

**San Mateo County Transit District (District)
1250 San Carlos Avenue, San Carlos, California**

**Minutes of Finance Committee Meeting /
Committee of the Whole**

November 1, 2023

Committee Members Present: J. Gee (Chair), M. Chuang, M. Fraser

Committee Members Absent: None

Other Board Members Present Constituting Committee of the Whole: D. Canepa, B. Esser, R. Medina, R. Mueller, J. Powell, P. Ratto

Other Board Members Absent: None

Staff Present: A. Chan, D. Olmeda, K. Jordan Steiner, S. van Hoften, J. Cassman, J. Brook, D. Seamans

9.b.1. Call to Order

Committee Chair Jeff Gee called the meeting to order at 2:31 pm.

9.b.2. Approval of Minutes of the Finance Committee Meeting of October 4, 2023

Motion/Second: Fraser/Chuang

Ayes: Canepa, Chuang, Esser, Fraser, Gee, Medina, Mueller, Powell, Ratto

Noes: None

Absent: None

9.b.3. CFO Report for Fiscal Year 2023, Quarter 1 of Fiscal Year 2024, and Outlook for Fiscal Years 2024 and 2025

Kate Jordan Steiner, Chief Financial Officer, provided the presentation, where it was noted that the District ended Fiscal Year 2023 favorable to budget by \$36.9 million with operating sources \$28.2 million or 8.8 percent higher than budget driven by increases in passenger fares.

Director David Canepa asked what she projected as a financial weakness or concern, and Ms. Jordan Steiner said it was sales tax revenue. Director Canepa asked what they generate in sales tax annually, and Ms. Chan said it averaged \$105 million. Director Canepa asked what decline they were projecting, and Ms. Jordan Steiner said they needed to wait a few more cycles to make that prediction. Director Canepa noted that there are challenges regarding the benefits of paying down liabilities.

Director Brooks Esser asked about operating expenses, and fuel and electricity costs. Connie Mobley-Ritter, Director, Treasury, said the purpose of the hedge is to have a stable fuel budget in the face of fluctuating fuel prices.

9.b.4. Award of Contract for the Purchase and Delivery of 21 2023 MobilityTrans 350EL Paratransit Vehicles and Authorize Disposition of 21 2015 Paratransit Cutaway Vehicles

Kevin Yin, Director, Contracts and Procurement, presented the staff report for the purchase of new 2023 vehicles to ensure continued and reliable paratransit service.

Motion/Second: Medina/Chuang

Ayes: Canepa, Chuang, Esser, Fraser, Gee, Medina, Mueller, Powell, Ratto

Noes: None

Absent: None

9.b.5. Award of Contract for Contracted Urban Bus Services and Amendment of Fiscal Years 2024 and 2025 Operating Budgets to \$270,186,894 and \$281,865,060, Respectively

David Olmeda, Chief Operating Officer, Bus, provided the presentation, noting that the contract is one of many contracted services the District has had in effect since its inception for how they deliver services.

Director Canepa asked how MV Transportation (MV) was as an operator. Mr. Olmeda said that MV has demonstrated a willingness to work together with SamTrans over the years of their contract. Director Canepa remarked on the increase in indemnity insurance. Joan Cassman, Legal Counsel, said transit agencies were better positioned in the insurance market in past years. She said it was deemed appropriate to ask operators to provide their own liability insurance up to the first \$5 million.

Mr. Olmeda introduced Kevin Klika, President and Chief Operating Officer, MV Transportation, who provided a history of MV's 20-year partnership with SamTrans.

Director Ray Mueller asked if there were service reductions with the contract, and Mr. Olmeda said no. He added that DNOs (Did Not Operate) have been drastically reduced.

Chair Josh Powell said he was pleased the Mr. Klika had addressed the reduction of DNOs.

Director Esser asked if bringing all operators in house had been considered. Mr. Olmeda said they had considered it, but there are challenges with absorbing services.

Committee Chair Gee suggested that the District acquire the land for a full fleet to be more competitive in the future. April Chan, General Manager/CEO, said the current MV contract is best for the current situation plus going forward with zero-emission buses, and Committee Chair Gee concurred.

Public Comment:

Aleta Dupree said she had not been aware that SamTrans works with a contractor to provide bus service.

Roland said in regard to the potential acquisition of land that there is a parcel that is directly adjacent to PG&E's (Pacific Gas and Electric) right of way that would be advantageous in the light of the transition to zero-emission vehicles.

Motion/Second: Chuang/Esser

Ayes: Canepa, Chuang, Esser, Fraser, Gee, Medina, Mueller, Powell, Ratto

Noes: None

Absent: None

9.b.6. Adjourn

The meeting adjourned at 3:24 pm.

An audio/video recording of this meeting is available online at <https://www.samtrans.com/about-samtrans/video-board-directors-cac-and-measure-w-coc>. Questions may be referred to the District Secretary's office by phone at 650-508-6242 or by email to board@samtrans.com.