a discrepancy in expense costs, which might be the contingency.

Mr. Sindzinski said Measure A funding is not indicated in the revenue list because the project will begin before the January 1, 2009 Measure A funds are released.

- Next steps include formalizing the lease among WETA, City of South San Francisco and the San Mateo County Harbor District, construction of vehicles, terminal design, allocation of Measure A funds and award of contracts.

Director John Lee asked if during a disaster, priority service would be given to public safety officials in the East Bay to get to the Peninsula. Mr. Sindzinski said no priority decisions have been made and contingency planning is just beginning.

Director Lee asked that when priority decisions and contingency planning is documented for East Bay public officials that the information be sent to Executive Director Michael Scanlon.

Director Lee asked if funding elements for the South San Francisco ferry service affect the Redwood City Port money. Mr. Sindzinski said it did not.

Director Lee asked why \$500,000 was being spent to improve the harbor at Oakland when they are sending people over and taking them back. Mr. Sindzinski said work is necessary to improve the infrastructure to have a system in place that will work in the event of a disaster and for service on a day-to-day basis.

Director Lee asked if Oakland would pay a portion of the \$500,000 to fix up their port. Mr. Sindzinski said it is the Port of Oakland and they support the Alameda ferry service whether they fund any work on the ferry terminal.

Director Rosalie O'Mahony asked if \$10 million of Proposition 1B money, which is coming out of Sacramento very slowly, would be available in the current fiscal year and if balance of the \$25 million would be available immediately. Mr. Sindzinski said the \$10 million portion of the \$25 million is bond money available now but the \$15 million will not be available.

Chair Foust said the Board will be making policy decisions regarding the allocation of the future Measure A funds that are programmed for both South San Francisco and Redwood City and the policy decisions for funding will be coming back to the Board for discussion and review.

CITIZENS ADVISORY COMMITTEE (CAC) REPORT

Chair Pat Dixon reported:

1. Mr. Sindzinski presented the South San Francisco Ferry Terminal Update.
2. Recommended approval for the TA to award a contract to provide on-call program management oversight services for \$3,000,000 for a three year term.
3. Manager of Budgets Ladi Millard presented details of the FY 2009 operating budget.
4. Mr. McAvoy presented details of the FY 2009 capital budget and there was extensive discussion by the CAC.
5. CAC member April Vargas keeps the CAC informed of work activity at the Devil's Slide tunnel and will inform the committee when it will be safe to tour the project.

CHAIRPERSON'S REPORT

1. Appointment of CAC members:

The selection committee of Director Lee, CAC Chair Pat Dixon and she recommended the appointment of six applicants. Five incumbent members of the CAC were appointed to terms ending May 31, 2011: Jim Bigelow, Rich Hedges, Randall Hees, Larry Shaine and Paul Young. John Fox was appointed to the remainder of a two-year term ending May 31, 2010.

A motion (Lee/Gordon) was passed to appoint six TA CAC members.

Chair Foust welcomed and congratulated the reelected and newly-appointed CAC members.

2. Update – Investor Advisor Services

Prior to the meeting, the Board Investment Advisory Committee members, Chair Foust and Director Rich Gordon, met with Bill Osher of Epic Wealth Management and TA staff. Chair Foust and Director Gordon will meet with County Treasurer Lee Buffington and share meeting details with the Board at the next TA Board meeting.

3. Strategic Planning Subcommittee members Chair Foust and Directors Lee and Mark Church are meeting monthly with staff to discuss the Strategic Plan. Outreach scheduling details will be presented in July, the draft plan is scheduled to be presented to the CAC and TA Board in September and the plan is to be finalized in November or December.

SAMTRANS LIAISON REPORT – KARYL MATSUMOTO

Available in the agenda packet.

JOINT POWERS BOARD REPORT (JPB)

Executive Director Michael Scanlon reported on the May 1 JPB meeting:

a. The Board:

