



A G E N D A

BOARD OF DIRECTORS

**San Mateo County Transit District Administrative Building
Bacciocco Auditorium - Second Floor
1250 San Carlos Ave., San Carlos, CA**

WEDNESDAY, APRIL 13, 2011 – 2:00 p.m.
or immediately following Committee meetings

- 1. PLEDGE OF ALLEGIANCE**
- 2. SWEARING IN OF ART LLOYD, TRANSIT EXPERT**
- 3. CALL TO ORDER/ROLL CALL**
- 4. PUBLIC HEARING FOR THE FILING OF A FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION 5310 GRANT APPLICATION FOR THE PURCHASE OF TWO REDI-WHEELS BUSES**
 - a. AUTHORIZE THE FILING OF A FTA SECTION 5310 GRANT APPLICATION FOR THE PURCHASE OF TWO REDI-WHEELS BUSES IN THE AMOUNT OF \$122,171**
- 5. ADJOURN TO COMMITTEE MEETINGS**

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

INFORMATION TO THE PUBLIC

If you have questions on the agenda, please contact the District Secretary at 650-508-6242. Agendas are available on the SamTrans Website at www.samtrans.com.

The San Mateo County Transit District Board and Citizens Advisory Committee (CAC) meeting schedules are available on the Web site.

Date and Time of Board and Advisory Committee Meetings

San Mateo County Transit District Committees and Board: Second Wednesday of the month, 2 p.m.; SamTrans Citizens Advisory Committee: First Wednesday of the month, 6:30 p.m. Date, time and location of meetings may be change as necessary.

Location of Meeting

The San Mateo County Transit District Administrative Building is located at 1250 San Carlos Avenue, San Carlos, one block west of the San Carlos Caltrain Station on El Camino Real and accessible by SamTrans bus Routes 260, 295, 390, 391, KX. [Map link](#) Additional transit information can be obtained by calling 1-800-660-4287 or 511.

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 District 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 Transit District 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 District Secretary at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to board@samtrans.com; or by phone at 650-508-6242, or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

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 TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **PUBLIC HEARING AND AUTHORIZATION FOR THE FILING OF A
FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION 5310 GRANT
APPLICATION FOR THE PURCHASE OF TWO REDI-WHEELS BUSES**

ACTION

Following the public hearing staff proposes the Board authorize the following:

- 1) File a Federal Transit Administration (FTA) Elderly and Disabled Specialized Transit Section 5310 discretionary grant application with Caltrans in the amount of up to \$138,000, for two buses to expand the Redi-Wheels program; and
- 2) Authorize the General Manager/CEO, or his designee, to execute any agreements, certifications and assurances necessary to receive the funds if successful in obtaining funding.

SIGNIFICANCE

Staff is proposing to submit an FTA Elderly and Disabled Specialized Transit Section 5310 discretionary grant application to purchase two medium-size accessible buses to expand the Redi-Wheels fleet. This project is consistent with the District's Capital Improvement Program (CIP) that is part of the Fiscal Year 2009-2018 Short Range Transit Plan (SRTP).

The public hearing preceding the Board's action is a requirement of the grant program to verify that no non-profit agencies in San Mateo County are readily available to provide the same service.

BUDGET IMPACT

The maximum that can be pursued under the FTA Section 5310 program is \$138,000. If successful in securing Federal Section 5310 discretionary funds, staff will include this project for consideration as part of the FY2012 Capital Budget.

BACKGROUND

The FTA Section 5310 Program provides capital grants to assist private non-profit corporations and, under certain conditions, public agencies, to provide safe, efficient, and coordinated transportation services for elderly individuals and individuals with disabilities for whom public transportation is otherwise unavailable, insufficient, or inappropriate.

Prepared by: Rebecca Arthur, Capital Programs and Grants Administrator 650-508-6368
Project Manager: Bill Welch, Manager, Accessible Transit Services 650-508-6475

RESOLUTION NO. 2011 -

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

**PUBLIC HEARING AND AUTHORIZATION FOR THE FILING OF A FEDERAL
TRANSIT ADMINISTRATION (FTA) SECTION 5310 GRANT APPLICATION FOR
THE PURCHASE OF TWO REDI-WHEELS BUSES**

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration (FTA) to support capital projects for the elderly and people with disabilities under 49 U.S.C. Section 5310; and

WHEREAS, the California Department of Transportation (“Caltrans”) has been designated by the Governor of the State of California to administer Section 5310 grants for public transportation projects; and

WHEREAS, the San Mateo County Transit District (District) desires to submit a Section 5310 grant application for two new medium-sized accessible buses to accommodate Redi-Wheels paratransit ridership growth; and

WHEREAS, it is a grant requirement that public agencies seeking Section 5310 funding hold a public hearing, and notify all non-profit transportation providers in the service area of the public hearing, to confirm that there are no non-profit agencies readily available to provide a similar transportation service; and

WHEREAS, at the March 9, 2011 regularly scheduled Board meeting, the Board authorized the publication of a public hearing notice to hold a public hearing at its April 13, 2011 regularly scheduled Board meeting to determine if there were any non-profit agencies readily available to provide a similar transportation service, and copies of the notice were subsequently sent to a list of all known non-profit transportation providers in San Mateo County; and

WHEREAS, at the April 13, 2011 regularly scheduled Board meeting, a public hearing was held to verify and confirm that there are no non-profit agencies readily available to provide a similar transportation service.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby authorizes and directs:

1. The General Manager/CEO, or his designee, to file an application for two (2) medium buses in the amount of up to \$138,000 in Fiscal Year 2011 to increase capacity on the Redi-Wheels demand responsive transportation service, pursuant to 49 U.S.C. Section 5310; and
2. The General Manager/CEO, or his designee, to execute and file with such applications, assurances or other information as may be required by Caltrans, and to execute a funding agreement if awarded funding by Caltrans, and take such other actions as are necessary to give effect to this resolution.

Regularly passed and adopted this 13th day of April 2011, by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary



BOARD OF DIRECTORS 2011

KARYL MATSUMOTO, CHAIR
JERRY DEAL, VICE CHAIR
OMAR AHMAD
CAROLE GROOM
ROSE GUILBAULT
SHIRLEY HARRIS
ZOE KERSTEEN-TUCKER
ARTHUR L. LLOYD
ADRIENNE TISSIER

MICHAEL J. SCANLON
GENERAL MANAGER/CEO

A G E N D A

COMMUNITY RELATIONS COMMITTEE COMMITTEE OF THE WHOLE (Accessibility, Senior Services, and Community Issues)

**San Mateo County Transit District Administrative Building
Bacciocco Auditorium - Second Floor
1250 San Carlos Ave., San Carlos, CA**

WEDNESDAY, APRIL 13, 2011 – 2:20 p.m.

ACTION

1. Approval of Minutes of Community Relations Committee Meeting of March 9, 2011
2. Recommend Appointment of Citizens Advisory Committee Members:
 - a. Daniel Cruz, Representing Bus Riders
 - b. Saundra Curry, Representing Bus Riders
 - c. Sonny Koya, Representing Bus Riders
 - d. Peter Loranger, Representing Bus Riders
 - e. Maureen Hall, Representing Community Riders
 - f. Peter Ratto, Representing Multimodal Riders

INFORMATIONAL

3. Accessibility Update – Tina DuBost
4. Paratransit Coordinating Council (PCC) Update – Nancy Keegan
5. Citizens Advisory Committee Liaison Report – Peter Ratto
6. Performance Report – Shuttles
7. Multimodal Ridership Report – February 2011

Committee Members: Rose Guilbault, Carole Groom, Shirley Harris

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- 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 TRANSIT DISTRICT
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF COMMUNITY RELATIONS COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 9, 2011**

Committee Members Present: R. Guilbault (Committee Chair), C. Groom, S. Harris

Other Board Members Present, Constituting Committee of the Whole: J. Deal,
Z. Kersteen-Tucker, A. Lloyd, K. Matsumoto, A. Tissier

Other Board Members Absent, Constituting Committee of the Whole: O. Ahmad

Staff Present: J. Cassman, T. DuBost, G. Harrington, C. Harvey, R. Haskin, R. Lake,
M. Martinez, N. McKenna, D. Miller, C. Patton, M. Scanlon, M. Simon

Committee Chair Rose Guilbault called the meeting to order at 2:03 p.m.

**Approval of Minutes of Community Relations Committee (CRC) Meeting of
February 9, 2011**

The committee approved the minutes (Lloyd/Deal).

Accessibility Update

Accessibility Coordinator Tina DuBost said staff from bus contracts and operations have been working with the San Francisco International Airport to get an additional paratransit pick up location. There are paratransit signs posted at Courtyard A, near United Airlines and at Courtyard G near Southwest Airlines.

Paratransit Coordinating Council (PCC) Update

No report

Citizens Advisory Committee (CAC) Liaison Report

CAC Chair Peter Ratto reported on the March meeting:

- The CAC received presentations on the San Mateo County Transit District's advertising policy and Senior Planner Darcy Forsell from the city of San Mateo presented the new Hillsdale Caltrain Station Area Plan.
- The CAC approved a resolution in support of the Board establishing an ad hoc financial capacity committee. This resolution was presented to the Board.

Public Comment

Gladywn d'Souza, Belmont and Chair of Sierra Club's Loma Prieta Transportation Committee, said the Sierra Club has long called for funding for transit. He said there needs to be broad stakeholder participation in the ad hoc financial capacity committee that the CAC is recommending.

Performance Report – Caltrain

Deputy CEO Chuck Harvey provided the following information:

- Total and average weekday ridership have increased since the reinvention of Caltrain service in 2004.
- Average weekday ridership is around 40,000.
- Fiscal Year (FY) 2011 fare revenue is tracking above previous years.
- Performance and reliability of the service is an ongoing challenge.
- Service highlights include:
 - Giants playoff and World Series.
 - Turkey Trot in San Jose on Thanksgiving.
 - Fare and service changes and the launch of weekend Baby Bullet service in January.
- Fare and service changes in FY2011 include:
 - Closure of staffed stations.
 - Increase in the zone fares and Go Pass.
 - Reduction of four midday trains.
- System Safety Projects include:
 - Grade Crossing Improvement Project at eight grade crossings in Santa Clara County is in progress and will be completed by June 2011.
 - Right-of-way and fencing projects continue along the system.

Director Adrienne Tissier arrived at 2:16 pm.

- Signage Pilot Project is a modification to existing Caltrain signs for “No Trespassing/Suicide Prevention” on 9.5 miles of right of way in Menlo Park, Palo Alto and Mountain View.
- Station Hardening Project is the installation of high-security bollards at the San Francisco, Millbrae and San Jose Diridon stations.
- Installation of digital closed-circuit cameras at the Central Equipment Maintenance and Operations Facility to provide primary surveillance security is scheduled to start in the spring of 2011.
- Installation of digital cameras and recorders on a portion of Caltrain locomotives and cab cars to record exterior sounds and images is expected by the summer of 2011.
- Staff continues to make Operation Lifesaver presentations and 26 were made to more than 900 people in 2010.
- Capital projects include:
 - New platforms and ramps are being installed at South Terminal and a new shared-platform and pedestrian underpass is being constructed at the Santa Clara station.
 - Three at-grade vehicular crossings in San Bruno will be eliminated and replaced with grade-separated vehicular access.
 - Jerrold Street and Quint Street bridges in San Francisco will be replaced in 2011.
 - The foundations of four bridges in San Mateo are being retrofitted.
 - South San Francisco parking lot is being repaved and additional lighting is being installed.

- System capital projects include:
 - Rail Operations Control System is being replaced and will be completed by the end of 2011.
 - Positive Train Control system must be installed by December 2015 to comply with the Federal Rail Safety Improvement Act of 2008.
- Completed an onboard bike capacity and dwell time study. Staff has decided to convert all Gallery consists to 80 bike capacity.
- Work continues with local communities, stakeholders, Federal, State and local officials to pursue High Speed Rail (HSR) along the corridor.
- The current operating and maintenance agreement with Amtrak is currently out to bid and a new contract will be awarded at the end of June.
- FY2012 will remain a challenging budget year for Caltrain with a \$30.3 million deficit.
 - Staff has come up with a service scenario of 48 trains with a projected \$4.7 million deficit
 - The 48 train scenario maintains weekday commute-hour service only, the closure of up to seven stations, no weekend service, no service south of San Jose Diridon, no holiday service and no service for special events.
 - There have been ongoing discussions between the Peninsula Corridor Joint Powers Board partners and the Metropolitan Transportation Commission (MTC) to come up with a short-term solution.

Chair Karyl Matsumoto asked how many passengers are carried on a car with no bikes versus a car that carries bikes. Mr. Harvey said every passenger car carries around 130-140 people and a bike car removes approximately 40 seats.

Chair Matsumoto said Caltrain has a high farebox recovery so if the service is cut will it affect the farebox. Mr. Harvey said 70 percent of Caltrain riders ride in the three-hour peak in the morning and evening.

Chair Matsumoto asked if there will be shuttles from the closed stations to take passengers to the next closest station. Mr. Harvey said staff is discussing this issue.

Director Zoe Kersteen-Tucker asked if bicycle riders are being bumped. Mr. Harvey said yes there are some bumps, but overall the bike percentage bump is only 2 percent when looking at the entire system.

Ms. Kersteen-Tucker commended staff for their efforts on the bike issue. She asked if there are any long-term private partnerships to resolve the financial crisis. Mr. Harvey said the Giants have been contacted, but they are not in the position to fund Caltrain. He said a dialogue was started with the Silicon Valley Leadership Group and Stanford University.

Committee Chair Guilbault asked if there is any money available from MTC to help with the financial issue. Mr. Harvey said General Manager/CEO Michael Scanlon has been in discussions with MTC to see if there is any funding available.

Mr. Scanlon said the public hearings held at the JPB meeting last week were required in case other money was not found by July 1 and there had to be service cuts. Deputy CEO Gigi Harrington and Director of Budgets April Chan are working with their counterparts at the partner agencies and MTC to look at all funding options.

Director Tissier said at today's MTC meeting, Executive Director Steve Heminger briefed the board and told them they need to be part of the solution. She said MTC is aware of the need to save Caltrain because it is not about the train but the roads.

Chair Matsumoto asked if the people affected by the Caltrain cuts will take other modes of transportation or get in their cars. Mr. Harvey said if a fairly robust level of service is maintained people will continue to access the train from other stations.

Multimodal Ridership Report – January 2011

- Bus ridership was 46,250, an increase of 5.8 percent.
- Paratransit ridership was 1,027, a decrease of 0.5 percent.
- Caltrain ridership was 37,380, an increase of 5.1 percent.
- Caltrain shuttle ridership was 6,551, an increase of 7.46 percent.
- BART shuttle ridership was 1,980, a decrease of 1.6 percent.
- Overall ridership was 93,188, an increase of 5.4 percent.

Year-to-date

- Bus ridership was 44,200, a decrease of 6.6 percent.
- Paratransit ridership was 1,076, a decrease of 2.7 percent.
- Caltrain ridership was 39,520, an increase of 4.6 percent.
- Caltrain shuttle ridership was 5,291, a decrease of 3.1 percent.
- BART shuttle ridership was 1,982, an increase of 2.2 percent.
- Overall ridership was 92,069, a decrease of 1.6 percent.

Adjourned: 2:44 p.m.

**CRC ITEM # 3
APRIL 13, 2011**

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: C. H. (Chuck) Harvey
Deputy CEO

SUBJECT: ACCESSIBILITY REPORT

ACTION

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

SIGNIFICANCE

Several groups advise SamTrans on accessible service issues. The Paratransit Coordinating Council (PCC) provides a forum for consumer input on paratransit issues. The Advocacy and Legislative Committee (AL-Com) is the advocacy arm of the PCC. The SamTrans Accessibility Advisory Committee (formerly the Americans with Disabilities Act Technical Advisory Committee or ATAC) is a SamTrans committee that advises on accessibility issues, particularly related to fixed-route service. Each group has requested that the Board be informed of the issues discussed at meetings.

The PCC meets monthly (except for August). The SamTrans Accessibility Advisory Committee (SAAC) meets every two months. The PCC Advocacy meetings are held on a quarterly basis.

The minutes from the February 8 PCC meeting are attached. The minutes from the January 20 SAAC meeting are not yet available.

Prepared by: Tina Dubost, Accessibility Coordinator 650-508-6247
Project Manager: Bill Welch, Manager, Accessible Transit Services 650-508-6475

**SAN MATEO COUNTY
PARATRANSIT COORDINATING COUNCIL
February 8, 2011
MEETING MINUTES**

ATTENDANCE

Members Present: Nancy Keegan, Chair; Dale Edwards, Vice Chair; Mike Levinson, AL-Com Chair; James Asche, OES; Pat Dixon, COD; Maureen Dunn, Senior Focus; Aki Eejima, Consumer; Diane Griffith & Joey, Consumer; Barbara Kalt, Rosener House; Benjamin McMullan, CID; Dan Mensing, Consumer; Bill Welch, SamTrans.

Absentees: Myria Barnes-Jackson, DOR; Judy Garcia, Consumer; Stephanie Hill, Consumer; Craig McCulloh, Aging & Adult Services; May Nichols, COA; Sammi Riley, Consumer; Michal Settles, Coastside; Marie Violet, Sequoia Hospital.

Guests: Guest speaker, Seamus Murphy, SamTrans; Elly Colwell, SamTrans; Tina Dubost, SamTrans; John Murphy, MV Transportation; Linda Rhine, Nelson\Nygaard; Jim Rusconi, SamTrans; Maxine Eastman, Consumer; Rose Berta, PCC Staff.

(Total Attendance: 20) Quorum--Yes

WELCOME/INTRODUCTION

Nancy welcomed all to the February PCC meeting.

APPROVAL OF JANUARY PCC MINUTES

Nancy asked for a vote of approval for the January minutes. Pat moved to approve the minutes and Jim seconded the motion. The motion was approved with Nancy abstaining since she was not present at the January meeting.

Seamus Murphy, Manager of Government Affairs, SamTrans reported:

- State level—a diversion of transit funds to other purposes such as general fund purposes. The biggest impact was the elimination of State Transit Assistance (STA) funds by the Governor, but was re-instated at reduced levels because of a “Gas tax swap”.
- Passage of Proposition 26 requires that any revenue increase must be approved by 2/3 votes of the legislature. The “gas tax swap” must be re-approved by the Legislature by November 1, 2011. Due to the impact of many existing and pending tax increases, it is expected to be challenged in court.
- The new Brown administration is receptive to transit needs. The Governor’s budget proposal is nearly identical to the California Transit Association’s proposal.
- Federal Reauthorization of a six-year Federal Funding bill that expired in September 2009 is a high priority. The new Republican House majority would like to reduce transportation funding across the board to 2008 levels. The result could be a reduction in transportation formula funding that will negatively impact funds that support SamTrans operations.

- Caltrain staff is exploring options with MTC to help close the funding gap. Friends of Caltrain propose an option to protect revenue sources dedicated to prevent year-to-year issues with the three counties. Significant service cuts such as midday service, weekend service, closing several stations and fare increases are possible.

Nancy thanked Seamus for sharing with the PCC updates on legislative and transit funding issues.

COMMITTEE REPORTS

A. AL-COM REPORT

Mike said there were no new issues. There was nothing to add on Seamus' updated report.

B. GRANT/BUDGET REVIEW

Barbara reported that SamTrans has expressed interest in submitting a 5310 grant application, as well as Lifesteps, a non-profit agency in San Mateo. Barbara said that the PCC has formed a committee to review applications. No other agencies are planning to submit grant applications.

C. EDUCATION COMMITTEE

Maureen announced the committee will meet today at 3:45 pm. Nancy read a letter from a consumer, whose mother passed in December 2010, thanking Redi-Wheels for the excellent service Redi-Wheels provided her mother.

D. EXECUTIVE COMMITTEE

Nancy reviewed the major topics discussed at the January 25 meeting.

- The 5310 grant cycle
- Jean Conger, Coordinator of the Ambassador Program, will be a guest speaker at the March meeting.
- Consumer Corps—number of minutes on hold and the methodology of how the average hold time is calculated and reported.
- Invited Jim to provide a regular liaison report from the Office of Emergency Services.
- PCC Retreat for PCC members and invited guests will be held on Tuesday, May 10, 10:00-3:00 pm at the San Mateo Library. The retreat will review major accomplishments and identify priorities for the PCC in the next two years.
- Joe Monsor submitted his resignation. Joe wrote a letter stating his appreciation of having the privilege to serve with knowledgeable and dedicated members. He thanked Dale for being a dear friend to him. Nancy passes our best wishes to Joe.

CONSUMER CORPS REPORT

Linda presented the Consumer Corps report for the 4th quarter (October-December 2010). Linda explained that Consumer Corps members report on the quality of their ride and their perception of length of travel, travel time, on-hold time when placing a reservation, and their overall experience of their ride.