- Approved the minutes of April 3, 2008 and accepted the Statement of Revenues and Expenses for March 2008.
- Authorized a Request for Allocation of FY 2008 Proposition 1B California Transit Security Grant Program Funds in the Amount of \$939,246.
- Authorized Submission of FY 2008 Grant Applications to the Federal Transit Administration (FTA) to Receive Section 5307 and Section 5309 funds and CMAQ funds for a total of \$24,877,261.
- Approved a Change Order to Contract with Mitchell Engineering for an Amount Not-to-Exceed \$150,000 for the San Bruno Grade Separation Phase 1 Contract.
- Approved a Change Order to Contract with Shimmick/Balfour Beatty Rail Services for an Amount Not-to-Exceed \$150,000 for the Burlingame Outboard Platform Improvements Project.
- Authorized Submittal for Approval to the California Department of Industrial Relations, a Labor Compliance Program Applicable to All Future Public Works Contracts.
- Recommended Approval of Proposed FY 2009 Disadvantaged Business Enterprise Overall Annual Goal of 10 Percent for FTA-Assisted Contracts.
- Awarded a Contract to CBS Outdoor Group, Inc. for Train and Station Advertising Services.
- Awarded a Contract to Granite Construction, Inc. for the Guadalupe Interim Project in the Amount of \$354,888.
- Awarded a Contract to Carter and Burgess, Inc. to Provide On-Call Program Management Oversight Services for an Aggregate Sum of \$6,000,000 for a Three-Year Term.

b. MTC liaison Sue Lempert focused her report on the 2035 Regional Plan.

c. Received a report from Chair Bruce Jenkins on the April CAC meeting.

d. Performance Statistics:

March 2008 compared to March 2007:

- Total Ridership was 974,083, an increase of 3.3 percent.
- Average Weekday Ridership was 36,606, an increase of 4.8 percent.
- Farebox Revenue was \$3,239,001, an increase of 13.5 percent.
- On-time Performance was 94.7 percent, a decrease of 2.1 percent.

- Caltrain Shuttle Ridership was 5,839, an increase of 8.6 percent.
Year-to-Date:
 - Total Ridership was 8,646,835, an increase of 7.4 percent.
 - Average Weekday Ridership was 36,476, an increase of 6.6 percent.
 - Farebox Revenue was \$28,926,348, an increase of 15.9 percent.
 - On-time Performance was 93.4 percent, a decrease of 2.4 percent.
 - Caltrain Shuttle Ridership was 5,203, an increase of 6.2 percent.
- e. Recent rail fatalities were discussed and Caltrain plans to continue to do everything possible in the way of engineering, education and enforcement for safety efforts.
- f. A safety relay will be held on May 21 that will include a transit police officer, a conductor and either a school teacher or principal to relay a set of mini-crossbucks to emphasize safety along the railroad right of way.
- g. Baseball ridership was just under 3,300 for April.
- h. The Belmont-Hillsdale shuttle is averaging about 65 riders a day, which helps alleviate parking problems at the Hillsdale station.
- i. Upcoming special service includes the KFOG Ka-Boom concert and Kids are Giants Too at AT&T Park and the Bay to Breakers race.
- j. Chief Financial Officer Gigi Harrington presented the preliminary FY 2009 Operating Budget. Challenges to the budget include fuel costs, which will be budgeted at \$2 million more than FY 2008.

Director Lee said a couple of presidential candidates have suggested suspending the federal fuel tax from Memorial Day to Labor Day. He asked if this would affect Caltrain. Mr. Scanlon said, in the short term, over the summer, Caltrain could save some tax money. In the longer term it would be a disaster. The Federal Highway Trust Fund will run out of money in federal FY 2009, which starts October 1, 2008. The transit account within the Highway Trust Fund is probably solvent for another two to three years maximum. The 18-cent fuel tax has not been raised since 1993 and is needed to maintain and build highways and transit systems. Caltrain strongly opposes the suspension of the Federal fuel tax.

REPORT OF THE EXECUTIVE DIRECTOR

Mr. Scanlon congratulated the reelected and newly appointed CAC members and thanked them for the fine job they do for the TA.

FINANCE

Authorize Award of Contract to Carter and Burgess, Inc. to Provide On-Call Program Management Oversight Services for an Aggregate Not-to-Exceed Sum of \$3,000,000 for a Three-Year Term.

Chief Administrative Officer George Cameron said staff proposes the Board authorize award of the contract to Carter & Burgess, Inc. and authorize the Executive Director or his designee to exercise up to two one-year option terms.

Director Karyl Matsumoto asked if the contract involves management of some projects the TA has not previously managed. Mr. Cameron said it is program management oversight, and specifically in this case, it has to do with project control work ensuring that costs track to the budget and are reported to upper management on a monthly basis.

Director O'Mahony asked if the TA has looked at other agencies that use Carter and Burgess.