There were a total of 248 reports submitted this quarter. There were no trip denials; comment cards were observed 95% of the time; 99.6% of the time drivers provided sufficient assistance to

meet the consumers' needs. The vehicles provided were 58% from Redi-Wheels bus or large van; 21% by minivans; 14% in Redi-Wheels sedan; 7% by Serra cab. The average hold time in making reservations by phone was less than a minute. The method used in calculating the average hold time was based on 100% of the total number of people submitting the reports (248); this is a change in the methodology of reporting from past reports, which was based on the number of people placed on hold.

The major themes culled from the comments for this quarter were compliments on the quality of service.

Bill questioned the drop in ride times. Linda will follow up to identify the trends.

SAM TRANS/REDI-WHEELS REPORT

A. Operational Report

Bill thanked Jim Asche for his excellent presentation at the Coastside meeting. Jim provided an overview of the services provided by the Office of Emergency Services.

The two expansion vehicles awarded SamTrans by the 5310 Grant Program are expected this calendar year. SamTrans will be applying for the 5310 cycle funds again this year. SamTrans' application will address restructuring the fleet mix, although they are still finalizing strategy and will likely pursue vehicle expansion rather than replacement. SamTrans has access to other federal funds for this purpose.

Bill announced that there will be the quarterly presentation on Redi-Wheels service at this month's Board meeting. A video presentation "Telling Our Story" will be shown to the decision makers illustrating the vital impact paratransit has on the community. Nancy is in the video; the video may be seen on the website.

The SFO pickup points are still a work in progress. There has been approval for two stops—Courtyard A on the south side, near Southwest Airlines, and Courtyard G on the north side near United Airlines. Both will have enclosures and seating areas with full visibility. Bill showed the new sign with the international symbol for accessibility and the names of Redi-Wheels and RediCoast.

B. Performance Summary

Tina reported ridership down 4.6% in December 2010 compared to prior year. She said different holidays and cold weather were factors for the decline. On time performance is very good at 93%; productivity is excellent at 1.64.

C. Customer Comments

Elly reported that the total comments have dropped from November to December—both consumer reports and comment cards have decreased; there was no change in service-related; policy-related and compliments have decreased; the average response time continues to remain under the 7-day turnaround limit thanks to Lynn and Sophie. Elly noted all categories in the Comments by Type are on a downward turn.

Nancy thanked Elly and Tina for adding terms to further clarify the report. Aki mentioned that "customer error" is about the same every month and asked if there is something the Education

Committee can do to help educate the consumer. Elly thinks that the consumers do not understand the wait period.

D. Safety Report

John reported Redi-Wheels had 2 chargeable accidents in January—a hit curb and a hit umbrella. No chargeable accident on the Coastsides.

LIAISON REPORTS

A. MTC REPORT

Marshall was not present to give a report.

B. AGENCY

Barbara said a meeting is being set up with MV, agencies and SamTrans to discuss the Interactive Voice Response (IVR) system and how it will impact subscription riders. Barbara mentioned that five Adult Day Programs are proposed to be eliminated in the Governor's budget. If approved, 310 centers are at risk of closing. 7,000 people might lose their jobs, and 37,000 patients would lose services statewide. A petition from the State Association to save the Adult Day Health Care as a Medi-Cal health benefit is being distributed.

On Friday, February 25, from 9:00-11:00 am, there is a hearing being held in Redwood City to discuss what the Older Americans Act Federal Program should look like in the future.

C. COASTSIDE TRANSPORTATION COMMITTEE (CTC)

In Michal's absence, Bill said that the January meeting focused on Jim's presentation on the Office of Emergency Services. Zoe Tucker, Director, attended the meeting and we were pleased to have her present.

D. EFFICIENCY REVIEW COMMITTEE (ERC)

Mike shared that the Interactive Voice Response (IVR) will be tested by consumers in the next several weeks. There will be calls the night before the scheduled ride and imminent arrival calls based on GPS real-time software. Bill said he would like to have pilot testers including PCC members to be involved with the testing. The IVR is not extended to the coast because RediCoast operates on a manual system and the IVR is automated. Tina said they are hoping to get contractual issues resolved and the software installed in the next few weeks for internal testing and then with the pilot group.

E. COMMISSION ON AGING (COA) REPORT

Nancy reported for May and announced that the San Mateo County Board of Supervisors and the Commission of the Status for Women will recognize May L. Nichols as an inductee for the San Mateo County Hall of Fame on Thursday, March 24. Information can be obtained at <http://www.co.sanmateo.ca.us/Attachments/csw/Files/WHoF%202011/WHOF%20Invite%2020202111-web.pdf>

The Commission on Aging will meet on February 14 and will have a report next month.

F. COMMISSION ON DISABILITY (COD) REPORT

Pat reported that at the meeting they discussed upcoming projects. Pat noted there are a number of vacancies on the Board to be filled, and if interested notify Craig.

G. OFFICE OF EMERGENCY SERVICES

Jim shared that he enjoyed attending the Coastside meeting. He also announced that the Preparedness Day will be at the County Fair this year.

The San Mateo County OES is working with the San Francisco OES to host a training class for functional access support teams (FAST) trained to work in emergency shelters to serve people with disabilities. The training will be held on February 22 and 23 in San Francisco on Otis Street. There is still space available for free training.

The San Mateo County is responsible to open Emergency Operations Center (EOC) to update and modernize their system. There will be interlinks to all computers in the county. WEB EOC will be computerized and automated to update the outmoded system.

OTHER BUSINESS

Aki asked about membership. Nancy said we have one opening with Joe's resignation. We are also doing well with membership.

Mike would like to have a system for receiving coupons for attending PCC functions. SamTrans will discuss the policy with Nancy.

In response to Aki's question, Tina noted that Redi-Wheels will accept old coupons for "face value" and the difference in value can be made with cash.

Nancy announced that Dale and Sue offered 2011 calendars for PCC members. Thank you Dale and Sue!

United Way Bay Area is launching 211 on February 1, 2011. 211 is a free multilingual (150 languages), confidential, health and human services information and referral telephone service. It links clients to a number of services. 211 staff seeks to identify other needs and services individuals and families may need. <http://211bayarea.org/san-mateo> United Way is funding the program.

Nancy thanked everyone for their attendance and input.

MEETING ADJOURNED: 3:30 pm

SAMTRANS ACCESSIBILITY ADVISORY COMMITTEE

MEETING SUMMARY – January 20, 2011

PRESENT: Tom Collette, Pat Dixon, Alec Karp (Chair), Alice McGrath, Ben McMullan

ABSENT: Jim Engvall, Doris Maez

GUEST: Cam Acker

SAMTRANS STAFF: Pat Boland, Tina Dubost, Richard Lesser

I. Introductions

Guest Cam Acker uses public transit every day, and is interested in helping others to benefit from it.

II. Approval of Minutes

The Committee approved the meeting summary.

III. Fixed Route Bus and Caltrain

A. New SamTrans Farebox

Pat Boland, SamTrans Marketing Manager, reported that the current farebox design dates from 1987. This model requires that the bus operator key in the fare payment and passes presented. Rising maintenance costs, shortcomings of the old farebox and the availability of new technology led to replacement. The new farebox has verification and reporting functions to better track fare payments. The project to replace over 300 fareboxes on SamTrans buses will cost about ten million dollars. The new farebox uses magnetic strip technology, counts the fares, still accepts tokens and cash, reduces fraud, leaves fewer tasks for the operator, has expanded reporting functions such as stop-specific data, and can issue a change card and a day pass.

Information about the new farebox is being distributed to passengers through outreach programs and agency literature, including an article in the SamTrans “Reader’s Digest” and updates on the SamTrans website. The new fareboxes are currently being tested and will be installed on the buses starting April 1st.

Alec Karp pinpointed a potential issue when an eligible discount fare payment is made using a change card. The bus operator has to press an “eligible discount” key before a reduced fare is accepted. Operators will have to be alert to that situation, and riders will have to let the operator know that they are paying the eligible discount fare before inserting their change card in the farebox. (A change card is

given to a customer who overpays their fare. The card holds the remaining payment for future use.)

B. Clipper Card

Pat Boland updated the Committee on the Clipper Card, which is the multi-agency fare payment card launched by the MTC ten years ago. The Clipper Card can be loaded with fare media from six bay area transit agencies. All SamTrans buses were equipped to accept it starting in February. Senior and Youth Clipper users have to register in order to get their eligible discount Clipper card. Disabled passengers have the Clipper chip imbedded in their Regional Transit Discount (RTC) card. A monthly pass or an 8-ride ticket is available on the Clipper Card. Paper versions of the monthly pass and the 8-ride ticket will be phased out. A video on step-by-step use of the Clipper card is available on the ClipperCard.com website.

Mr. Boland offered the following useful tips on using the Clipper Card on Caltrain:

- Remember to “tag on” and “tag off” so that the correct “e-cash” fare is deducted. A customer who forgets to tag off will be charged the maximum fare of over \$11.
A customer who forgets to tag on could be fined \$250 for non-fare payment.
- A minimum balance of \$1.25 must be kept on the Clipper Card when tagging on to Caltrain, even if the card also has a Caltrain 8-Ride ticket.
- The 8-Ride ticket fare will be deducted from the card before any “e-cash”.
- The Clipper Card reader beeps once for a successful tag for fare payment, twice if there is a negative balance on the card and three times if the card does not have the fare loaded on it.

The committee recommended that consumers be thoroughly informed about the intricacies of the new fare payment system.

IV. Paratransit Update

Tina Dubost announced that new-hire Jim Rusconi is administering the Redi-Wheels “no-show” and “late cancel” campaign. The goal of the campaign is to reduce no-shows and late cancels by Redi-Wheels riders, which result in wasted trips and reduced Redi-Wheels efficiency.

V. Commission on Disabilities Report

No report was given.

VI. CAC update

Tom Collette recounted the CAC discussion of the Hillsdale bus stop move. The stop in front of Mervyn's will be moved a block west. Some buses will stop at other nearby stops. Alec Karp and Alice McGrath said that the existing stop worked well for blind and visually impaired customers and that the change would be a challenge. Discussion turned to ways to manage the change, including communicating Committee concerns to appropriate SamTrans staff and providing more information to members of the Committee.

VII. TA update

Pat Dixon announced that she had completed three years as chair of the TA Citizens Advisory Committee. She will continue to serve on the Committee but not as chair.

VIII. Announcements and Other Business

Alec Karp screened a video that he produced to help passengers with visual impairments. The video describes accessibility features of Caltrain and the audible ticket vending machines on the platform. The video will be posted on YouTube and given to Caltrain. Pat Boland said that it would make a great addition to the Caltrain website.

IX. Set Date for Next Meeting

The next meeting was set for Thursday, March 17, 2011.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: C. H. (Chuck) Harvey
Deputy CEO

SUBJECT: **SHUTTLES PERFORMANCE REPORT**

ACTION

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

SIGNIFICANCE

This presentation is part of this fiscal year's series of detailed performance reports presented to the Board. Each of the District's four transportation modes – SamTrans motor bus, ADA Paratransit, Caltrain and Shuttles – are featured individually each month. This month features a report on the Shuttles service.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff will report on the business partners, program size, funding partnerships, and ridership.

This month's presentation will be presented via PowerPoint. A handout will be provided at the meeting.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: C.H. (Chuck) Harvey
Deputy CEO

SUBJECT: **MULTIMODAL RIDERSHIP REPORT - FEBRUARY 2011**

ACTION

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

SIGNIFICANCE

Table “A” summarizes the average weekday ridership (AWR) statistics for all modes of transportation for which SamTrans is responsible. Chart “A” compares AWR for Fiscal Year (FY) 2009, FY2010, FY2011 and year-to-date comparisons of FY2010 vs. FY2011.

Table “A” also provides the average weekday ridership of the BART SFO Extension as a separate line.

**MONTHLY RIDERSHIP HIGHLIGHTS—FEBRUARY 2011 COMPARED TO
FEBRUARY 2010**

All Modes – AWR of 91,194, an increase of 3.0 percent.

Bus – AWR of 45,970, an increase of 2.0 percent.

Heavy rain impacts ridership. February 2011 is wet with 4.79 inches, .78 inches above normal. Eight days had rain of 0.01 inches or more. February 2010 was not as wet, with 2.70 inches of rain, 1.31 inches below normal.

Paratransit - AWR of 1,054, a decrease of 3.9 percent.

Caltrain - AWR of 36,680, an increase of 4.7 percent.

Caltrain Shuttles - AWR of 5,468, an increase of 0.2 percent.

BART Shuttles - AWR of 2,022, an increase of 9.1 percent.

SamTrans Activities and Promotions:

The SamTrans Marketing Department continues to implement a number of programs and activities to attract customers. The activities for the month included:

- **Family Resource Fair** – SamTrans participated in the Family Resource Fair sponsored by the Health Plan of San Mateo County and *The Daily Journal*. The fair, held at the Hillsdale Shopping Center, provided an opportunity for families to learn about resources offered by agencies throughout the county. SamTrans provided information on new fareboxes, the Summer Youth Pass, upcoming bus stop changes at the shopping center and Clipper. An ad ran in *The Daily Journal* eight times and the newspaper also included a SamTrans web banner on its site.
- **Disney on Ice** – SamTrans partnered with Disney on Ice to promote service to its “Let’s Celebrate” event. Disney on Ice, which offered a discount to SamTrans customers, promoted the event and partnership with onboard adcards and a television commercial.
- **ClipperSM** – SamTrans customers continued to switch from paper to plastic as they adopted Clipper, the regional fare payment system. The Santa Clara Valley Transportation Authority began accepting Clipper in mid-February, which will allow customers of the two systems with Monthly passes to receive fare credits upon timely transfers. SamTrans provided Clipper information to customers with brochures, take ones, a news release and information on the SamTrans website. The last paper SamTrans Monthly Pass will be issued for December 2011.
- **State of the Valley** – SamTrans partnered with Caltrain to run an ad in the program for the State of the Valley, Silicon Valley’s annual meeting. The two transit agencies emphasized keeping the region on the move, with transit providing freedom and mobility. The meeting convenes various groups, including concerned citizens, opinion makers, journalists, elected representatives, educators, business executives and workforce leaders, to discuss the Valley’s challenges and opportunities.
- **Gas Pain Relief** – With gas prices starting to creep up in February, SamTrans seized the opportunity to run a full-page ad that depicted cash flowing out of a gas nozzle and the headline, “ENOUGH! Let SamTrans Ease Your Pain.” The ad also directed readers to try the online SamTrans gas calculator, which illustrates how much money can be saved by riding the bus.

Prepared by: Rita P. Haskin, Executive Officer, Customer Service and Marketing 650-508-6248
James De Hart, Senior Planner 650-508-6227

Table A
Average Weekday Ridership

February 2011	<u>FY2010/FY2011</u>			
<u>Mode</u>	<u>FY2009</u>	<u>FY2010[^]</u>	<u>FY2011</u>	<u>%Change</u>
Bus +	49,080	45,090	45,970	2.0%
Paratransit	1,115	1,097	1,054	-3.9%
Caltrain # +	35,750	35,040	36,680	4.7%
Caltrain Shuttle # **	6,059	5,459	5,468	0.2%
BART Shuttle**	1,996	1,853	2,022	9.1%
Total	94,000	88,539	91,194	3.0%
BART (Extension Only)*	34,287	34,300	36,588	6.7%
Grand Total	128,287	122,839	127,782	4.0%

Year to Date	<u>FY2010/FY2011</u>			
<u>Mode</u>	<u>FY2009</u>	<u>FY2010[^]</u>	<u>FY2011</u>	<u>%Change</u>
Bus +	47,840	47,020	44,420	-5.5%
Paratransit	1,105	1,105	1,073	-2.9%
Caltrain # +	36,460	37,450	39,170	4.6%
Caltrain Shuttle # **	5,124	5,459	6,072	11.2%
BART Shuttle**	1,985	1,928	1,987	3.1%
Total	92,514	92,962	92,722	-0.3%
BART (Extension Only)*	33,216	35,844	38,025	6.1%
Grand Total	125,730	128,806	130,747	1.5%

System

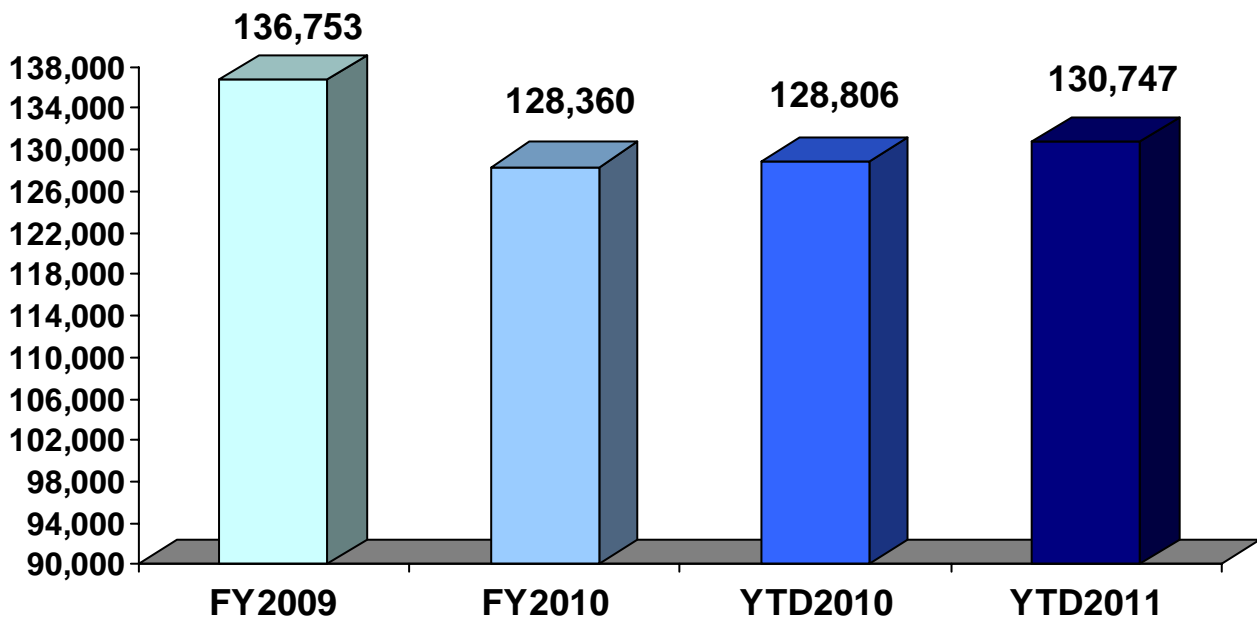
* Extension Only (No Daly City)

+ Rounded to nearest tens

[^] Service cuts/reduced (12/09)

** FY10 shuttle figures have been adjusted to reflect corrected number of days operated per month

Chart A
Average Weekday Ridership





BOARD OF DIRECTORS 2011

KARYL MATSUMOTO, CHAIR
JERRY DEAL, VICE CHAIR
OMAR AHMAD
CAROLE GROOM
ROSE GUILBAULT
SHIRLEY HARRIS
ZOE KERSTEEN-TUCKER
ARTHUR L. LLOYD
ADRIENNE TISSIER

MICHAEL J. SCANLON
GENERAL MANAGER/CEO

A G E N D A
FINANCE COMMITTEE
COMMITTEE OF THE WHOLE

San Mateo County Transit District Administrative Building
Bacciocco Auditorium - Second Floor
1250 San Carlos Ave., San Carlos, CA

WEDNESDAY, APRIL 13, 2011 – 2:40p.m.
or immediately following previous Committee meeting

ACTION

1. Approval of Minutes of Finance Committee Meeting of March 9, 2011
2. Approval of Statement of Revenues and Expenses for February 2011
3. Assessment of the Fiscal Year 2011 Fuel Hedging Program and Adoption of Revised Fuel Hedging Policy
4. Authorize Appointment of Orrick, Herrington and Sutcliffe LLP to Serve as Special Counsel in Connection with the Fiscal Year 2012 Fuel Hedging Program
5. Authorize Amendment to the Investment Policies and Annual Reauthorization to Invest Monies with the Local Agency Investment Fund
6. Adoption of Advertising Policy

CONTRACTS

7. Authorize Rejection of Low Monetary Bid as Non-Responsive from Harris Electric and Award of Contract to Liberty Electric for Electrical Maintenance Services for a Total Estimated Cost of \$948,094 for a Three Year Term
8. Authorize Rejection of all Bids for Floor Maintenance Services and Related Carpet/Vinyl Work as Non-Responsive and Authorize Reissuing the Solicitation

Committee Members: Omar Ahmad, Shirley Harris, Adrienne Tissier

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- 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 TRANSIT DISTRICT
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF FINANCE COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 9, 2011**

Committee Members Present: S. Harris, A. Tissier

Committee Members Absent: O. Ahmad (Committee Chair)

Other Board Members Present, Constituting Committee of the Whole: J. Deal, C. Groom,
R. Guilbault, Z. Kersteen-Tucker, A. Lloyd, K. Matsumoto

Staff Present: J. Cassman, C. Cavitt, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez,
N. McKenna, D. Miller, M. Scanlon, M. Simon, J. Slavit

Director Shirley Harris called the meeting to order at 2:44 p.m.

Approval of Minutes of Finance Committee Meeting of February 9, 2011

The Committee approved the minutes (Guilbault/Lloyd).

Approval of Revenues and Expenses for January 2011

Deputy CEO Gigi Harrington said revenues are on budget and expenses are under budget by \$6.4 million. She said the saving are mostly in salaries and benefits and fuel. Last week fuel was \$3.01 per gallon and year-to-date fuel is \$2.43 per gallon. A check for \$45,000 was received from the bank for the fuel hedge.

The Committee (Lloyd/Deal) unanimously recommended Board acceptance of the report.

Authorize Execution of Cooperative Agreements with the City/County Association of Governments (C/CAG) for Transportation Funds for Clean Air Funds for the SamTrans Shuttle Bus Program

Manager of Grants and Fund Programming Joel Slavit said staff is asking the Committee recommend the Board authorize the General Manager or his designee to execute cooperative agreements with C/CAG to receive Transportation Funds for Clean Air (TFCA) funds to support the SamTrans BART shuttle program. He said SamTrans has historically received TFCA funds from C/CAG on an annual basis and the Board has annually adopted resolutions to accept the funds. Mr. Slavit said C/CAG has informed the District that they do not require the receipt of an annual resolution. This action will allow the general manager authorization to execute agreements and continue receiving TFCA funds in Fiscal Year (FY) 2012 and beyond. Mr. Slavit said funding for the SamTrans BART Shuttle Bus Program is adopted annually by the Board as part of the annual Operating Budget.

The Committee (Kersteen-Tucker/Groom) unanimously recommended Board acceptance of the report.

Authorize the Filing of Applications for State Proposition 1B Transit Security Program Funds

Mr. Slavitt said staff is asking the Committee to recommend the Board submit grant applications with concurrent Letters of No Prejudice (LONP) to the State of California Emergency Management Agency (CalEMA) and to file and execute certifications and assurances and other documents needed to receive Proposition 1B California Transit Security Grant Program funds for FY2010 and FY2011. He said CalEMA requires recipients of State transit security funds submit authorizing resolutions when applying for funding each year. Mr. Slavitt said due to the State fiscal crisis, the State has been unable to sell sufficient amount of bonds to fully fund all Proposition 1B capital projects. He said the LONP will provide the District the authority to proceed with work utilizing its own funds and allow for reimbursement of State funding when it becomes available.

The Committee (Tissier/Lloyd) unanimously recommended Board acceptance of the report.

Authorize Amending the Fiscal Year 2011 Capital Budget by \$3,797,000 from \$8,624,325 to \$12,421,325 for the PeopleSoft Integration and Real-Time Transit Information Projects

Ms. Harrington said staff is asking the Committee to recommend the Board authorize amending the FY2011 Capital Budget for two projects. She said funding for the two projects is coming from other sources and not the District. The first project is the PeopleSoft Project and the second is the Real Time Information Project. The Real Time Information Project is funded by the Metropolitan Transportation Commission (MTC) for both Caltrain and SamTrans.

At the request of the Board at the January meeting, Ms. Harrington provided an update on the PeopleSoft project. She said this project is a reimplementation of the PeopleSoft application with a strong emphasis on re-engineering a broad set of systems and processes used at the District. There is a strong focus on training and change management. The areas will be finance and accounting, contracts and procurement, project costing and grants, capital finance and human resources. A Notice to Proceed was issued on February 17. Ms. Harrington said the first phase is planning and prototype and the second phase is for financials and procurement functionality. She said the PeopleSoft System was implemented 10 years ago and the business process change was not embraced at that time. Ms. Harrington said the contractor has been onsite since mid-February and currently in a five-week planning phase. Once the plan and schedule is in place the work will begin. The Board previously approved \$6.5 million for this project and the first two phases of the contract were awarded for \$5.6 million and about \$900,000 has been spent over the past two years on this project. She is asking to amend the budget by \$2.25 million to carry through the end of the fiscal year. The funds for this will be coming through the overhead allocation to both the Operating and Capital Budgets of Caltrain and the San Mateo County Transportation Authority. The initial funds for this project came from SamTrans and now the other business units, to whom this is going to benefit, need to contribute based on the benefit they will receive.

Public Comment

Jerry Grace, San Lorenzo, asked if this is the same thing going on with Caltrain too. Director Harris said this is an internal program for staff.

The Committee (Lloyd/Deal) unanimously recommended Board acceptance of the report.

Authorize a Pilot Residential Pass Program Through 2013

Executive Officer Customer Service and Marketing Rita Haskin said staff is asking the Committee recommend the Board authorize Phase 2 of the Residential Pass Program (Program). She said this is a program was done a few years ago where high density housing near the bus line purchased annual bus passes for everyone in the housing development. Ms. Haskin said this is a greatly subsidized program but it gets more people to take the bus. She said there has been interest in this program over time and recently Peninsula Station in San Mateo has expressed interest in this program. The cost would be \$104 per person for everyone over the age of five or a minimum buy-in of \$5,200.

Chair Karyl Matsumoto asked if there is a minimum. Ms. Haskin said \$104 per person or \$5,200 whichever is greater.

Public Comment

Jerry Grace, San Lorenzo, said he took the bus today and noticed a sign that there is no more monthly passes.

Mr. Scanlon said SamTrans is phasing out the monthly paper tickets and transitioning to the Clipper card.

Ms. Haskin said the paper monthly passes will be phased out by the end of this year and starting in September there will be a message on the passes informing people of the phase out.

The Committee (Tissier/Deal) unanimously recommended Board acceptance of the report.

Authorize Award of Contract to Aramark Uniform Services for Rental, Purchase and Laundering of Work Clothing, Shop Towels and Related Items for a Total Estimated Cost of \$269,186 for a Five Year Term

Director of Contracts and Procurement Cheryl Cavitt said staff is asking the Committee to recommend the Board award a contract to Aramark Uniform Services. She said in December the Board rejected all bids received for this item and authorized the staff to go out and negotiate with qualified vendors in the open market.

The Committee (Tissier/Lloyd) unanimously recommended Board acceptance of the report.

Authorize Award of Contract to Bayshore Truck Equipment for Remanufacturing Heavy Duty Differentials for a Total Estimated Cost of \$287,100

Ms. Cavitt said staff is asking the Committee to recommend the Board award a contract to the lowest responsive bidder. She said award of this contract will provide a dedicated supplier for these services.

The Committee (Tissier/Lloyd) unanimously recommended Board acceptance of the report.

Adjourned: 3:04 p.m.

SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD
ENDING FEBRUARY 28, 2011 AND SUPPLEMENTAL INFORMATION**

ACTION

Staff proposes the Committee recommend that the Board accept and enter into the record the Statement of Revenues and Expenses for the month of February 2011 and supplemental information.

SIGNIFICANCE

Revenues: *Total Revenues* (page 1, line 13) are \$232,625 or 0.2 percent *worse* than revised budget. *Passenger Fares* (page 1, line 1) are *worse* than budget by \$93,538 or 0.8 percent, *Operating Grants* (page 1, line 3) are *worse* than budget by \$499,537 or 33.3 percent offset by *Investment Interest* (page 1, line 8) which is *better* than budget by \$199,274 or 8.0 percent and *Other Interest, Rent & Other Income* (page 1, line 10) is *better* than budget by \$193,161 or 5.5 percent.

Expenses: *Total Expenses* (page 4, line 74) are \$7,683,826 or 8.7 percent *better* than revised budget. Within *Total Expenses*, *Total Motor Bus* (page 3, line 47) is *better* than budget by \$6,687,921 or 10.2 percent, *Total ADA Programs* (page 4, line 56) are *better* than budget by \$1,032,818 or 11.1 percent and *Total Multi-Modal Programs* (page 4, line 72) are *worse* than budget by \$36,913 or 0.3 percent.

Budget Amendments: There are no budget amendments for the month of February 2011.

**SAN MATEO COUNTY TRANSIT DISTRICT
SUMMARY OF REVENUES AND EXPENSES
FISCAL YEAR 2011
FEBRUARY 2011**

% OF YEAR ELAPSED: **66.7%**

	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET*	REVISED BUDGET**	% REV BUDGET
SOURCES OF FUNDS								
Operating Revenues								
1 Passenger Fares	1,301,724	11,254,303	11,344,729	11,438,267	99.2	17,157,400	17,157,400	66.1
2 TDA and STA Funds	(0)	20,144,879	29,835,175	29,835,175	100.0	30,860,639	29,835,175	100.0
3 Operating Grants	77,521	318,598	999,259	1,498,796	66.7	10,577,283	11,388,870	8.8
4 Measure A Contribution and AB434 Funds	621,521	5,963,535	5,868,495	5,900,481	99.5	8,834,888	8,834,888	66.4
5 Subtotal - Operating Revenues	2,000,765	37,681,315	48,047,658	48,672,719	98.7	67,430,210	67,216,333	71.5
Other Revenue Sources								
7 District 1/2 Cent Sales Tax	4,093,667	39,670,144	39,977,534	39,977,534	100.0	60,000,000	60,000,000	66.6
8 Investment Interest	249,625	4,099,209	2,680,147	2,480,873	108.0	4,170,010	3,471,758	77.2
9 Pass through to Other Agencies	81,274	64,889	650,195	650,195	100.0	975,293	1,250,896	52.0
10 Other Interest, Rent & Other Income	328,107	3,943,331	3,698,719	3,505,558	105.5	5,082,780	5,193,677	71.2
11 Other Sources	0	0	0	0	-	2,811,073	2,811,073	0.0
12 Subtotal - Other Revenues	4,752,673	47,777,573	47,006,596	46,614,160	100.8	73,039,156	72,727,404	64.6
13 Total Revenues	6,753,438	85,458,888	95,054,254	95,286,879	99.8	140,469,366	139,943,737	67.9
14 Capital Assistance	444,263	33,807,932	3,013,987	3,013,987	100.0	4,447,354	20,171,195 A	14.9
15 Reserves Programmed for Capital	276,680	4,368,445	2,293,297	2,293,297	100.0	0	15,472,058 A	0.0
16 Total Revenues - All Sources	7,474,381	123,635,265	100,361,538	100,594,163	99.8	144,916,720	175,586,990	57.2
USES OF FUNDS								
Operations								
20 District Motor Bus	7,154,007	60,887,847	59,122,762	65,810,683	89.8	98,189,247	98,990,997	59.7
21 A. D. A. Programs	972,264	8,600,502	8,275,564	9,308,382	88.9	13,773,430	13,773,430	60.1
22 Caltrain	1,055,553	11,562,478	10,485,663	10,485,663	100.0	14,707,875	14,707,875	71.3
23 Other Multimodal Programs	312,766	2,686,317	2,984,118	2,947,205	101.3	4,084,620	4,205,354	71.0
24 Subtotal - Operating Costs	9,494,590	83,737,144	80,868,107	88,551,933	91.3	130,755,172	131,677,656	61.4
Other Uses of Funds								
26 Pass through to Other Agencies	81,274	64,889	650,195	650,195	100.0	975,293	1,250,896	52.0
27 Transfer Out to Debt Service	2,037,678	16,300,232	16,301,424	16,301,424	100.0	24,451,963	24,451,963	66.7
28 Fiscal Agent Fees	4,388	6,625	9,818	20,025	49.0	27,400	27,400	35.8
29 Land Transfer Interest Expense	3,878	0	3,878	80,000	4.8	80,000	80,000	4.8
30 Subtotal - Other Uses	2,127,218	16,371,746	16,965,315	17,051,644	99.5	25,534,656	25,810,259	65.7
31 Capital Programs	849,260	39,260,154	5,841,645	5,841,645	100.0	8,624,325	39,820,224 A	14.7
32 Total Uses of Funds	12,471,068	139,369,044	103,675,067	111,445,222	93.0	164,914,153	197,308,139	52.5
34 SURPLUS/(DEFICIT) FOR PERIOD	(4,996,687)	(15,733,779)	(3,313,529)	(10,851,059)	30.5	(19,997,433)	(21,721,149)	15.3

% OF YEAR ELAPSED" provides a general measure for evaluating overall progress against the annual budget. When comparing it to the amounts shown in the "% REV BUDGET" column, please note that individual line items reflect variations due to seasonal activities during the year.

*The Approved Budget is the Board adopted budget effective July 1, 2010

**The Revised Budget is the Board approved amended budget passed December 8, 2010, including year to date budget transfers

Note A - The Revised Budget includes the year end rollover of existing capital projects (unaudited).

**SAN MATEO COUNTY TRANSIT DISTRICT
STATEMENT OF REVENUES
FISCAL YEAR 2011
FEBRUARY 2011**

% OF YEAR ELAPSED: 66.7%

	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET*	REVISED BUDGET**	% REV BUDGET
OPERATING REVENUES - MOTOR BUS								
1 TOTAL MOTOR BUS FARES	1,243,239	10,804,626	10,843,611	10,905,333	99.4	16,358,000	16,358,000	66.3
2 LOCAL (TDA) TRANSIT FUND:								
3 General Operating Assistance	0	18,984,736	23,503,880	23,503,880	100.0	23,503,880	23,503,880	100.0
4 STATE TRANSIT ASSISTANCE:								
5 Local STA Operating Assistance	(0)	90,503	4,483,131	4,483,131	100.0	5,511,071	4,483,131	100.0
6 OPERATING GRANTS								
7 Planning Assistance Grant	77,521	281,369	889,422	841,585	105.7	9,382,536	8,917,786	10.0
8 DISTRICT 1/2 CENT SALES TAX:								
9 General Operating Asst.	5,547,186	26,994,202	16,336,270	23,263,577	70.2	39,275,037	41,532,697	39.3
10 Accessibility Fixed Route	81,403	651,365	700,926	486,235	144.2	684,635	684,635	102.4
11 TOTAL 1/2 CENT SALES TAX	5,628,589	27,645,567	17,037,196	23,749,813	71.7	39,959,672	42,217,332	40.4
12 INVESTMENT INTEREST INCOME:								
13 Investment Interest Income	16,197	305,324	97,014	73,782	131.5	86,830	123,610	78.5
14 OTHER REVENUE SOURCES:								
15 Overnight Deposits Interest Income	85	1,696	1,027	1,760	58.3	2,640	2,640	38.9
16 Rental Income	86,808	688,609	694,130	698,630	99.4	1,047,940	1,047,940	66.2
17 Advertising Income	16,959	1,008,100	803,057	946,667	84.8	1,420,000	1,420,000	56.6
18 Other Income	84,608	1,077,317	770,295	606,102	127.1	916,678	916,678	84.0
19 TOTAL OTHER REVENUES	188,461	2,775,722	2,268,508	2,253,159	100.7	3,387,258	3,387,258	67.0
20								
21 TOTAL MOTOR BUS	7,154,007	60,887,847	59,122,762	65,810,683	89.8	98,189,247	98,990,997	59.7
22								
23 AMERICAN DISABILITIES ACT:								
24 Passenger Fares Redi-Wheels	58,484	449,677	501,118	532,933	94.0	799,400	799,400	62.7
25 Local TDA 4.5 Redi-Wheels	0	999,200	1,237,046	1,237,046	100.0	1,237,046	1,237,046	100.0
26 Local STA - Paratransit	0	70,440	611,118	611,118	100.0	608,642	611,118	0.0
27 Operating Grants	0	0	0	547,374	0.0	1,094,747	2,361,247	0.0
28 Sales Tax - District ADA Programs	630,578	4,437,254	3,304,712	3,648,111	90.6	5,855,529	4,630,382	71.4
29 Sales Tax - Paratransit Suppl. Coastside	85,885	761,652	737,906	850,737	86.7	1,300,726	1,300,726	0.0
30 Interest Income - Paratransit Fund	33,567	264,188	284,576	299,430	95.0	477,340	433,511	65.6
31 Measure A Redi-Wheels	163,750	1,618,091	1,599,087	1,581,632	101.1	2,400,000	2,400,000	66.6
32								
33 TOTAL ADA PROGRAMS	972,264	8,600,502	8,275,564	9,308,382	88.9	13,773,430	13,773,430	60.1
34 MULTIMODAL TRANSIT PROGRAMS:								
35 Sales Tax - Caltrain	728,053	8,326,297	7,287,488	7,322,399	99.5	9,907,875	9,907,875	73.6
36 Transfer from TA for Caltrain	327,500	3,236,181	3,198,175	3,163,264	101.1	4,800,000	4,800,000	66.6
37 TA Funded SM/Caltrain Shuttles	85,604	729,263	713,899	798,252	89.4	1,098,888	1,098,888	65.0
38 Employer Share SM/Caltrain Shuttles	24,696	247,565	330,436	332,799	99.3	316,122	427,019	77.4
39 AB434 Funds - SamTrans Shuttles	44,667	380,000	357,333	357,333	100.0	536,000	536,000	66.7
40 Employer Share SamTrans Shuttles	114,950	920,044	1,099,775	919,600	119.6	1,379,400	1,379,400	79.7
41 Sales Tax - SamTrans Shuttle Program	25,270	191,124	210,460	223,037	94.4	335,960	335,960	62.6
42 Operating Grants	0	37,229	109,837	109,837	100.0	100,000	109,837	0.0
43 Sales Tax - Gen. Operating Asst.	17,579	181,092	162,378	206,347	78.7	318,250	318,250	51.0
44								
45 TOTAL MULTIMODAL	1,368,319	14,248,795	13,469,781	13,432,868	100.3	18,792,495	18,913,229	71.2
46								
47 TOTAL REVENUES	9,494,590	83,737,144	80,868,107	88,551,934	91.3	130,755,172	131,677,656	61.4

"% OF YEAR ELAPSED" provides a general measure for evaluating overall progress against the annual budget. When comparing it to the amounts shown in the "% REV BUDGET" column, please note that individual line items reflect variations due to seasonal activities during the year.