Mr. Cameron said their past and current assignments have been with the Federal Transit Association (FTA), Metrolink, San Francisco Municipal Transportation Agency, and the Transportation Authority of Marin County. Carter and Burgess have been doing a fairly large amount of work for the JPB and SamTrans for the past three to five years and work in Texas and the Southwest.

A motion (Gordon/O'Mahony) was approved to award the contract.

Preliminary Operating Budget for FY 2009

Chief Financial Officer Gigi Harrington said FY 2009 is a unique transition year for the TA. There are two different types of funds in the proposed operating budget - funds that apply to the old Measure A and the old Measure A expenditure categories and funds that apply to the new Measure A scheduled to take effect after January 1, 2009. Staff is discussing unprogrammed balances in the old Measure A because there are opportunities and issues for the Board to consider over the course of the remaining calendar year with old and new funds. The FY 2009 capital budget contemplates allocations only under the old Measure A. All funds will be kept separate.

Budget Manager Ladi Millard presented the preliminary FY 2009 Operating Budget in the amount of \$23,301,802.

- Revenues total \$85.7 million to include: sales tax \$65.4 million, interest income \$13.8 million, rental income \$0.9 million and grant proceeds \$5.6 million.
- Revenues are projected to decrease by \$4.7 million primarily due to a decrease of \$6.2 million as a result of lower average balances invested and lower interest rates.
- Program expenditures total \$69.6 million and include: local entities \$13.9 million, Paratransit and TSM \$2.8 million, Information and Administration \$.8 million, San Mateo County Caltrain Shuttles \$1.4 million, Dumbarton Rail \$.4 million, Transfer to San Mateo County Transit District for Caltrain \$2.5 million, SFO BART Extension \$.6 million, Current Year Capital \$46.3 million and Special Allocation \$.9 million for Paratransit activities.
- Expenditures will increase by \$19.7 million with the largest increase of \$27.5 million for current year capital.
- The Paratransit Trust Fund estimated ending fund balance on June 30, 2009 is \$25 million and Transportation Systems Management estimated fund balance on June 30, 2009 is \$139,000.

Preliminary Capital Budget for FY 2009

TA Program Director Joe Hurley presented the preliminary FY 2009 Capital Budget.

- The Capital Budget of \$46.4 million includes \$31.1 million for Caltrain, \$2 million for San Mateo County Grade Separations, \$12.8 million for Streets and Highways, which includes preliminary engineering, environmental and design work for a number of highway projects throughout the county and oversight of \$0.5 million, which includes funding for programs and services that the TA partners with C/CAG.
- The major increase in funding is the Caltrain program from \$3.6 million to \$31.1 million. Projects include \$2.5 million San Mateo County local share, \$6.586 million South San Francisco Station improvements, \$11 million San Mateo County Local Safety and Access, and \$11,000,000 Caltrain Electrification.
- Railroad Grade Separation budget total of \$2 million is for preparation of project study reports.

Mr. McAvoy said staff is exploring, as part of the final budget for the San Mateo County grade crossing safety program, looking at these projects as being the first phase of grade separations as the TA goes forward. Rather than taking money from a specific Caltrain improvement line item, staff will

be looking to fund this from the grade separation line item because it is really the first phase of the future grade separation programs.

Call for a Public Hearing at the June 5, 2008 Meeting on the Proposed Capital and Operating Budgets for FY 2009

A motion (O'Mahony/Vreeland) was approved to call for a public hearing on the Proposed FY 2009 Capital and Operating Budgets to be held at the June 5, 2008 TA Board meeting.

Mr. Scanlon reminded the Board that staff will be available at the Board member's location of choice for any questions that occur as the budgets are reviewed between now and the public hearing in June.

REQUESTS FROM THE AUTHORITY

Director Matsumoto thanked staff for adding a column of information on written checks in the Statement of Revenues and Expenses. She asked who she should contact for any additional information. Ms. Harrington said she would provide contact information to Director Matsumoto.

Director O'Mahony thanked Mr. Scanlon for the presentation on electrification given to the Burlingame City Council by Rick Schmedes and Stacey Cocke.

Chair Foust asked that the update on Caltrain electrification be presented to the Redwood City Council.

WRITTEN COMMUNICATIONS TO AUTHORITY

No additional communications.

REPORT OF LEGAL COUNSEL

None.

DATE AND PLACE OF NEXT MEETING

Thursday, July 3, 2008 at 5 p.m. in the Bacciocco Auditorium, Second Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

The meeting adjourned at 6:06 p.m.