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**SAN MATEO COUNTY TRANSIT DISTRICT
OPERATING EXPENSES
FISCAL YEAR 2011
FEBRUARY 2011**

% OF YEAR ELAPSED: **66.7%**

EXPENSES	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET*	REVISED BUDGET**	% REV BUDGET
DISTRICT OPERATED BUSES								
1 Wages & Benefits	3,951,084	34,856,641	33,109,061	36,469,832	90.8	54,414,983	54,380,750	60.9
2								
3 Services:								
4 Board of Directors	3,600	37,520	29,711	35,467	83.8	53,100	53,100	56.0
5 Contracted Vehicle Maintenance	46,441	255,317	457,756	670,400	68.3	930,600	930,600	49.2
6 Property Maintenance	95,045	658,044	681,601	848,833	80.3	1,282,500	1,282,500	53.1
7 Professional Services	113,787	1,297,863	1,378,665	2,018,175	68.3	2,955,181	3,630,733	38.0
8 Technical Services	268,570	2,375,014	2,294,050	2,573,755	89.1	3,907,744	4,076,775	56.3
9 Other Services	22,925	219,736	185,963	242,343	76.7	362,924	362,924	51.2
10								
11 Materials & Supply:								
12 Fuel & Lubricants	318,912	2,758,103	2,710,714	3,721,476	72.8	5,582,214	5,582,214	48.6
13 Bus Parts & Materials	137,737	1,305,098	941,046	1,178,848	79.8	1,750,972	1,738,972	54.1
14 Uniforms & Driver Expense	162,487	234,640	242,356	302,865	80.0	379,098	375,694	64.5
15 Timetables & Tickets	6,714	104,074	97,938	140,933	69.5	213,800	212,200	46.2
16 Office Supplies / Printing	21,123	128,301	171,346	244,643	70.0	332,130	349,036	49.1
17 Other Materials & Supply	10,516	89,601	80,476	117,000	68.8	175,000	175,000	46.0
18								
19 Utilities:								
20 Telephone	26,591	255,091	225,058	320,380	70.2	480,500	480,500	46.8
21 Other Utilities	71,105	647,396	618,782	641,333	96.5	1,001,000	962,000	64.3
22 Insurance Costs	207,679	1,497,326	1,660,906	1,661,315	100.0	2,492,000	2,492,000	66.6
23 Workers' Compensation	277,195	2,097,520	2,117,096	2,148,040	98.6	3,222,060	3,222,060	65.7
24 Taxes & License Fees	33,947	267,038	280,542	326,026	86.0	489,039	489,039	57.4
25 Fixed Route Accessibility	81,403	651,365	700,926	486,235	144.2	684,635	684,635	102.4
26 Leases & Rental	9,196	69,995	70,020	75,359	92.9	111,718	111,718	62.7
27 Promotional & Legal Advertising	5,018	133,557	74,445	180,227	41.3	279,840	259,840	28.7
28 Training & Business Travel	6,034	69,512	69,205	145,992	47.4	195,710	206,710	33.5
29 Dues & Membership	8,089	25,190	56,104	60,294	93.1	84,045	84,543	66.4
30 Postage & Other	7,586	32,692	49,392	183,851	26.9	313,564	313,564	15.8
31								
32 Total District Operated Buses	5,892,782	50,066,634	48,303,157	54,793,622	88.2	81,694,357	82,457,107	58.6
33								
34								
35 CONTRACTED BUS SERVICES								
36 Contracted Urban Bus Service	1,103,024	9,537,826	9,468,764	9,658,802	98.0	14,488,202	14,488,202	65.4
37 Other Related Costs	24,521	227,252	230,985	227,685	101.4	310,800	349,800	66.0
38 Insurance Costs	55,144	403,196	436,332	436,648	99.9	655,000	655,000	66.6
39 Coastside Services	47,938	393,054	399,948	378,837	105.6	568,256	568,256	70.4
40 Redi Coast Non-ADA	17,496	126,116	152,595	148,573	102.7	222,860	222,860	68.5
41 Other Related Costs	16	11,154	5,441	27,773	19.6	41,660	41,660	13.1
42 La Honda - Pescadero	2,000	34,463	25,000	35,000	71.4	52,500	52,500	47.6
43 SamCoast - Pescadero	11,000	85,345	95,269	94,441	100.9	141,662	141,662	67.3
44 Other Related Cost - SamCoast	85	2,807	5,271	9,300	56.7	13,950	13,950	37.8
45 Total Contracted Bus Service	1,261,225	10,821,213	10,819,604	11,017,060	98.2	16,494,890	16,533,890	65.4
46								
47 TOTAL MOTOR BUS	7,154,007	60,887,847	59,122,762	65,810,683	89.8	98,189,247	98,990,997	59.7

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**SAN MATEO COUNTY TRANSIT DISTRICT
OPERATING EXPENSES
FISCAL YEAR 2011
FEBRUARY 2011**

% OF YEAR ELAPSED: **66.7%**

EXPENSES	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET*	REVISED BUDGET**	% REV BUDGET
AMERICAN DISABILITY ACT PROGRAMS								
Elderly & Disabled/Redi-Wheels	422,537	3,772,686	3,646,401	4,653,577	78.4	6,769,180	6,769,180	53.9
Other Related Costs	158,158	1,471,564	1,345,304	1,686,587	79.8	2,527,380	2,527,380	53.2
ADA Sedan Service	201,147	1,764,846	1,741,152	1,187,349	146.6	1,781,024	1,781,024	97.8
ADA Accessibility Support	61,943	487,196	462,378	586,802	78.8	880,120	880,120	52.5
Coastside ADA Support	85,885	761,652	737,906	850,737	86.7	1,300,726	1,300,726	56.7
Insurance Costs	42,594	342,558	342,423	343,331	99.7	515,000	515,000	66.5
TOTAL ADA PROGRAMS	972,264	8,600,502	8,275,564	9,308,382	88.9	13,773,430	13,773,430	60.1
MULTIMODAL TRANSIT PROGRAMS								
CALTRAIN SERVICE								
Peninsula Rail Service	1,055,553	11,562,478	10,485,663	10,485,663	100.0	14,707,875	14,707,875	71.3
Total Caltrain Service	1,055,553	11,562,478	10,485,663	10,485,663	100.0	14,707,875	14,707,875	71.3
OTHER SUPPORT								
Dumbarton Express Service	10,040	84,174	83,275	84,100	99.0	126,150	126,150	66.0
SamTrans Shuttle Service	184,887	1,491,168	1,667,568	1,499,970	111.2	2,251,360	2,251,360	74.1
SM/Caltrain Shuttles	110,300	1,014,057	1,154,173	1,240,888	93.0	1,515,010	1,635,744	70.6
Maintenance Multimodal Facilities	7,538	96,918	79,103	122,247	64.7	192,100	192,100	41.2
Total Other Support	312,766	2,686,317	2,984,118	2,947,205	101.3	4,084,620	4,205,354	71.0
TOTAL MULTI-MODAL PROGRAMS	1,368,319	14,248,795	13,469,781	13,432,868	100.3	18,792,495	18,913,229	71.2
TOTAL EXPENSES	9,494,590	83,737,144	80,868,107	88,551,933	91.3	130,755,172	131,677,656	61.4

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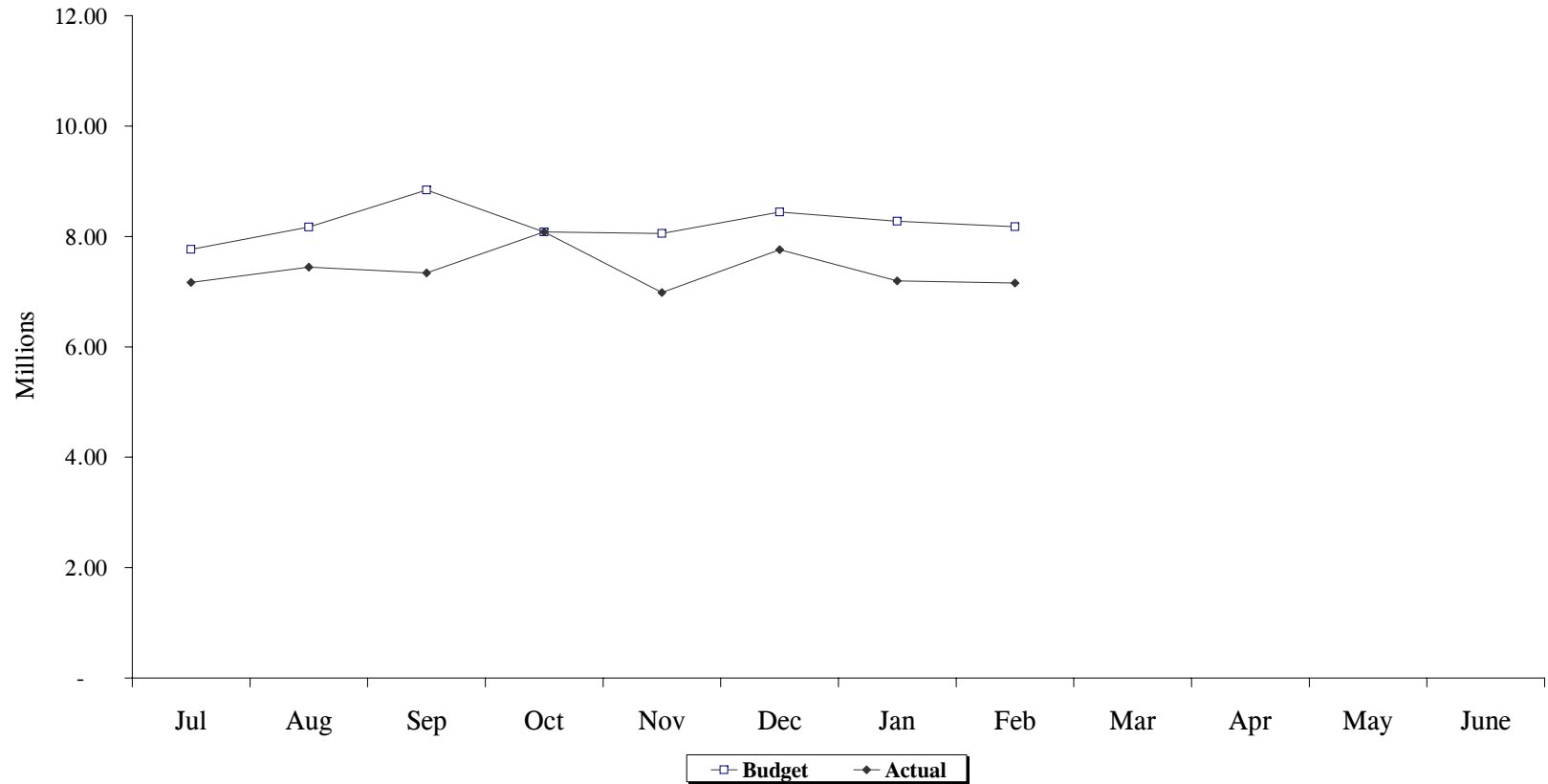
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SAN MATEO COUNTY TRANSIT DISTRICT

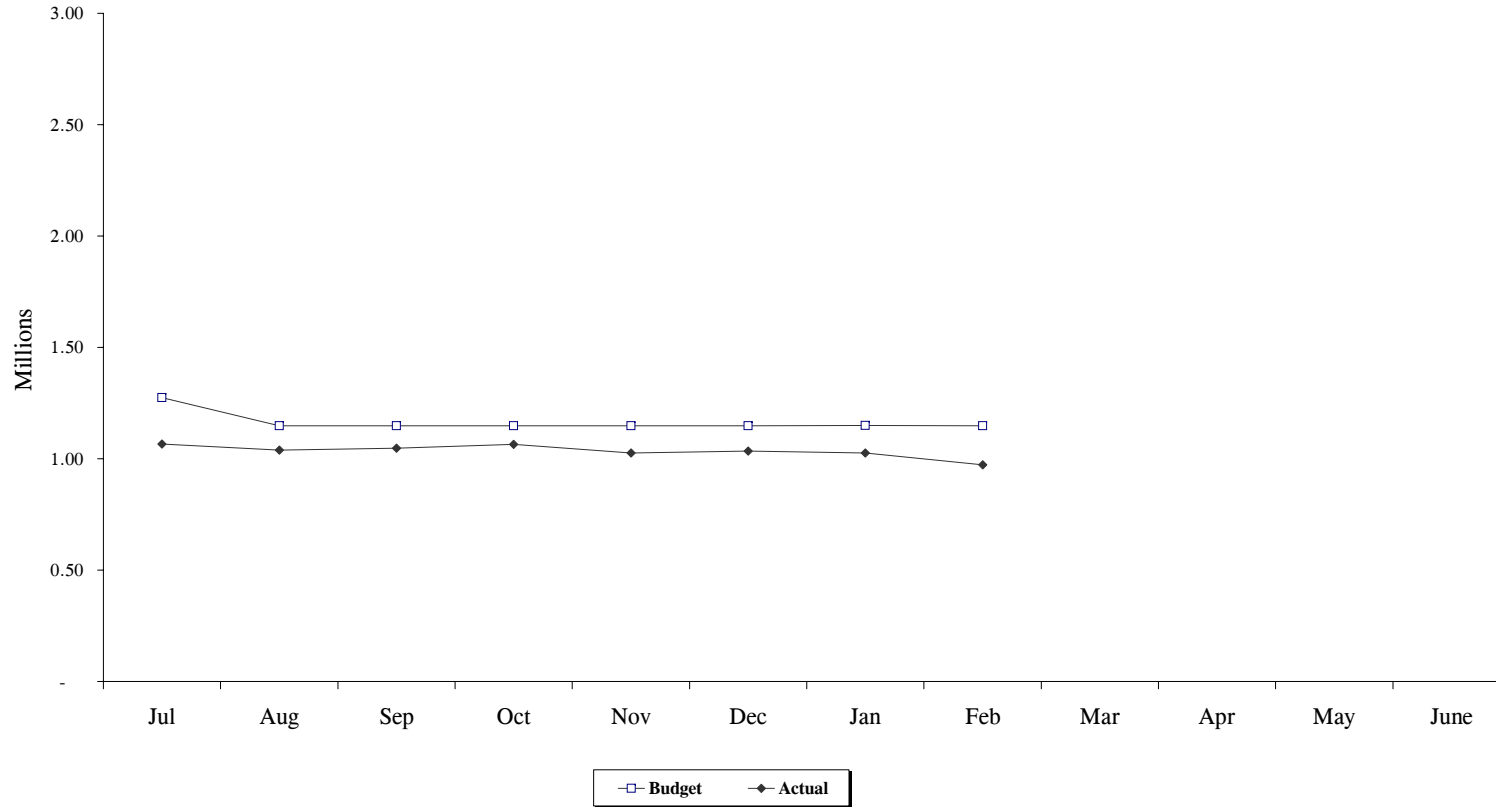
MOTOR BUS MONTHLY EXPENSES - BUDGET VS ACTUAL

FISCAL YEAR 2011



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
MONTHLY EXPENSES													
Budget	7,766,610	8,170,634	8,842,573	8,082,252	8,055,171	8,440,075	8,275,876	8,177,492					
Actual	7,166,097	7,443,503	7,340,348	8,083,999	6,981,605	7,761,065	7,192,138	7,154,007					
CUMULATIVE EXPENSES													
Budget	7,766,610	15,937,243	24,779,816	32,862,068	40,917,239	49,357,314	57,633,190	65,810,683					
Actual	7,166,097	14,609,599	21,949,948	30,033,947	37,015,552	44,776,617	51,968,755	59,122,762					
Variance - F(U)	600,513	1,327,644	2,829,869	2,828,121	3,901,687	4,580,697	5,664,436	6,687,921					
Variance %	7.73%	8.33%	11.42%	8.61%	9.54%	9.28%	9.83%	10.16%					

SAN MATEO COUNTY TRANSIT DISTRICT
ADA PROGRAM MONTHLY EXPENSES - BUDGET VS ACTUAL
FISCAL YEAR 2011

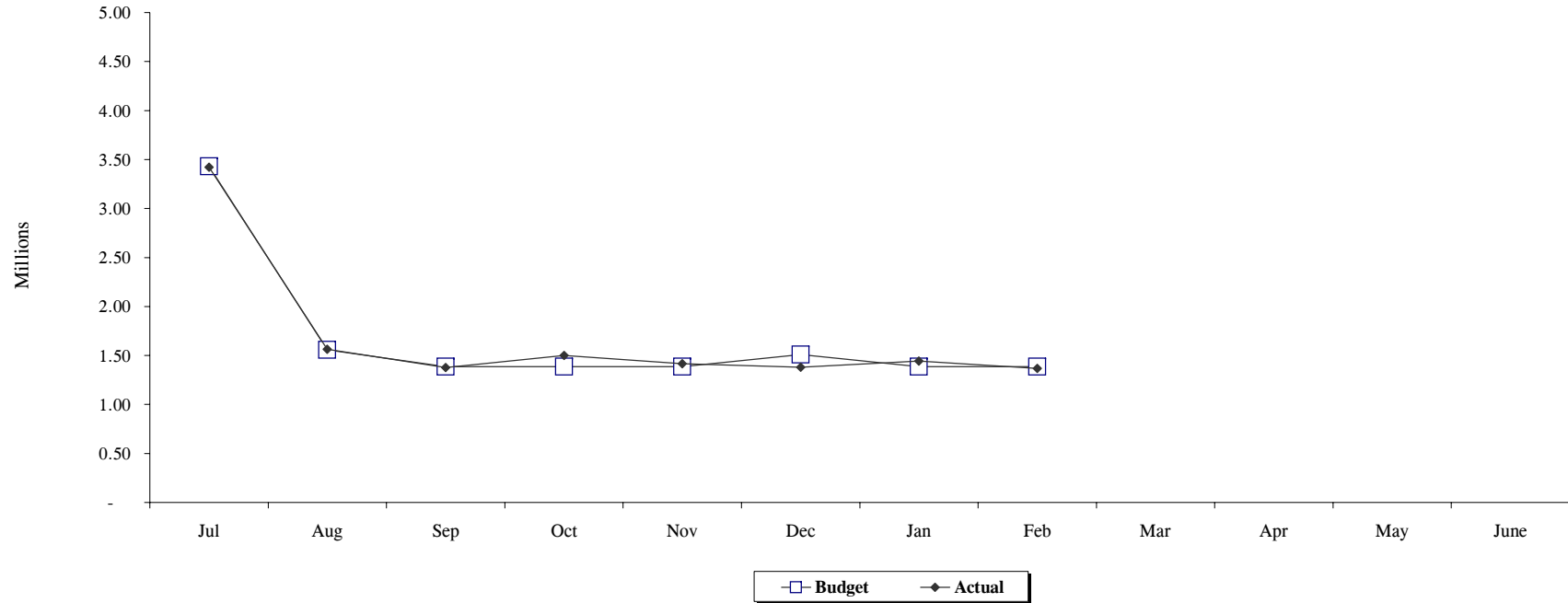


	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	1,274,897	1,147,355	1,147,355	1,147,355	1,147,355	1,147,355	1,149,355	1,147,355				
Actual	1,065,703	1,039,441	1,047,366	1,064,705	1,025,377	1,035,058	1,025,650	972,264				
CUMULATIVE EXPENSES												
Budget	1,274,897	2,422,252	3,569,607	4,716,962	5,864,317	7,011,672	8,161,027	9,308,382				
Actual	1,065,703	2,105,144	3,152,510	4,217,215	5,242,592	6,277,650	7,303,300	8,275,564				
Variance - F(U)	209,194	317,108	417,097	499,747	621,725	734,022	857,727	1,032,818				
Variance %	16.41%	13.09%	11.68%	10.59%	10.60%	10.47%	10.51%	11.10%				

SAN MATEO COUNTY TRANSIT DISTRICT

MULTIMODAL MONTHLY EXPENSES - BUDGET VS ACTUAL

FISCAL YEAR 2011



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	3,431,492	1,556,014	1,387,439	1,387,438	1,387,438	1,508,172	1,387,438	1,387,438				
Actual	3,421,682	1,563,465	1,377,708	1,499,612	1,416,979	1,379,609	1,442,408	1,368,319				
CUMULATIVE EXPENSES												
Budget	3,431,492	4,987,506	6,374,945	7,762,383	9,149,821	10,657,993	12,045,431	13,432,868				
Actual	3,421,682	4,985,147	6,362,855	7,862,467	9,279,445	10,659,054	12,101,462	13,469,781				
Variance - F(U)	9,810	2,359	12,089	(100,085)	(129,625)	(1,062)	(56,032)	(36,913)				
Variance %	0.29%	0.05%	0.19%	-1.29%	-1.42%	-0.01%	-0.47%	-0.27%				

**SAN MATEO COUNTY TRANSIT DISTRICT
SUMMARY OF BUDGET ACTIVITY FOR FEBRUARY 2011**

BUDGET AMENDMENTS

	<u>Amount</u>	<u>Line Item</u>		<u>Description</u>
Feb-11				No Budget Amendments in February 2011.
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

BUDGET REVISIONS

	<u>Amount</u>	<u>Line Item</u>		<u>Description</u>
Feb-11	\$ (1,266,500)	Line 7-Operating Grants, Motor Bus	\$ 1,266,500	Line 27-Operating Grants, ADA Transferred preventive maintenance grant revenue to ADA operating assistance with approval from FTA because of overcapacity in preventive maintenance and overcapacity in ADA.
Feb-11	\$ (1,266,500)	Line 28-Sales Tax-District ADA Programs	\$ 1,266,500	Line 9-General Operating Assistance Transferred sales tax revenue from ADA programs to motor bus to offset grant revenue transfer.
Feb-11	\$ (1,000)	Line 14-Uniforms and Drivers Expense	\$ 1,000	Line 8-Technical Services Transferred funds to cover installation of C*Cure security access card system at North Base TVM maintenance area.
Feb-11	\$ (1,000)	Line 16-Office Supplies and Printing	\$ 1,000	Line 8-Technical Services Transferred funds to cover installation of C*Cure security access card system at North Base TVM maintenance area.
Feb-11	\$ (1,000)	Line 28-Training and Business Travel	\$ 1,000	Line 8-Technical Services Transferred funds to cover installation of C*Cure security access card system at North Base TVM maintenance area.
	<u>\$ (2,536,000)</u>	Total	<u>\$ 2,536,000</u>	Total

SAN MATEO COUNTY TRANSIT DISTRICT
1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS
FY2010 & FY2011
FEBRUARY 2011

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Approved Budget		Receipts		Over/(Under) Budget/Projection	Current Projection																														
Date	Amount	Date	Amount																																
FY2010:																																			
1st Quarter	15,555,000	1st Quarter	14,554,695	(1,000,305)	14,554,695																														
2nd Quarter	16,492,000	2nd Quarter	15,240,785	(1,251,215)	15,240,785																														
3rd Quarter	12,306,440	3rd Quarter	13,646,042	1,339,602	13,646,042																														
4th Quarter	15,646,560	4th Quarter	15,046,028	(600,532)	15,046,028																														
FY2010 Total	60,000,000	FY2010 Total	58,487,550	(1,512,450)	58,487,550																														
FY2011																																			
Jul. 10	4,110,600	Sep. 10	4,008,500	(102,100)	4,008,500																														
Aug. 10	4,110,600	Oct. 10	4,233,000	122,400	4,233,000																														
Sep. 10	5,480,800	Nov. 10	5,344,700	(136,100)	5,344,700																														
1st Qtr. Adjustment	1,522,400	Dec. 10	1,779,797	257,397	1,779,797																														
3 Months Total	15,224,400		15,365,997	141,597	15,365,997																														
Oct. 10	4,295,900	Dec. 10	4,473,500	177,600	4,473,500																														
Nov. 10	4,295,900	Jan. 11	4,722,500	426,600	4,722,500																														
Dec. 10	5,727,900	Feb. 11	5,964,700	236,800	5,964,700																														
2nd Qtr. Adjustment	1,591,100	Mar. 11		(327,597)	1,263,503 (1)																														
6 Months Total	31,135,200		30,526,697	655,000	31,790,200																														
Jan. 11	3,741,000	Mar. 11		0	3,741,000 (1)																														
Feb. 11	3,741,000	Apr. 11		0	3,741,000 (1)																														
Mar. 11	4,987,900	May 11		0	4,987,900																														
3rd Qtr. Adjustment	1,385,500	Jun. 11		(327,500)	1,058,000 (1) Jan & Feb Portion																														
9 Months Total	44,990,600		30,526,697	327,500	45,318,100																														
Apr. 11	4,052,500	Jun. 11		0	4,052,500																														
May 11	4,052,500	Jul. 11		0	4,052,500																														
Jun. 11	5,403,400	Aug. 11		0	5,403,400																														
4th Qtr. Adjustment	1,501,000	Sep. 11		(327,500)	1,173,500																														
FY2011 Total	60,000,000	FY2011 Total	30,526,697	0	60,000,000																														
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td style="width: 15%;">15,365,997</td> <td style="width: 15%;">1st Quarter</td> <td colspan="3"></td> </tr> <tr> <td></td> <td>16,424,203</td> <td>2nd Quarter</td> <td colspan="3"></td> </tr> <tr> <td></td> <td>8,187,333</td> <td>3rd Quarter</td> <td colspan="3"></td> </tr> <tr> <td></td> <td></td> <td>4th Quarter</td> <td colspan="3"></td> </tr> <tr> <td></td> <td><u>39,977,534</u></td> <td>YTD Actual Per Statement of Revenues & Expenses</td> <td colspan="3"></td> </tr> </table>							15,365,997	1st Quarter					16,424,203	2nd Quarter					8,187,333	3rd Quarter						4th Quarter					<u>39,977,534</u>	YTD Actual Per Statement of Revenues & Expenses			
	15,365,997	1st Quarter																																	
	16,424,203	2nd Quarter																																	
	8,187,333	3rd Quarter																																	
		4th Quarter																																	
	<u>39,977,534</u>	YTD Actual Per Statement of Revenues & Expenses																																	
(1) Accrued																																			

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

**SUBJECT: ASSESSMENT OF THE FISCAL YEAR 2011 FUEL HEDGING
PROGRAM AND ADOPTION OF REVISED FUEL HEDGING POLICY**

ACTION

Staff proposes that the Finance Committee recommend that the Board adopt the attached revised Fuel Hedging Policy.

SIGNIFICANCE

A fuel hedging program was instituted for FY2011 to cover 50 percent of the District's projected diesel fuel usage, which was approximately 0.9 million gallons. The primary goal of the program was to reduce volatility and uncertainty in the fuel budget. Consistent with its Fuel Hedging Policy (Policy) adopted on March 9, 2010, the District purchased a price cap of \$2.25 per gallon based on the Gulf Coast Ultra Low Sulfur Diesel (ULSD) index. The estimated budget savings from the diesel fuel price cap was \$0.7 million over the fuel cost the District otherwise would have needed to assume for its fuel budget. The fuel hedging program allowed the District both to reduce uncertainty in the fuel budget for FY2011 and to take advantage of the relatively low market prices at the time it executed the fuel hedging transaction.

The counterparty on the FY2011 transaction was Barclays Bank PLC (Barclays). The District has received payments from Barclays for each month beginning October 2010, since the time the average price of the Gulf Coast ULSD index has exceeded the \$2.25 cap price. The District also realized the primary purpose of the cap, which was to provide budget certainty. The cost of the cap was \$164,160, which was paid by the District as an upfront premium. The following table summarizes the results of the Fiscal Year 2011 Program to date.

	Gulf Coast ULSD Avg Price	District Avg Price Before Fee*	Variance of ULSD Price & District's	Cap Price	Variance of ULSD Price & Cap Price	Payment from Barclays
July	2.0444	2.1524	(0.1080)	2.2500	(0.2056)	-
August	2.0984	2.2403	(0.1419)	2.2500	(0.1516)	-
September	2.1286	2.2426	(0.1140)	2.2500	(0.1214)	-
October	2.2502	2.383	(0.1328)	2.2500	0.0002	15.00
November	2.3211	2.3967	(0.0756)	2.2500	0.0711	5,332.50
December	2.4408	2.5102	(0.0694)	2.2500	0.1908	14,310.00
January	2.601	2.6488	(0.0478)	2.2500	0.3510	26,325.00
February	2.7932	2.9279	(0.1347)	2.2500	0.5432	40,740.00

* A \$0.0074 ultra low sulfur diesel fee is added to the SamTrans price per gallon.

A recognized commodity hedge counterparty which met the rating criteria of the Policy showed interest in bidding on the FY2011 fuel hedging program. The District could not consider that counterparty because the Policy limits eligible counterparties to financial institutions. To provide additional flexibility in future solicitations and clear guidance to enable staff to execute fuel hedging transactions, staff recommends adopting the attached revised policy. The changes being recommended are to:

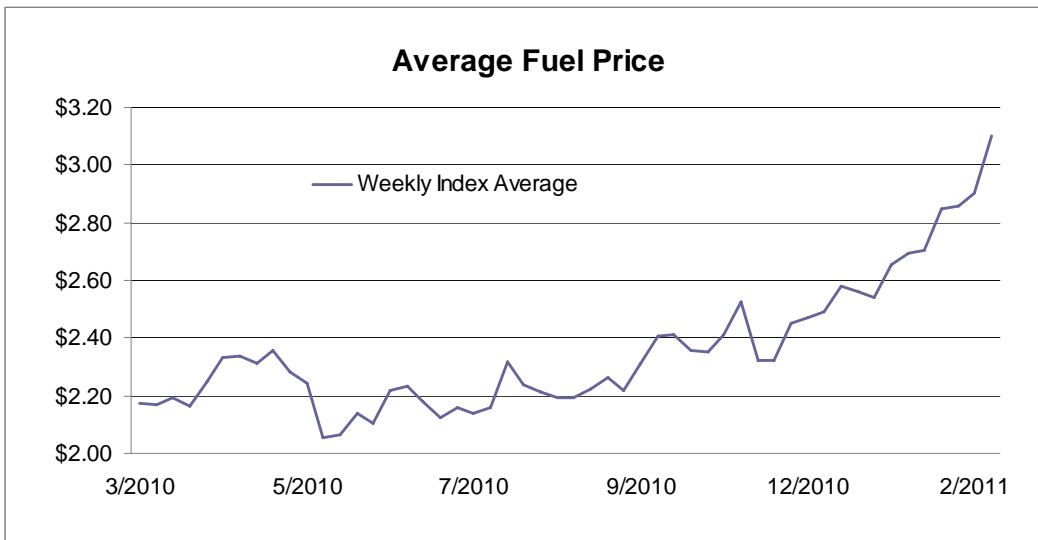
- (1) Refer to a counterparty rather than a financial institution;
- (2) Refer to the rating assigned to the counterparty or its guarantor rather than only the counterparty itself;
- (3) Update the correlation rate of the ULSD index to the OPIS index from 2006 through 2010.

BUDGET IMPACT

There is no impact to the Budget.

BACKGROUND

The District currently purchases fuel from Pinnacle Petroleum based on the weekly spot price for ultra-low sulfur diesel fuel (ULSD), exposing the District to market price fluctuation. During the past twelve month period from March 1, 2010 to February 28, 2011, the price of ULSD has ranged from a high of \$3.10 per gallon in the last week of February 2011 to a low of \$2.16 in the last week of March 2010.



The District originally adopted its hedging Policy in March 2010 by Resolution No. 2010-21. The Policy provides guidelines on the fuel hedging transactions, ensures budget reliability and allows the District to limit its exposure when fuel prices rise, while continuing to receive the benefit when prices fall.

Prepared by: Christina Tang, Senior Budget Analyst

650-508-6376

**San Mateo County Transit District
Fuel Hedging Policy**

Revised: April 13, 2011

Goal: The primary goal for the District's fuel hedging program is to reduce volatility in the fuel budget.

Mechanism: There are several mechanisms available to hedge fuel in the market today including ~~cap options~~ *commodity price caps*, futures contracts, commodity swaps and physical hedging. This policy authorizes ~~an on shore cap option mechanism~~ *a commodity price cap with a counterparty authorized to conduct business in the United States.*

Index: *The price that the District pays for fuel is based on the Oil Price Information Service (OPIS) index. With respect to the commodity price cap, the District will use an index that has a high historical positive correlation to the OPIS index. In addition, prior to entering into a transaction, staff will examine data from the prior five (5) years to measure the ongoing correlation.* The index to be utilized in the ~~commodity price cap option~~ is the *Platt's Gulf Coast Ultra Low Sulphur Diesel (ULSD) index* ~~which was correlated at a rate of 0.971 between 2001 and 2009 with the Oil Price Information Service (OPIS) index. The price that the District pays for fuel is based on the OPIS index.~~ *Between 2006 and 2010, the ULSD index had a high correlation of 0.975 with the OPIS index.*

Duration: Each transaction will be implemented for no more than 12 months at a time and will not extend beyond one fiscal year.

Transaction Amount: Each transaction will be implemented for no more than 75 percent of District's projected fuel usage for a fiscal year.

Counterparty Credit Criteria: As a condition for bidding, a ~~financial institution~~ *counterparty or its guarantor* must be rated in the "Aa" or "AA" category by at least one ~~national rating agency~~ *nationally recognized statistical rating organization (each, a "Rating Agency")*. If the counterparty *or its guarantor, as applicable*, is downgraded to or below "A3" from Moody's or "A-" from S&P or Fitch, the counterparty must post collateral to secure its performance *in an amount and under terms and conditions acceptable to the District*. ~~In addition, the District retains the right to terminate the contract with the counterparty if their ratings or, as applicable, its guarantor's ratings~~ *are downgraded below "Baa1" in the case of Moody's or "BBB+" in the case of S&P or Fitch.*

Guaranty Requirements: *Any guaranty shall be irrevocable and unconditional and shall be in form and substance satisfactory to the District.*

Monitoring: Monthly monitoring of the Gulf Coast ULSD average price must be calculated *by, or under the direction of, District staff* to ensure payments are received

from the counterparty if and when due. Hedging practices should also be monitored *by District staff* to ensure this policy remains up to date with current best practices.

Board Approval: Staff shall return to the Board annually to obtain approval on the award of a financial contract for fuel hedging services and the authorization of the General Manager/CEO or designee to execute such a contract for the current fiscal year.

Reporting: Annual reports will be presented to the Board in the form of an informational staff report, which will provide details concerning the terms of the fuel hedge and provide an assessment of the current year's program.

Risks: Some of the risks associated with a *commodity* price cap include:

Counterparty Risk – The risk that the counterparty fails to make required payments or otherwise comply with the terms of the agreement. This risk is mitigated by requiring the ~~financial institution~~*counterparty or its guarantor* to have a double-A category rating by at least one ~~of the national rating agencies~~*Rating Agency* as a condition for bidding.

Termination Risk – The risk that there will be a mandatory early termination of the transaction. This risk is mitigated *in part* by ~~the collateral posting provision,~~ requiring the posting of collateral *by the counterparty* should the counterparty's *or its guarantor's* credit rating fall *to or* below "A3" in the case of Moody's or "A-" in the case of S&P or Fitch *subsequent to the execution of the commodity price cap.*

Basis Risk – The risk that there is a mismatch between the *commodity price* cap ~~option~~-rate and the ~~cost~~*amount actually* paid for fuel. This risk is mitigated by selecting the Gulf Coast ULSD index which is highly correlated to the rates the District pays for fuel.

RESOLUTION NO. 2011-

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

* * *

REVISING THE FUEL HEDGING POLICY

WHEREAS, in March 2010, pursuant to Resolution No. 2010-21, the District adopted a Fuel Hedging Policy (Policy) as an appropriate method of decreasing the volatility in the price to be paid for fuel in the future; and

WHEREAS, the Policy provides guidelines on the fuel hedging transactions, ensures budget reliability and allows the District to limit its exposure when fuel prices rise, while continuing to receive the benefit when prices fall; and

WHEREAS, in order to provide additional flexibility in future solicitations, as well as provide clear guidance to enable staff to execute fuel hedging transactions, staff recommends revising the Policy (i) to refer to a “counterparty” rather than a “financial institution,” (ii) to provide that the rating specified in the Policy apply to the counterparty or its guarantor rather than only the counterparty, (iii) to clarify language regarding counterparty credit criteria and risks; and (iv) to require annual updates to the relationship between the Gulf Coast Ultra Low Sulfur Diesel index used in hedging transactions and the Oil Price Information Service index used in the District’s procurement of diesel fuel.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District hereby approves and adopts the attached revised Fuel Hedging Policy and authorizes the General Manager/CEO or designee to negotiate with counterparties, as appropriate.

Regularly passed and adopted this 13th day of April, 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

**SUBJECT: AUTHORIZE AWARD OF CONTRACT TO ORRICK, HERRINGTON
AND SUTCLIFFE LLP TO SERVE AS SPECIAL COUNSEL IN
CONNECTION WITH THE FISCAL YEAR (FY) 2012 FUEL HEDGING
PROGRAM**

ACTION

Staff Coordinating Council recommends that the Board authorize appointment of Orrick, Herrington & Sutcliffe LLP (Orrick) to serve as special counsel to the District in connection with the FY2012 fuel hedging program, fees for special counsel not to exceed \$125,000.

SIGNIFICANCE

Per the Fuel Hedging Policy (Policy) adopted by the Board in March 2010 and revised in April 2011, staff will shortly begin the process of selecting a counterparty meeting the requirements specified in the Policy for the FY2012 fuel hedging program.

Orrick served as counsel on the fuel hedge transaction entered into for the current and prior fiscal years as well as bond counsel on the District's 2005 and 2009 debt refinancings and brings a strong understanding of the District's history and requirements.

Staff expects to return to the Board in June 2011 to obtain approval of documents for the FY 2012 fuel hedging program and in July 2011 to provide further details concerning the terms of the FY2012 fuel hedge.

BUDGET IMPACT

Orrick will be providing services jointly to both the District and the Peninsula Corridor Joint Powers Board. The total cost of Orrick's services will not exceed \$125,000, with the District responsible for 30 percent of the cost, based upon the District's proportional share of the total amount of the anticipated fuel hedge.

Additional detail concerning the fuel hedging program is provided in the Staff Report for Agenda Item #3.

RESOLUTION NO. 2011-

**SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

*** * ***

**AUTHORIZING AWARD OF CONTRACT TO ORRICK, HERRINGTON &
SUTCLIFFE LLP TO SERVE AS SPECIAL COUNSEL IN CONNECTION WITH
THE FISCAL YEAR (FY) 2012 FUEL HEDGING PROGRAM**

WHEREAS, the San Mateo County Transit District (District) currently purchases approximately one point eight million gallons of diesel fuel each year to conduct bus operations; and

WHEREAS, consistent with the Fuel Hedging Policy (Policy) adopted by the Board in March 2010 and revised in April 2011, the District will shortly begin the process of selecting a counterparty meeting the requirements specified in the Policy for the FY2012 fuel hedging program; and

WHEREAS, the District requires the services of special counsel to assist it in the process of implementing a fuel hedge for the FY2012 fuel hedging program; and

WHEREAS, Orrick, Herrington & Sutcliffe, LLP, has served as the District's special counsel in prior years, including advising on FY2010's and FY2011's fuel hedging program, and has substantial experience with public transit financial transactions.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District hereby authorizes the General Manager/CEO to execute a contract in an amount not to exceed \$125,000 with Orrick, Herrington & Sutcliffe, LLP, to serve as

special counsel to the District in connection with the proposed fuel hedge for FY2012, with the understanding that the not to exceed amount includes services to be provided under a separate contract with the Peninsula Corridor Joint Powers Board, which is expected to pay 70 percent of the total cost of the special counsel services.

Regularly passed and adopted this 13th day of April, 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **AMENDMENT TO THE INVESTMENT POLICIES AND ANNUAL
REAUTHORIZATION TO INVEST MONIES WITH THE LOCAL
AGENCY INVESTMENT FUND**

ACTION

Staff proposes that the Committee recommend Board adoption of the attached resolutions, one of which amends the San Mateo County Transit District (District) Statement of Investment Policy and the Paratransit Trust Fund (Paratransit) Statement of Investment Policy (Investment Policies). These Investment Policies provide guidelines for the investment of District and Paratransit funds and include delegations of authority to invest such funds. The second resolution reauthorizes the investment of District monies in the Local Agency Investment Fund (LAIF).

SIGNIFICANCE

The District's General Manager/CEO or his designee serves as the District's trustee for purposes of placing investments pursuant to the Investment Policies. The Board of Directors, in accordance with *California Government Code Section 53646(a)*, may review the Investment Policies and also reauthorize the included delegations of authority on an annual basis at a public meeting.

Staff, in conjunction with Legal Counsel, has reviewed the attached Investment Policies and proposes approval of the following amendments:

(1) Require the District's and Paratransit's appointed investment advisor, at its sole discretion, to solicit three independent bids from SEC licensed brokerage institutions as defined in *California Government Code Section 53601.5* or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each transaction, with final selection made based on the best interests of the District or Paratransit. The Investment advisors may also incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the General Manager/CEO or his designee. This amendment to the Investment Policies grants the

authority to continue current District and Paratransit practices already in place, and reflects standard and prudent investment principles.

(2) As of September 25, 2009, the name of the bond index used as a benchmark in the Investment Policies' has been updated to reflect a merger in the market. Staff has incorporated the new index name, the BofA Merrill Lynch Index, into the Investment Policies.

BUDGET IMPACT

Adoption of the Investment Policies will have no impact on the District's Capital or Operating Budgets.

BACKGROUND

The District originally adopted its Investment Policy in October 1985 and has, from time to time, amended this policy, most recently in March 2009, when it adopted an additional Statement of Investment Policy for the investment of the Paratransit Trust funds, which were transferred to the District for management from the Transportation Authority after the expiration of the original Measure A. The Investment Policies were adopted and have been amended in accordance with sound treasury management and in compliance with the provisions of *California Government Code Section 53600 et seq.* The Investment Policies provide guidelines for the prudent investment and cash management of the District's funds and Paratransit Trust funds. The Investment Policies' primary objectives with respect to invested funds are (1) to safeguard the principal of the funds; (2) to meet the liquidity needs of the District and the Paratransit Fund; and (3) to achieve a return on invested funds.

The Board of Directors, in compliance with LAIF requirements, must adopt a separate resolution authorizing monies to be invested in LAIF.

Prepared By: Lori Snow, Treasury Manager

650-508-6425

EXHIBIT A

October, 1985
Revised October, 1986
Revised October, 1987
Revised October, 1988
Revised October, 1989
Reaffirmed October, 1990
Revised October, 1991
Reaffirmed October, 1992

Revised October, 1993
Revised November, 1994
Reaffirmed October, 1995
Revised March, 1996
Revised September, 1997
Reaffirmed October, 1998
Reaffirmed October, 1999
Reaffirmed October, 2000

Reaffirmed October, 2001
Reaffirmed December, 2002
Revised December, 2003
Reaffirmed December, 2004
Reaffirmed October, 2005
Reaffirmed November, 2006
Amended November 2007
Reaffirmed December 2008

Amended March 2009
Reaffirmed March 2010

SAN MATEO COUNTY TRANSIT DISTRICT

STATEMENT OF INVESTMENT POLICY

PURPOSE

This Statement of Investment Policy (Investment Policy) provides guidelines for the prudent investment and cash management of the San Mateo County Transit District's (District) funds.

OBJECTIVE

The District's cash management system is designed to monitor and forecast accurately, expenditures and revenues, thus enabling the District to invest funds to the fullest extent possible. Idle funds of the District shall be invested in accordance with sound treasury management and in accordance with the provisions of *California Government Code Section 53600 et seq.* and this Policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be applied in the context of managing an overall portfolio. District officials shall act in accordance with written procedures and the Investment Policy and should report deviations from expectations in a timely fashion and take appropriate action to control adverse developments.

The District's primary objective with respect to its invested funds is to safeguard the principal of the funds; the second objective is to meet the liquidity needs of the District; and the third objective is to achieve a return on its invested funds. In evaluating the market rate of return, the specific goal is to out perform the following composite benchmark:

- 40 percent Bof A Merrill Lynch 1 - 3 year Treasury Index
- 10 percent BofA Merrill Lynch 1 - 3 year High Grade Corporate Bond Index
- 40 percent BofA Merrill Lynch 3 - 5 year Treasury Index
- 10 percent Bof A Merrill Lynch 3 - 5 year High Grade Corporate Bond Index

POLICY

At all times, the District shall invest its funds in accordance with the rules and restrictions established by the law of the State of California (*Government Code Section 53600 et seq.*). In addition, the District shall conduct its investments under the "prudent investor standard": "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." (*California Government Code Section 53600.3*).

The General Manager/ CEO or his designee of the District shall serve as the District's trustee for purposes of placing investments pursuant to this Investment Policy. The Board of Directors may review and specifically reauthorize this delegation of authority on an annual basis. The Investment Policy may be reviewed annually by the District's Board of Directors at a public meeting. (*California Government Code Section 53646(a)*).

1. **Criteria for Selecting Investments.** Criteria for selecting investments and the order of priority are:
 - a. **Safety.** The safety and risk associated with an investment refer to the potential loss of principal, interest or a combination of these amounts. The District shall operate only in those investments that are considered safe. Investments in instruments and with institutions permitted under Section 2, Diversification, Section 6, Allowable Investment Instruments and Section 7, Local Agency Investment Fund, are deemed to constitute safe investments within the meaning of this Investment Policy.
 - b. **Liquidity.** An adequate percentage of the portfolio, in the approximate amount of six months operating expenses, should be maintained in liquid short-term investments which can convert to cash if necessary to meet disbursement requirements. For purposes of this Investment Policy, fixed income securities maturing in one year or more are considered investment term and fixed income securities maturing in less than one year are considered short-term cash equivalents. All funds available for investment shall be directed to the managers of the District's investment portfolio.
 - c. **Return on Investment.** The District's investment portfolio shall be designed with the objective of attaining the safety and liquidity objectives first, and then attaining a market rate of return throughout the budgetary and economic cycles, consistent with the portfolio's benchmark as described in the section entitled "Objective" (see above). This benchmark takes into account the District's investment risk constraints and the cash

flow characteristics of the portfolio.

2. **Diversification.** The District will limit its investments to the safest types of securities which include those backed by the U.S. Government or its agencies, those which have federal insurance on principal by the Federal Deposit Insurance Corporation (FDIC), or those having collateral backing of the invested principal as defined by this Investment Policy and/or the California Codes, and medium term notes as defined by *California Government Code Section 53601(j)*. Only first mortgages or government securities may be used for collateral on District deposits.

Collateral is defined in this Policy to mean property (as securities) pledged by a borrower to protect the interest of the lender. For purposes of this Investment Policy, the following investments are considered to have collateral backing: Certificates of Deposit protected by either the FDIC or pledged securities in conformance with California Codes and this Investment Policy; Bankers' Acceptances (protected by an irrevocable time draft or bill of exchange) whereby the accepting bank incurs an irrevocable primary obligation thus guaranteeing payment on the draft or bill. A secondary obligation rests with the issuing company; Commercial Paper (protected by an unsecured promissory note from the issuer who must be rated A-1/P-1/F-1 or better) thereby guaranteeing that the earning power and/or liquidity had been established to fulfill the obligation to pay; and, asset backed securities which are rated AAA by both Moody's Investor Service and Standard & Poor's.

The portfolio should consist of a mix of various types of securities, issuers, and durations from among the allowable investment instruments described in Sections 5, 6, 7 and 8.

3. **Safekeeping and Custody.** All security transactions, including collateral for repurchase agreements, will be executed on a Delivery versus Pay Basis (DVP). The assets of the District shall be held in safekeeping by the District's safekeeping agent, or secured through third party custody and safekeeping procedures. A due bill or other substitutions will not be acceptable.
4. **Maturity of Investments.** The remaining maturity of a callable security shall be determined by its actual final stated maturity. The maturity of asset backed securities shall be considered the estimated maturity date of the tranche. Investments may be made in securities exceeding 5 years but with a remaining life of no more than 11 years, no more than 25 percent of the portfolio shall be invested in securities with a remaining life of 5 to 11 years, and the weighted average maturity of the portfolio shall not exceed 5 years. The policy of maintaining a maximum dollar weighted maturity of 5 years leaves open the flexibility to take advantage of interest rate fluctuations as well as yield curve differences to maximize the return on investment as well as coinciding with the expected use of the funds. The imposed maximum dollar weighted 5 year average

maturity also limits the market risk to levels comparable to an intermediate income fund.

5. **Deposit of Funds.** As far as possible, all money belonging to or in the custody of the District including money paid to the District to pay the principal, interest or penalties of bonds, shall be deposited for safekeeping in state or national banks, savings associations or federal associations, credit unions or federally insured industrial loan companies in California (as defined by *California Government Code Section 53630*). Pursuant to *California Government Code Sections 53635, 53637 and 53638*, the money shall be deposited in any authorized depository with the objective of realizing maximum return, consistent with prudent financial management.

The District's funds may also be invested in the instruments set forth below and in Sections 6, 7 and 8 of this Investment Policy:

- a. **Time Deposits with Banks.** The District may invest in time deposits. In so doing, the following rules will be followed subject to the applicable statutory requirements:
 - (1) No more than 5 percent of the total portfolio will be placed in any one financial institution.
 - (2) The issuing bank must carry a short term rating of at least A-1/P-1/F-I whose long-term rating is A or better by two of the three nationally recognized rating services (Standard & Poor's, Moody's Investor Service and Fitch's Ratings).
 - (3) Prior to placing each deposit, the General Manager/CEO or his designee will survey the market in order to determine which stable financial institution offers the highest rate of interest.
 - b. **U.S. Treasury Obligations.** The investment of District funds in U.S. Treasury obligations may be undertaken in lieu of time deposits. Guaranteed by the U.S. Government, treasury obligations are considered one of the safest instruments, but the yield generally is lower than that of time deposits.
6. **Allowable Investment Instruments.** The District may also invest in any investment instrument as authorized by the *California Government Code*, as it may be amended from time to time, and subject to any conditions set forth in the *California Government Code*. These investment instruments may include:
 - a. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States Government are pledged for the timely payment of principal and interest.

- b. Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks or obligations, participations or other instruments of or issued by, a federal agency or a United States government-sponsored enterprise.
 - c. Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as banker's acceptances, which are eligible for purchase by the Federal Reserve System.
 - d. Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Standard & Poor's, or Fitch's Ratings.
 - e. Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by *California Financial Code Section 5102*) or by a state-licensed branch of a foreign bank.
 - f. Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section only under specific statutory conditions.
 - g. Medium-term notes/corporate bonds of a maximum of five years' maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
 - h. Shares of beneficial interest issued by diversified management companies investing in the securities and obligations as authorized by subdivisions (a) to (g), inclusive, of this section and that comply with specific statutory restrictions.
 - i. Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable-backed bond of a maximum of five years maturity.
 - j. Securities having collateral backing of the invested principal as defined by this Policy and/or the California Government Code. Only first mortgages or government securities may be used for collateral on the District's deposits.
7. **Local Agency Investment Fund.** The Board of Directors also authorizes the District to invest in the Local Agency Investment Fund (LAIF) pursuant to *California Government Code Section 16429.1*.

8. **Investment Trust of California.** The Board of Directors also authorizes the District to invest in the Investment Trust of California (*CalTRUST*).
9. **Portfolio Transactions.** The District's investment advisors are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Investment advisors are to obtain three independent bids from SEC licensed brokerage institutions, licensed by the state as a broker-dealer, as defined in *California Government Code Section 53601.05*, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each portfolio transaction. The investment advisors, at their sole discretion and authority, will choose which broker dealers or brokerage firms from which to solicit bids and final selection is to be made based on the best interests of the District. Investment advisors may incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the General Manager/CEO or his designee.
10. **Prohibited Investments.** The District shall not invest any funds in inverse floaters, range notes or mortgage derived interest-only strips. The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity; however, the District may hold this prohibited instrument until its maturity date. The limitation does not apply to investments in shares of beneficial interest issued by diversified management companies as set forth in *California Government Code Section 53601.6*.

REPORTING

On a monthly basis the Investment Manager shall submit an investment report which provides a market review, the Manager's outlook for the market and strategy for investing District funds. The report will also compare the portfolio against the benchmark established by this policy in terms of duration and yield.

Quarterly, the General Manager/CEO shall submit an investment report to the Board of Directors within 30 days of the end of the quarter. The report shall include the following information:

1. Type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and money held by the District;
2. Description of any of the District's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the District or under management by any outside party

that is not a local agency, the State of California Local Agency Investment Funds or the Investment Trust of California, a current market value as of the date of the report and the source of this valuation;

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 District 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.

If the District places all of its investments in the LAIF, FDIC-insured accounts in a bank or savings and loan association or county investment pool (or any combination of these three), the General Manager/CEO can simply submit, on at least a quarterly basis, the most recent statements from these institutions to meet the requirements of items 1-3 above, with a supplemental report addressing items 4 and 5 above. (*California Government Code Section 53646(b)-(e)*).

March 2009
Reaffirmed March 2010

EXHIBIT B

SAN MATEO COUNTY TRANSIT DISTRICT

Statement of Investment Policy for the Investment of the Paratransit Trust Fund

I. PURPOSE

This Policy sets forth the investment guidelines for the prudent management of the Paratransit Trust Fund of the San Mateo County Transit District, ("District"). It is the goal of this Policy to establish investment objectives in accordance with the provisions of the *California Government Code, Section 53600 et seq.* (hereafter "*Code*"), and investment guidelines, to ensure that the funds under its purview are prudently invested to preserve capital, provide necessary liquidity, and to achieve a market-average rate of return over an economic cycle consistent with the District's goals of preserving principal and minimizing the risk of diminishing the principal.

Investments may only be made as authorized by this Investment Policy, and subsequent revisions. This Statement of Investment Policy may be reviewed annually by the District's Board of Directors at a public meeting. Irrespective of these policy provisions, should the provisions of the *Code* be, or become, more restrictive than those contained herein, then such provisions will be considered immediately incorporated into this Statement of Investment Policy.

II. OBJECTIVES

The District shall invest the Paratransit Trust Fund while striving to limit undue risk. When assessing potential risk, both the assets and liabilities of the District shall be taken into consideration. These funds shall be invested in accordance with sound treasury management practices and in accordance with the *Code* and this Policy.

When investing, reinvesting, purchasing, acquiring, selling, and managing the District's Paratransit Trust Fund:

1. The primary objective shall be to safeguard the principal of the funds under its control. The District shall invest only in those investments that are considered safe. Investments in instruments and with institutions permitted under Section VI, Investment Guidelines, are deemed to constitute safe investments within the meaning of this policy.

2. The secondary objective shall be to meet the liquidity needs of the Paratransit Trust Fund. It is important that the portfolio contain investments for which there is an active secondary market, and which offer the flexibility to be easily sold at any time with minimal risk of loss of either the principal or interest based upon then prevailing rates.
3. The third objective shall be to achieve a return on the Paratransit Trust Fund portfolio. The District's investment portfolio shall be designed with the objective of attaining the safety and liquidity of principal first, and then attaining a market average rate of return over an economic cycle consistent with the portfolio's benchmark, as described in Section V.

III. PRUDENCE

Members of the Board of Directors of the District, the General Manager/CEO or his designee, as well as any other person authorized to make investment decisions on behalf of the District, are Trustees and therefore fiduciaries, subject to the Prudent Investor Standard. When investing, reinvesting, purchasing, acquiring, selling, and managing the District's funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, such that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal, minimize the risk of diminishing the funding increment, and to maintain the liquidity needs of the District. (*California Government Code, Section 53600.3*) The Prudent Investor Standard shall be applied in the context of managing the Paratransit Trust Fund.

IV. DELEGATION OF AUTHORITY

Authorization to manage the District's investment program is derived from the Board of Directors. Management's responsibility for the investments of the Paratransit Trust Fund is hereby delegated to the General Manager/CEO or his designee. No person may engage in an investment transaction, except as provided under the terms of this Investment Policy Statement and the procedures established by the General Manager/CEO or his designee. This authorization may be renewed annually.

V. BENCHMARKS

In order to establish a basis for evaluating investment results, the District shall establish the following customized Fixed Income Security Benchmark for its Paratransit Trust Fund:

- 50% BofA Merrill Lynch 3 - 5 Year Treasury Index
- 30% BofA Merrill Lynch 5 - 7 Year Treasury Index
- 20% BofA Merrill Lynch 7 - 10 Year Treasury Index

This benchmark takes into consideration the primary objectives of: capital preservation and liquidity; the requirements of the *Code*; the term structure of the District's stipulated Paratransit funding obligations as prescribed by Measure "A" passed in 1988; and the

reinvestment rate risks associated with shorter benchmarks, to allow the District to invest its Paratransit Trust Fund to the fullest extent possible. The benchmark may be reviewed annually.

VI. INVESTMENT GUIDELINES

A. Investments are to be made only in high quality securities or instruments, as permitted by the *Code* and subject to the limitations of this Investment Policy.

B. Eligible securities for investment shall be limited to:

1. U.S. Treasury Securities and Obligations of U.S. Agencies or government sponsored enterprises:

Definition: **U.S. Treasury Securities:**

United States Treasury notes, bonds, strips, bills or certificates of indebtedness, or obligations for which the full faith and credit of the United States Government are pledged, for the timely payment of principal and interest.

Obligations Of U.S. Agencies or government sponsored enterprises:

Debt instruments issued by a federal agency carrying a high credit rating because it is government sponsored.

2. Or the District may invest all or a portion of its investments as described in Section II.2 of this Policy, up to the state mandated maximum in the Local Agency Investment Fund (LAIF) pursuant to *California Government Code, Section 16429.1*.

C. The District shall not invest any funds in any securities not specifically authorized by this policy, or in inverse floaters, range notes or interest only strips that are derived from a pool of mortgages. Additionally, no funds may be invested in any security that could result in zero rate of return if held to maturity.

D. Portfolio Transactions:

The District's investment advisors are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Investment advisors are to obtain three independent bids from SEC licensed brokerage institutions, licensed by the state as a broker-dealer, as defined in *California Government Code Section 53601.05*, or from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, prior to the execution of each portfolio transaction. The investment advisors, at their sole discretion and authority, will choose which broker dealers or brokerage firms from which to solicit bids and final selection

is to be made based on the best interests of the District. Investment advisors may incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the General Manager/CEO or his designee.

E. Diversification and Maturity Guidelines:

<u>Type of Investment</u>	<u>Maximum % of Portfolio</u>	<u>Maximum % of One Issuer</u>	<u>Maximum Maturity</u>
U. S. Securities	100	100	15 Years
Obligations of U. S. Agencies or government sponsored enterprises	100	100	15 Years
Local Agency Investment Fund(LAIF)	Up to the Current Limit		

E. Interest earned on the District’s investments for the Paratransit Trust Fund are to be placed in the District’s general bank account or pool of investments with LAIF and become governed by the District’s investment policy for the Investment of General Funds.

VII. REPORTING

At least on a quarterly basis, the General Manager/ CEO shall render a report to the Board of Directors. The report shall include the following information:

1. A portfolio appraisal including the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments, and moneys held by the District, and shall additionally include a description of the District’s funds, investments, or program, including lending programs, that are under management of any outside parties.
2. The current market value, as of the date of the report, of all investments, as well as the source of this same valuation.
3. A statement of compliance of the portfolio to this investment policy statement, or the manner in which the portfolio is not in compliance.

For investments in LAIF, a bank, or a savings and loan association, the most recent statement(s) received by the District from these institutions may suffice in lieu of the requirements above.

VIII. SAFEKEEPING AND DELIVERY OF SECURITIES

All transactions shall be executed on a Deliver versus Payment basis, (DVP). Free deliveries, a due bill or other substitution will not be acceptable.

To protect against potential fraud or embezzlement, the assets of the District shall be held in safekeeping, or secured through third-party custody pursuant to the limitations set forth in the

Government code, Section 53608. These procedures will be annually reviewed by an external auditor. All investments are to be held in the name of the District.

IX. DEFINITION OF TERMS

Investment Instruments:

- **U.S. Treasuries** - Obligations of the U.S. Government including: Treasury Bills – 3 month, 6 month, and 1 year securities issued and traded at a discount; Treasury Notes and Bonds – interest-bearing instruments issued with maturities of 2 to 30 years; Treasury Strips – U.S. Treasury securities that have been separated into their component parts of principal and interest payments, and recorded as such in the federal Reserve book-entry record-keeping system.
- **Obligations of U.S. Agencies** - Obligations of U.S. Agencies are debt instruments issued by a federal agency carrying a high credit rating because it is government sponsored.
- **Broker** – A broker brings buyers and sellers together for a commission paid by the initiator of the transaction, or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money, and in inter-dealer markets.
- **Collateral** – Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.
- **Coupon** – (A) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value; (B) a certificate attached to a bond evidencing interest due on a payment date.
- **Dealer** – A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.
- **Debenture** – A bond secured only by the general credit of the issuer.
- **Delivery versus Payment (DVP)** – There are two methods of delivery of securities; delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.
- **Discount** – The difference between the cost price of a security, and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.
- **Discount Securities** – Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.

- **Diversification** – Dividing investment funds among a variety of securities offering independent returns.
- **Local Agency Investment Fund (LAIF)** – The aggregate of all funds from political subdivisions of the State of California, that are placed in the custody of the State Treasurer for investment and reinvestment.
- **Market Value** – The price at which a security is trading and could presumably be purchased or sold.
- **Maturity** – The date upon which the principal or stated value of an investment becomes due and payable.
- **Portfolio** – Collection of securities held by an investor.
- **Prudent Person Rule** – An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state, the so-called legal list. In other states, the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.
- **Primary Dealer** – A group of government securities dealers that submit daily reports of market activity, positions, and monthly financial statements of the Federal Reserve Bank of New York, and are subject to its informal oversight. Primary Dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.
- **Qualified Public Depositories** – A financial institution which does not claim exemption from the payment of any sales or compensating use, or ad valorem taxes under the laws of this state, which has segregated for the benefit of the Commission eligible collateral having a value of not less than its maximum liability, and which has been approved by the Public Deposit protection Commission to hold public deposits.
- **Rate of Return** – The yield obtainable on a security, based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond, or the current income.
- **Safekeeping** – A service to customers rendered by banks for a fee, whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.
- **Secondary Market** – A market made for the purchase and sale of outstanding issues following the initial distribution.
- **Securities & Exchange Commission** – Agency created by Congress to protect investors in securities transactions by administering securities legislation.
- **Uniform Net Capital Rule** – Securities and Exchange Commission requires that member firms as well as non-member broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called Net Capital Rule and Net Capital Ratio. Indebtedness covers all money owed to a firm, including margin loans, and

commitments to purchase securities, which is one reason new public issues are spread among members of underwriting syndicates. Liquid Capital includes cash and assets easily converted into cash.

- **Yield** – The rate of annual income return on an investment, expressed as a percentage. (A) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (B) Net Yield or Yield to Maturity is the current income yield minus any premium above par, or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

RESOLUTION NO. 2011 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

**AMENDING THE STATEMENT OF INVESTMENT POLICIES
FOR THE SAN MATEO COUNTY TRANSIT DISTRICT AND THE PARATRANSIT
TRUST FUND**

WHEREAS, in accordance with applicable State law, the San Mateo County Transit District (District) is required to adopt an investment policy; and

WHEREAS, in October 1985, pursuant to Resolution No. 1985-67, the District adopted a Statement of Investment Policy, which was most recently reaffirmed in March 2010; and

WHEREAS, when the District last amended its Statement of Investment Policy in March 2009, it also adopted a Statement of Investment Policy for the investment of the Paratransit Trust funds transferred to the District for management from the San Mateo County Transportation Authority after the expiration of the original Measure A; and

WHEREAS, staff recommends approval and adoption of the aforementioned amended Statement of Investment Policies to (1) add specific requirements for investment advisors executing portfolio transactions on behalf of the District and Paratransit, and (2) to reflect the name change of the benchmark due to Bank of America Corporation's acquisition of Merrill Lynch; and

WHEREAS, the District may annually render a statement of said investment policies to the Board of Directors for review and approval pursuant to Section 53646 of the State of California Government Code; and

WHEREAS, the General Manager/CEO has presented the Statement of Investment Policies for the investment of District funds and the Paratransit Trust Fund to the Board of Directors for approval; and

WHEREAS, staff recommends the approval of the aforementioned Statement of Investment Policies for the investment of District funds and the Paratransit Trust Fund and the appointment of the General Manager/CEO (or his designee) as trustee for purposes of placing investments pursuant to the aforementioned policies.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District approves and adopts the amended Statement of Investment Policies for the investment of District funds and the Paratransit Trust Fund attached hereto as EXHIBITS A and B, incorporated by this reference, and hereby appoints its General Manager/CEO (or his designee) as the trustee for purposes of placing investments pursuant to said policies.

Regularly passed and adopted this 13th day of April 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

RESOLUTION NO. 2011 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

**AUTHORIZING INVESTMENT OF SAN MATEO COUNTY TRANSIT MONIES IN
LOCAL AGENCY INVESTMENT FUND**

WHEREAS, pursuant to Government Code Section 16429.1, a Local Agency Investment Fund was created in the State Treasury for the deposit of local agency monies for purposes of investment by the State Treasurer; and

WHEREAS, staff hereby recommends that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Government Code Section 16429.1 for the purposes of investment as stated therein is in the best interests of the San Mateo County Transit District.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District does hereby authorize the deposit and withdrawal of San Mateo County Transit District monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Government code Section 16429.1 for the purpose of investment as stated therein; and

BE IT FURTHER RESOLVED that the General Manager/CEO (or his designee) shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

Regularly passed and adopted this 13th day of April 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Rita P. Haskin, Executive Officer, Customer Service and Marketing
Mark Simon, Executive Officer, Public Affairs

SUBJECT: ADOPTION OF ADVERTISING POLICY

ACTION

Staff and an adhoc committee of the Board, made up of Directors Omar Ahmad, Rose Guilbault and Shirley Harris, propose that the Committee recommend the Board adopt the attached Advertising Policy (Policy), which is applicable to all forms of advertising on transit facilities owned and/or managed by the San Mateo County Transit District (District).

SIGNIFICANCE

As a result of recent community feedback regarding certain non-commercial advertisements that were placed on the exterior of the District's buses, staff has developed the attached Policy in consultation with the District's Legal Counsel. The Policy revises the District's current advertising practices by providing that the District will make space on transit facilities of the District and Caltrain (Transit Facilities) available for limited types of advertising. By allowing only limited types of advertising on these Transit Facilities, the District does not intend to create a public forum for public discourse or expressive activity or to provide a forum for all types of advertisements. All advertising shall be subject to this uniform, viewpoint-neutral Policy.

The Policy provides that the District will not permit certain types of advertising on Transit Facilities in order to:

- maintain a professional advertising environment that maximizes advertising revenues and minimizes interference with or disruption its and Caltrain's transit systems;
- maintain an image of neutrality on political, religious or other issues that are not the subject of commercial advertising and are the subject of public debate and concern; and
- continue to build and retain transit ridership.

BUDGET IMPACT

There is minimal impact on the budget.

BACKGROUND

The proposed Policy will apply to the sale of advertising in and upon the District's and Caltrain's Transit Facilities, consisting of: print advertising on the exterior of the District's buses; print

advertising displayed in bus shelters in the District's service area; print advertising on the interior of the District's buses; advertising on the exterior of Caltrain's rail cars in the form of a "wrap;" advertising displayed in Caltrain train stations; and print advertising on the interior of Caltrain's rail cars.

The Policy is divided into two advertising categories: Exterior Advertising and Interior Advertising.

Exterior Advertising will primarily consist of commercial advertising, which is defined as advertising the sole purpose of which is to sell products, goods or services for profit and does not include advertising that both offers to sell products, goods or services and also conveys a political or religious message, or issue advocacy, and/or expresses or advocates opinions or positions related to any of the foregoing. Exterior Advertising may also include advertising that promotes the services of SamTrans or Caltrain.

Interior Advertising will be limited to the following types of advertisements:

- Public Service Advertising, which is defined as advertising proposed by governmental entities, academic institutions or tax-exempt nonprofit organizations that relates to community, art, cultural, educational, health, or safety events, programs and/or messages and does not include commercial advertising or contain any direct or indirect reference to religious, political or issue advocacy;
- Advertising promoting SamTrans or Caltrain; and
- Cross-promotional Advertising, which is defined as advertising in which the District or Caltrain collaborates with for-profit entities to promote using SamTrans or Caltrain as a conveyance to a specific event; such advertising may not contain any direct or indirect reference to religious, political or issue advocacy.

The District's current practice excludes the following types of advertisements:

- False, misleading, or deceptive;
- Clearly defamatory or likely to hold up to scorn or ridicule a person or group of persons;
- Obscene or pornographic;
- In advocacy of imminent lawlessness or violent action;
- Promoting alcohol or tobacco products or their use;
- Political; and
- Infringement of copyright, trade dress, service mark, title or slogan.

The new Policy adds two new types of advertisements to the above list, which are:

- Religious; and
- Unauthorized Endorsement.

The Policy includes a process for the administration and enforcement of the Policy.

The SamTrans exterior bus advertising program began in 1995 and has generated as much as \$2.5 million in one year.

Prepared by: Rita P. Haskin, Executive Officer, Customer Service and Marketing 650-508-6248

SAN MATEO COUNTY TRANSIT DISTRICT
ADVERTISING POLICY

The San Mateo County Transit District (District) provides public transportation services (SamTrans) within San Mateo County, San Francisco County and Santa Clara County, California. The District is also the Managing Agency of the Peninsula Corridor Joint Powers Board (Caltrain), a joint powers agency whose membership is comprised of the San Mateo County Transit District, the City and County of San Francisco and the Santa Clara Valley Transportation Authority. Caltrain provides passenger rail service between San Francisco and Gilroy. The District and Caltrain are referred to collectively as the “Agencies.”

The District is engaged in the sale of advertising in and upon the property and rolling stock of the Agencies (Transit Facilities), consisting of: (1) print advertising on the exterior of the District’s buses; (2) print advertising displayed on bus shelters in the District’s service area; (3) print advertising on the interior of the District’s buses; (4) advertising on the exterior of Caltrain’s rail cars in the form of a “wrap;” (5) advertising displayed in Caltrain train stations; and (6) print advertising on the interior of Caltrain’s rail cars. This Advertising Policy (Policy) shall apply to the sale of all forms of advertising on all Transit Facilities owned and/or managed by the District.

I. PURPOSE

The District will make space on its Transit Facilities available for limited types of advertising (Permitted Advertising). By allowing limited types of advertising on or within the Transit Facilities, the District does not intend to create a public forum for public discourse or expressive activity or to provide a forum for all types of advertisements. All advertising shall be subject to this uniform, viewpoint-neutral Policy.

The District will not permit the types of advertising defined as Excluded Advertising in Section III below. By not allowing Excluded Advertising, the Agencies can: (a) maintain a professional advertising environment that maximizes advertising revenues and minimizes interference with or disruption of their transit systems; (b) maintain an image of neutrality on political, religious or other issues that are not the subject of Commercial Advertising and are the subject of public debate and concern; and (c) continue to build and retain transit ridership.

II. PERMITTED ADVERTISING

A. Exterior Advertising

The display of Permitted Advertising on the exterior of the Transit Facilities (Exterior Advertising) is intended only to supplement fare revenue, tax proceeds and other income that fund the Agencies’ operations and to promote the Agencies’ transit operations. In order to realize the maximum benefit from the sale of space, the advertising program must be managed in a manner that will procure as much revenue as practicable, while ensuring that the advertising is of a type that does not discourage the use of the transit systems, does not diminish

the Agencies' reputations in the communities they serve or the good will of their patrons, and is consistent with the principal purpose of providing safe and efficient public transportation. To attain these objectives, the District's Board of Directors has established the following regulations governing Exterior Advertising. Exterior Advertising permitted under this section cannot contain displays or messages that qualify as Excluded Advertising, as defined below under Section III.

Exterior Advertising includes advertising in the following categories:

1. **Commercial Advertising.** Commercial Advertising is advertising the sole purpose of which is to sell products, goods or services for profit. It does not include advertising that both offers to sell products, goods or services and also conveys a political or religious message, or issue advocacy, and/or expresses or advocates opinions or positions related to any of the foregoing.

2. **Transit Operations of SamTrans or Caltrain.** Transit Operations Advertising is advertising that promotes SamTrans or Caltrain.

B. Interior Advertising

The District recognizes that passengers are a captive audience to any advertisements posted on the interior of the District's buses and Caltrain's rail cars (Interior Advertising). The District desires that such passengers not be subject to advertisements containing material relating to political, religious, or issue advocacy about which public opinion can be widely divergent and which some passengers may, therefore, find offensive. If passengers are so offended, it could adversely affect the ridership and revenue of the Agencies. The District's Board of Directors has, therefore, established the following regulations governing Interior Advertising. Like Exterior Advertising, Interior Advertising permitted under this section cannot contain displays or messages that qualify as Excluded Advertising, as defined below under Section III.

Interior Advertising includes advertising in the following categories:

1. **Public Service Advertising.** Public Service Advertising is advertising proposed by governmental entities, academic institutions or tax-exempt nonprofit organizations that relates to community, art, cultural, educational, health, or safety events, programs and/or messages and does not include Commercial Advertising or contain any direct or indirect reference to religious, political or issue advocacy. Upon the District's request, nonprofit entities must document their tax-exempt status. Unless the source of the public service advertising is obvious from the content or copy, the advertisement must specifically identify the sponsor of the advertisement or the message.

2. **Transit Operations of SamTrans or Caltrain.** Transit Operations Advertising is advertising that promotes SamTrans or Caltrain.

3. **Cross-promotional Advertising.** Cross-promotional Advertising is advertising in which the Agencies collaborate with for-profit entities to promote using SamTrans

or Caltrain as a conveyance to a specific event; such advertising may not contain any direct or indirect reference to religious, political or issue advocacy.

III. EXCLUDED ADVERTISING APPLICABLE TO EXTERIOR AND INTERIOR ADVERTISING

Exterior and Interior Advertising cannot be displayed or maintained on Transit Facilities if information contained in the advertisement falls within one or more of the following categories of Excluded Advertising:

1. False, misleading, or deceptive.
2. Clearly defamatory or likely to hold up to scorn or ridicule a person or group of persons.
3. Obscene or pornographic.
4. In advocacy of imminent lawlessness or violent action.
5. Promoting alcohol or tobacco products or their use.
6. Religious.
7. Political.
8. Intellectual property infringement, including piracy or infringement of copyright, trade dress, service mark, title or slogan.
9. Unauthorized Endorsement.

For purposes of this Policy, the following definitions apply:

Religious Advertisements are defined as advertisements that contain any direct or indirect reference to religion, or to any religion, or to any deity or deities, or which includes the existence, nonexistence or other characteristics of any deity or deities, or to any religious creed, denomination, belief, tenet, cause or issue relating to (including opposing or questioning) any religion. This prohibition shall include the depiction of text, symbols, or images commonly associated with any religion or with any deity or deities, or any religious creed, denomination, belief, tenet, cause or issue relating to (including opposing or questioning) any religion.

Political Advertisements are defined as advertisements that contain political speech referring to a particular ballot question, initiative, petition, referendum, candidate, or political party or viewpoint or expresses or advocates opinions or positions upon any of the foregoing. This prohibition includes any advertisement referring to or depicting a candidate for public office in any context.

Unauthorized Endorsement Advertising is advertising that implies or declares that the District or Caltrain endorses a product, service, point-of-view, event or program. The

prohibition against endorsements does not apply to advertising for a service, event or program for which the District or Caltrain is an official sponsor, cosponsor or participant.

IV. ADMINISTRATION AND ENFORCEMENT OF POLICY

A. Review by Contractor

The District shall incorporate this Policy into its advertising management contracts. The District's Contractor shall submit for display on or in the Transit Facilities only advertisements that comply with the standards set forth in this Policy. If the Contractor is in doubt whether an advertisement complies with the standards set forth in this Policy, then the Contractor shall notify the District's Executive Officer, Customer Service and Marketing, or designee, of the specific standard or standards of this Policy with which the Contractor believes the advertisement may not comply.

B. Review by Executive Officer, Customer Service and Marketing

If the Contractor determines that an advertisement may not comply with the Policy in Section A, the Contractor shall send the advertisement and supporting information (the name of the advertiser, the size and number of the proposed advertisements, the dates and locations of proposed display, and notation of standards of concern) to the Executive Officer, Customer Service and Marketing, or designee, for review. The Executive Officer, Customer Service and Marketing, shall review the advertisement and supporting information to determine whether or not the advertisement complies with this Policy. If the Executive Officer, Customer Service and Marketing, determines that the advertisement does not comply with this Policy, he or she shall, in writing, specify the standard or standards with which the advertisement does not comply, and shall so notify the Contractor.

C. Notification to Advertiser

The Contractor will send prompt, written notification to the advertiser of the rejection of the advertisement and will include in that notification a copy of this Policy and written specification of which standard or standards the advertisement fails to comply with.

D. Appeal to General Manager/CEO

Rejection of an advertisement may be appealed to the District's General Manager/CEO, or designee, by written notification to the Executive Officer, Customer Service and Marketing. The General Manager/CEO will allow the advertiser and the Executive Officer, Customer Service and Marketing to present any argument or evidence they wish to offer. The General Manager/CEO's decision shall be final.

RESOLUTION NO. 2011 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

**ADOPTING THE SAN MATEO COUNTY TRANSIT DISTRICT'S
ADVERTISING POLICY**

WHEREAS, as a result of recent community feedback regarding certain non-commercial advertisements that were placed on the exterior of buses of the San Mateo County Transit District (District), Staff, in consultation with the District's Legal Counsel and an adhoc committee of the Board, has developed the attached proposed Advertising Policy (Policy); and

WHEREAS, the viewpoint-neutral Policy will apply to the sale of advertising in and upon the property and rolling stock (Transit Facilities) of the District and the Peninsula Corridor Joint Powers Board (Caltrain); and

WHEREAS, the Policy revises the District's current advertising practices by providing that the District will make space on Transit Facilities available for limited types of advertising in order to (1) maintain a professional advertising environment that maximizes advertising revenues and minimizes interference or disruption of these transit systems, (2) maintain an image of neutrality on political, religious or other issues that are not the subject of commercial advertising and are the subject of public debate and concern, and (3) continue to build and retain transit ridership; and

WHEREAS, by allowing only limited types of advertising on or within Transit Facilities, the District intends to convey that it is not creating a public forum for public discourse or expressive activity; and

WHEREAS, Staff and the adhoc committee recommend the Board adopt the attached Policy.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District approves and adopts the Policy attached hereto, and authorizes its General Manager/CEO, or his designee, to take further actions deemed necessary to implement this Policy.

Regularly passed and adopted this 13th day of April 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington C.H. (Chuck) Harvey
Deputy CEO Deputy CEO

**SUBJECT: REJECTION OF LOW MONETARY BID AS NON-RESPONSIVE AND
AWARD OF CONTRACT AWARD FOR ELECTRICAL MAINTENANCE
SERVICES**

ACTION

Staff proposes that the Committee recommend that the Board:

1. Reject the low monetary bid for electrical maintenance services received from Harris Electric. This firm submitted an incomplete bid package, rendering their bid non-responsive and requiring its rejection.
2. Award a contract to the next lowest responsive and responsible bidder, Liberty Electric, for electrical maintenance services for a total estimated cost of \$948,094 for a three-year base term.
3. Authorize the General Manager/CEO, or his designee, to execute a contract with Liberty Electric in full conformity with the terms and conditions of the solicitation documents.
4. Authorize the General Manager/CEO, or his designee, to exercise up to two additional one-year option terms, with an estimated cost of \$316,031 plus applicable Consumer Price Index changes for each option year, if it is in the best interest of the District.

SIGNIFICANCE

Approval of the above actions will provide the District with a qualified contractor to provide routine and emergency electrical maintenance services.

BUDGET IMPACT

Funding for on-call work performed under this contract will come from the currently approved SamTrans budgets, as well as future year budgets.

BACKGROUND

Bids for electrical maintenance services and on-call emergency repairs were originally received and opened publicly on February 18, 2010. At the June 9, 2010 San Mateo County Transit District Board Meeting, the Board approved a motion to reject all bids and re-advertise the Invitation for Bids (IFB) for electrical maintenance services. The District issued an amendment

to extend the existing contract with Liberty Electric to continue to provide electrical maintenance services until a new contract, resulting from the revised solicitation containing the required federal clauses, is awarded.

An IFB to provide electrical maintenance services was re-issued for the District. The IFB was re-advertised in a newspaper of general circulation and was posted on the District’s procurement website. Solicitation notices also were sent to small businesses (SBEs) and disadvantaged business enterprises (DBEs). Five contractors attended the pre-bid meeting for this procurement. Four bids were received and opened publicly with the following results:

	Company	Total Bid Price
1	Harris Electric - Dublin (an SBE firm)	\$942,260*
2	Liberty Electric – Burlingame (an SBE firm)	\$948,094
3	Bizpie – Belmont (a DBE firm)	\$1,066,986*
4	Best Contracting Services – Hayward	\$1,221,200

* *Non-responsive bidders*

The lowest bidder, Harris Electric, failed to meet a material solicitation requirement. It did not submit two General Electrician certifications with its bid as required by the solicitation documents. Staff therefore recommends that the bid of Harris Electric be considered non-responsive and must be rejected.

The second lowest bidder, Liberty Electric, has been found to be the lowest responsive and responsible bidder. Staff evaluated Liberty Electric for the ability to satisfactorily perform the work of the contract, and determined that Liberty Electric is responsible. Staff and legal counsel also determined that Liberty Electric submitted a complete bid package and satisfied all of the applicable requirements. Liberty Electric was deemed to be the lowest responsive and responsible bidder with a bid that was within 10 percent of the project manager’s estimate. Liberty Electric has been satisfactorily performing electrical maintenance services for the District since February 2005.

The District’s previous contract for electrical services with Liberty Electric expired February 8, 2011. The contract was in the estimated amount of \$977,425.

Contract Officer: Alicia Fraumeni 650-508-6442
 Project Manager: Jeff Thomas, Facilities Contract Administrator 650-508-6309

RESOLUTION NO. 2011-

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA**

* * *

**REJECTING LOW MONETARY BID AS NON-RESPONSIVE
AND AUTHORIZING AWARD OF CONTRACT TO LIBERTY
ELECTRIC FOR ELECTRICAL MAINTENANCE SERVICES
FOR A THREE-YEAR BASE TERM AT A TOTAL
ESTIMATED COST OF \$948,094**

WHEREAS, at the June 9, 2010 San Mateo County Transit District Board Meeting, the Board approved a motion to reject all bids and re-advertise the Invitation for Bids (IFB) for electrical maintenance services; and

WHEREAS, the San Mateo County Transit District (District) has re-solicited the IFB for electrical maintenance services for a three-year term for the District; and

WHEREAS, in response to the District's IFB four firms submitted bids; and

WHEREAS, staff and General Counsel have reviewed the bids, and determined that the apparent low bidder, Harris Electric of Dublin, California failed to meet a material solicitation requirement and is therefore non-responsive; and

WHEREAS, staff has duly notified Harris Electric of the recommendation to reject its bid and of its right to present evidence on its behalf before the Board of Directors; and

WHEREAS, the General Manager/CEO has recommended, and the Committee concurs, that the contract be awarded to the lowest responsive, responsible bidder, Liberty Electric, Inc. of Burlingame, California, whose bid meets the requirements of the solicitation documents.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District rejects the bid of Harris Electric as non-responsive for the reason stated above; and

BE IT FURTHER RESOLVED that the Board or Directors of the San Mateo County Transit District awards a contract to Liberty Electric for electrical maintenance services, for a three-year base term at a total estimated cost of \$948,094, based upon the estimated requirements of the District during the contract term and at the prices submitted, with options to extend the contract for up to two additional, one-year terms in the estimated amount of \$316,031, plus applicable CPI adjustments for each option year; and

BE IT FURTHER RESOLVED that the General Manager/CEO, or his designee, is authorized to execute a contract on behalf of the District with Liberty Electric, Inc., in full conformity with the terms and conditions of the solicitation documents and in a form approved by Legal Counsel; and

BE IT FURTHER RESOLVED that the General Manager/CEO, or his designee, is authorized to exercise up to two additional one-year option terms with Liberty Electric, Inc., provided that such options are in the best interest of the District.

Regularly passed and adopted this 13th day of April 2011 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington C.H. (Chuck) Harvey
Deputy CEO Deputy CEO

**SUBJECT: REJECTION OF ALL BIDS FOR FLOOR MAINTENANCE SERVICES
AND RELATED CARPET/VINYL WORK AND AUTHORIZATION TO
REISSUE THE SOLICITATION**

ACTION

Staff proposes that the Committee recommend that the Board:

1. Reject all bids submitted in response to the San Mateo County Transit District (District) solicitation for providing floor maintenance services and related carpet/vinyl work.
2. Authorize a re-solicitation for those services.

SIGNIFICANCE

The services solicited would have provided the District with a contractor for provision of floor maintenance services and related carpet and vinyl work. However, the solicitation for this requirement resulted in non-responsive bids and one unreasonably-priced bid. Approval of the above actions will allow rejection of all bids received and will permit re-issuance of a new solicitation.

BUDGET IMPACT

Rejection of bids will not have a budget impact.

BACKGROUND

An Invitation for Bids (IFB) to provide floor maintenance services and related carpet/vinyl work was issued for the District. The IFB was advertised in a local newspaper and was posted on the District's procurement website. Solicitation notices also were sent to small and disadvantaged business enterprises. Four contractors attended the pre-bid meeting for this procurement. Four bids were received from three firms (all small businesses) and opened publicly with the following results:

	Company	Total Bid Price
1A	Greenway Floors and More, Inc. -- Fremont – Alternate Materials	\$ 311,760
1B	Greenway Floors and More, Inc. -- Fremont	\$ 356,898
2	Rodan Builders, Inc. -- San Francisco	\$ 353,644
3	Peacock Interiors & Gallery, Inc. -- San Francisco	\$ 619,800

Analysis of the bid packages resulted in a determination that the two lowest bidders were non-responsive and the third bidder was unreasonably high.

- Greenway Floors and More, Inc.’s two bids are non-responsive because the firm failed to acknowledge Addenda six and seven, and also failed to include the appropriate documentation demonstrating compliance with the requisite minimum experience qualifications.
- Rodan Builders, Inc.’s bid is non-responsive because the firm failed to comply with the Subcontracting requirement which states the “Contractor shall perform with its own organization contract work amounting to not less than fifty percent (50%) of the original total contract price.”
- Peacock’s bid is unreasonably high, and the funds available in the budget are insufficient to cover the anticipated project costs if this bid was awarded.

The re-solicitation for these services may include changes in quantities, materials, bonding, insurance and liquidated damages requirements that may attract more bidders. In cases where bidders simply did not complete all required bid documents, the re-solicitation also will provide another opportunity to submit a responsive bid.

Currently, there is no contract for floor maintenance services and related carpet/vinyl work. The District will continue to use small procurements, as needed, for projects under \$10,000 during the interim of re-issuing a solicitation for award.

Contract Officer: Evelyn Marcal

650-508-7958

Project Manager: Jeff Thomas, Facilities Contract Administrator

650-508-6309



BOARD OF DIRECTORS 2011

KARYL MATSUMOTO, CHAIR
JERRY DEAL, VICE CHAIR
OMAR AHMAD
CAROLE GROOM
ROSE GUILBAULT
SHIRLEY HARRIS
ZOE KERSTEEN-TUCKER
ARTHUR L. LLOYD
ADRIENNE TISSIER

MICHAEL J. SCANLON
GENERAL MANAGER/CEO

A G E N D A
LEGISLATIVE COMMITTEE
COMMITTEE OF THE WHOLE

San Mateo County Transit District Administrative Building
Bacciocco Auditorium - Second Floor
1250 San Carlos Ave., San Carlos, CA

WEDNESDAY, APRIL 13, 2011 – 3:00 p.m.
or immediately following previous Committee meeting

ACTION

1. Approval of Minutes of Legislative Committee Meeting of March 9, 2011

INFORMATIONAL

2. State and Federal Legislative Update

Committee Members: Zoe Kersteen-Tucker, Omar Ahmad, Rose Guilbault

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- 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 TRANSIT DISTRICT
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF LEGISLATIVE COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 9, 2011**

Committee Members Present: Z. Kersteen-Tucker (Committee Chair), R. Guilbault

Committee Members Absent: O. Ahmad

Other Board Members Present, Constituting Committee of the Whole: J. Deal, C. Groom, S. Harris, A. Lloyd, K. Matsumoto, A. Tissier

Staff Present: J. Cassman, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez, N. McKenna, D. Miller, S. Murphy, M. Scanlon, M. Simon

Committee Chair Zoe Kersteen-Tucker called the meeting to order at 3:04 p.m.

Approval of Minutes of Legislative Committee Meeting of February 9, 2011

The committee approved the minutes (Deal/Harris).

Update on the State Legislative Program

Government Affairs Manager Seamus Murphy said the gas tax swap reenactment will be part of whatever is approved. He said it won't be part of any conference committee negotiations that happen after the chambers approve a budget. Mr. Murphy said the tricky part of this is two Republican votes are needed in either chamber and all but five Republicans have signed a statement that they will not put any tax increase ballot measures before the voters in June. He said the governors' emergency session ends on March 10 so it looks like nothing will be done before then to make the June ballot.

Update on Federal Legislative Program

Mr. Murphy said the House approved its appropriations bill for the current fiscal year. This bill includes debilitating cuts to key transportation and transit programs, especially on the rail side. Mr. Murphy said for Caltrain the funds for Positive Train Control Projects and the High Speed Rail (HSR) program were completely eliminated as part of the appropriations bill so the Senate is trying to determine what to do with this proposal now that it has moved to the Senate. Additional short-term extensions of current spending levels had to be approved, the most recent one was two weeks and goes through March 18 and looks like another one will be needed after that date. There are some cuts that are part of the short-term extensions, but none of the cuts that have been proposed affect any key transportation programs since they were mostly earmarks that were included in 2010 and have been removed for the current fiscal year.

Mr. Murphy said in regards to HSR in Florida, staff has been paying close attention to the funds that the Florida governor has rejected. He said there is potential for a portion of those funds to come to California and there have been a number of proposals that the governor has been

presented with to try and hold on to the funding, including a scaled down project. Mr. Murphy said some State senators petitioned the Supreme Court to order the governor to retain those funds and use them to fulfill the project construction but the Supreme Court decided that the petition would not be granted so the governor's rejection of those funds looks final at this time and our local delegation has been advocating that those funds not only come to California but should be used to help fund the Positive Train Control/Communications Based Overlay Signal System Project for Caltrain.

Chair Karyl Matsumoto said the administration is requesting double the investment in transportation programs and yet the house speaker keeps saying he is going to cut expenses. Mr. Murphy said they are definitely on two opposite ends of the spectrum right now and in the House they are set on making some significant cuts and the cuts they have proposed are not advantageous to the goals of public transit. He said the president's proposal doesn't deal with the current fiscal year and the cuts proposed by the House are for the current fiscal year. Mr. Murphy said the president's budget proposal for 2012 included a proposal for the reauthorization of the Surface Transportation Program. He said both proposals roughly double the amount of public transportation investment that the Federal government would make.

Adjourned: 3:10 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Legislative Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Mark Simon
Executive Officer, Public Affairs

SUBJECT: STATE AND FEDERAL LEGISLATIVE UPDATE

ACTION

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

SIGNIFICANCE

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

STATE ISSUES

Budget

Assembly Bill 105 was passed by the Legislature and signed by the governor to address potential conflicts between the gas tax swap and Proposition 26, and to preserve \$330 million in State Transit Assistance (STA) funding.

The Legislature and the governor must now resolve the rest of the State's budget shortfall either through the extension of existing revenues into the next fiscal year, or through additional cuts.

This is complicated by the fact that the Legislature has not reached agreement yet on the governor's proposals to eliminate local redevelopment funds or to place measures before the voters extending certain tax rates.

Without approval of these additional budget components, the Legislature would need to make additional cuts to existing programs, potentially threatening a portion of STA funding.

Staff participated in the California Transit Association's lobby day on March 30 and met with members of the SamTrans delegation and other key legislators to stress the importance of maintaining the STA levels approved as a part of the gas tax swap.

FEDERAL ISSUES

Appropriations

On March 18, President Obama signed House Joint Resolution 48, extending funding for federal operations for three weeks through April 8. This is the sixth short term spending measure in the current fiscal year.

Like the previous extension, the bill cuts \$2 billion in federal funding per week, with most cuts coming from Fiscal Year (FY) 2010 earmarks and programs not included in the President's FY 2010 budget request.

Among these cuts is the Federal Railway Administration's Rail Safety Technology Grant program, which was authorized to fund positive train control (PTC) projects along the nation's passenger rail corridors. The program is authorized at \$50 million per year and was appropriated at that level for the last two years.

Congress will continue to negotiate a spending measure that will fund Federal programs through the remainder of FY 2011.

National Infrastructure Bank Legislation

On March 15, a bipartisan group of Senators announced legislation that would create a national infrastructure bank.

The Building and Upgrading Infrastructure for Long-Term Development (BUILD) Act, cosponsored by Senator John Kerry (D-Mass.) and Senator Kay Bailey-Hutchinson (R-Texas), would transfer \$10 billion in seed money from existing programs to support loans and loan guarantees for projects of national and regional significance.

The seed money is intended to leverage up to \$640 billion in private sector investment to support existing programs and spending.

The proposal is significantly less than the \$30 billion infrastructure bank included in the President's FY 2012 budget request and would be created as a separate agency rather than as a part of the U.S. Department of Transportation. In addition, the BUILD Act would be limited to loans, while the President's proposal would also include grant opportunities.

Prepared By: Seamus Murphy, Government Affairs Manager

650-508-6388

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>AB 16 Perea D</p> <p>High-Speed Rail Authority.</p>	<p>ASSEMBLY TRANS. 1/24/2011 - Referred to Com. on TRANS.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. The federal American Recovery and Reinvestment Act of 2009 (ARRA) provides funding for allocation nationally to high-speed rail projects.</p> <p>This bill would require the authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal and state laws.</p>	
<p>AB 31 Beall D</p> <p>Land use: high-speed rail: local master plan.</p>	<p>ASSEMBLY L. GOV. 3/25/2011 - Re-referred to Com. on L. GOV.</p>	<p>The California High-Speed Rail Act establishes the High-Speed Rail Authority to develop and implement an intercity high-speed rail system in the state, exclusively grants to the authority the responsibility for planning, construction, and operation of that system, and confers upon the authority specified powers and duties relating to that system.</p> <p>This bill would establish the High-Speed Rail Local Master Plan Pilot Program, applicable to specified cities and counties, and would authorize each of those jurisdictions to prepare and adopt, by ordinance, a master plan for development in the areas surrounding the high-speed rail system in each jurisdiction. The bill would authorize the high-speed rail master plan to include incentives for encouraging investment and coherent growth in the areas surrounding the high-speed rail system in each participating jurisdiction. The bill would also authorize the participating jurisdictions to collaborate with the State Air Resources Board to develop incentives to encourage development while concurrently reducing greenhouse gas emissions, consistent with or pursuant to the California Global Warming Solutions Act of 2006 or another specified provision of law requiring the board to provide greenhouse gas emission reduction targets for the preparation of regional sustainable communities strategies. The bill would authorize the master plan to exceed the requirements of the jurisdiction's general plan or the applicable regional sustainable communities strategy with respect to fostering sustainable communities around the high-speed rail system. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/24/2011</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>AB 41 Hill D</p> <p>Conflicts of interest: disqualification.</p>	<p>ASSEMBLY APPR. 3/16/2011 - From committee: Do pass and re-refer to Com. on APPR. with recommendation: to consent calendar. (Ayes 7. Noes 0.) (March 15). Re-referred to Com. on APPR.</p> <p>4/6/2011 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, FUENTES, Chair</p>	<p>Existing provisions of the Political Reform Act of 1974 prohibit a public official at any level of state or local government from making, participating in making, or attempting to use his or her official position to influence a governmental decision in which he or she knows or has reason to know that he or she has a financial interest, as defined. Existing law also requires specified elected and appointed officers at the state and local level of government to disclose specified financial interests by filing periodic statements of economic interests. Existing law further requires public officials who hold specified offices and who have a financial interest in a decision within the meaning of the Political Reform Act of 1974 to publicly identify the financial interest giving rise to the conflict of interest or potential conflict of interest, recuse themselves from discussing and voting on the matter, and leave the room until after the discussion, vote, and other disposition of the matter is concluded, except as specified.</p> <p>This bill would add members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly. This bill contains other related provisions and other existing laws.</p>	
<p>AB 57 Beall D</p> <p>Metropolitan Transportation Commission.</p>	<p>ASSEMBLY L. GOV. 3/22/2011 - From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 13. Noes 0.) (March 21). Re-referred to Com. on L. GOV.</p> <p>4/6/2011 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair</p>	<p>The Metropolitan Transportation Commission Act creates the Metropolitan Transportation Commission as a regional agency in the 9-county San Francisco Bay Area with comprehensive regional transportation planning and other related responsibilities. Existing law requires the commission to consist of 19 members, including 2 members each from the Counties of Alameda and Santa Clara, and establishes a 4-year term of office for members of the commission.</p> <p>This bill would, instead, require the commission to consist of 21 members, including one member appointed by the Mayor of the City of Oakland and one member appointed by the Mayor of the City of San Jose. The bill would require the initial term of those 2 members to end in February 2015. The bill would, effective with the commission term commencing February 2015, prohibit more than 3 members of the commission from being residents of the same county, as specified. By imposing new requirements on a local agency, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 2/2/2011</p>	

**San Mateo County Transit District
State Legislative Matrix 4/1/2011**

Bill ID/Topic	Location	Summary	Position
<p>AB 58 Galgiani D</p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/17/2011 - Re-referred to Com. on TRANS.</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Existing law provides for appointment of an executive director by the authority, who is exempt from civil service and serves at the pleasure of the authority.</p> <p>This bill, for purposes of managing and administering the ongoing work of the authority in implementing the high-speed train project, would authorize the Governor, upon the recommendation of the executive director, to appoint up to 6 additional authority officers, exempt from civil service, who would serve in specified positions at the pleasure of the executive director. The bill would require a salary survey to be conducted to determine the compensation for the executive director and additional exempt officers, and would require the salaries to be established by the authority and approved by the Department of Personnel Administration. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/16/2011</p>	
<p>AB 76 Harkey R</p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 1/27/2011 - Referred to Com. on TRANS.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Article XVI of the California Constitution authorizes the Legislature, at any time after the approval of a general obligation bond act by the people, to reduce the amount of the indebtedness authorized by the act to an amount not less than the amount contracted at the time of the reduction or to repeal the act if no debt has been contracted.</p> <p>This bill would reduce the amount of general obligation debt authorized pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the amount contracted as of January 1, 2012.</p>	

**San Mateo County Transit District
State Legislative Matrix 4/1/2011**

Bill ID/Topic	Location	Summary	Position
<p><u>AB 105</u> Committee on Budget Transportation.</p>	<p>ASSEMBLY CHAPTERED 3/24/2011 - Chaptered by the Secretary of State, Chapter Number 6, Statutes of 2011</p>	<p>Existing law provides for payment of current general obligation bond debt service for specified voter-approved transportation bonds from gasoline excise tax revenue in the Highway Users Tax Account and revenue in the Public Transportation Account, and requires the Controller to make specified transfers of revenues in that regard to the Transportation Debt Service Fund. Existing law, pursuant to the Budget Act of 2010, provides for a loan of \$761,639,000 from gasoline excise tax revenue in the Highway Users Tax Account to the General Fund, to be repaid with interest by June 30, 2013.</p> <p>This bill, in fiscal years 2010-11 and 2011-12, would require the Controller to transfer specified amounts of revenues deposited in the State Highway Account from vehicle weight fees to the Transportation Debt Service Fund to be used for reimbursement of the General Fund for payment of current general obligation bond debt service for specified voter-approved transportation bonds, in lieu of the previously authorized gasoline excise tax revenues and Public Transportation Account revenues. In subsequent years, the bill would require all vehicle weight fee revenues to be transferred for this purpose. The bill would make appropriations in this regard. The bill would require the Department of Finance to notify the Controller of the amount of debt service relating to expenditures for eligible mass transit guideway projects that may be paid from revenues restricted by Article XIX of the California Constitution. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/16/2011</p>	

**San Mateo County Transit District
State Legislative Matrix 4/1/2011**

Bill ID/Topic	Location	Summary	Position
<p>AB 145 Galgiani D</p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/17/2011 - Re-referred to Com. on TRANS.</p>	<p>Existing law, the California High-Speed Train Act, creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.</p> <p>This bill would revise and recast these provisions by repealing and reenacting the California High-Speed Train Act. The bill would continue the High-Speed Rail Authority in existence to make policy decisions relative to implementation of high-speed rail consistent with Proposition 1A. The bill would create the Department of High-Speed Trains within the Business, Transportation and Housing Agency, which would implement those policies. The bill would transfer certain of the existing powers and responsibilities of the authority to the department and would specify additional powers and duties of the authority and department relative to implementation of the high-speed rail project, including the annual submission of a 6-year high-speed train capital improvement program and progress report to the Legislature. The director of the department would be appointed by the Governor, who would serve at the pleasure of the authority, and the Governor would be authorized to appoint up to 10 officers of the department who would be exempt from civil service and serve at the pleasure of the director. The bill would provide for acquisition and disposition by the department of rights-of-way for the high-speed rail project. The bill would enact other related provisions.</p> <p>Last Amended on 3/16/2011</p>	
<p>AB 147 Dickinson D</p> <p>Subdivisions.</p>	<p>ASSEMBLY L. GOV. 3/29/2011 - In committee: Set, first hearing. Hearing canceled at the request of author.</p> <p>4/13/2011 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair</p>	<p>The Subdivision Map Act authorizes a local agency to require the payment of a fee as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or estimated cost of constructing bridges or major thoroughfares if specified conditions are met.</p> <p>This bill would authorize the fee to additionally be used for defraying the actual or estimated cost of other transportation facilities, as described.</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>AB 277 Galgiani D</p> <p>High-speed rail: power supply.</p>	<p>ASSEMBLY U. & C. 3/21/2011 - In committee: Set, first hearing. Hearing canceled at the request of author.</p> <p>4/25/2011 3 p.m. - State Capitol, Room 437 ASSEMBLY UTILITIES AND COMMERCE, BRADFORD, Chair</p>	<p>Existing law creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Various federal laws provide funding for allocation nationally to high-speed rail and other related projects.</p> <p>This bill would require the California Research Bureau, by May 1, 2012, to develop an energy consumption profile that includes a forecast of the power needs of the high-speed rail system and an analysis of any recommendations for identifying a carbon-free baseline power supply for the system. The bureau's work would be done in consultation with the High-Speed Rail Authority, the Federal Railroad Administration, the Public Utilities Commission, the State Energy Resources Conservation and Development Commission, the United States Department of Energy, and the Legislative Analyst's Office. The bill would require the bureau to submit its report to the authority, the authority's independent peer review group, and specified committees of the Legislature. This bill contains other related provisions.</p> <p>Last Amended on 3/14/2011</p>	
<p>AB 296 Skinner D</p> <p>Building standards: cool pavement.</p>	<p>ASSEMBLY TRANS. 3/31/2011 - Referred to Coms. on TRANS. and NAT. RES. From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law requires the Department of Transportation to adopt a balanced, multimodal research and development program, including the research and development of new technologies. This bill would establish the Cool Pavements Research and Implementation Act and would require the department, in consultation with specified state agencies, to implement the act.</p> <p>The bill would require the department to adopt a strategy, through a public process, to implement the act and, by January 1, 2015, to adopt by regulation a Cool Pavements Handbook to detail testing protocols, standards, and best practices. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/31/2011</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>AB 320 Hill D</p> <p>Environmental quality: California Environmental Quality Act (CEQA): determination: dispute.</p>	<p>ASSEMBLY JUD. 3/22/2011 - From committee: Do pass and re-refer to Com. on JUD. (Ayes 6. Noes 3.) (March 21). Re-referred to Com. on JUD.</p> <p>4/5/2011 9 a.m. - State Capitol, Room 4202 ASSEMBLY JUDICIARY, FEUER, Chair</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, which includes a local agency, to prepare, or cause to be prepared by contract, and certify the completion of, an environmental impact report on a project, as defined, that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. CEQA requires a lead agency to file a notice of approval or a notice of determination containing specified information with the Office of Planning Research or the county clerk of each county in which the project is located, as appropriate. CEQA provides a procedure by which a party may attack, review, set aside, void, or annul the determination, finding, or decision of a public agency on specified grounds and requires that a petitioner or plaintiff name, as a real party in interest, a recipient of an approval that is the subject of an action or proceeding challenging the determination, finding, or decision of a public agency pursuant to CEQA.</p> <p>This bill would require that the named recipient be as identified by the public agency in its notice of determination or notice of exemption. The bill would require that a petition or complaint be subject to dismissal if a petitioner or plaintiff fails to serve any recipient of an approval within the statute of limitations period. This bill contains other related provisions and other existing laws.</p>	
<p>AB 333 Grove R</p> <p>California Global Warming Solutions Act of 2006: unemployment.</p>	<p>ASSEMBLY NAT. RES. 2/24/2011 - Referred to Com. on NAT. RES.</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions.</p> <p>This bill would require the state board to exempt from an emission reduction requirement adopted pursuant to the act an emissions source located within a county that on January 1, 2012, has an unemployment rate of 7% or greater, until that county's unemployment rate drops below 7% for 6 consecutive months.</p>	

**San Mateo County Transit District
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Bill ID/Topic	Location	Summary	Position
<p>AB 348 Buchanan D</p> <p>Highways: Safety Enhancement- Double Fine Zone.</p>	<p>ASSEMBLY TRANS. 3/29/2011 - Re-referred to Com. on TRANS.</p>	<p>Existing law requires the Department of Transportation to designate a state highway segment as a Safety Enhancement-Double Fine Zone if specified conditions are met, including that the governing board of the city or county in which the segment is located has by resolution indicated that it supports the designation.</p> <p>This bill would, notwithstanding these requirements and until January 1, 2017, designate the segment of county highway known as Vasco Road, between the State Highway Route 580 junction in Alameda County and the Walnut Boulevard intersection in Contra Costa County, as a Safety Enhancement-Double Fine Zone upon the approval of the boards of supervisors of Alameda County and Contra Costa County. The bill would also impose specified duties on the department and local governing bodies regarding that double fine zone.</p> <p>Last Amended on 3/25/2011</p>	
<p>AB 381 Alejo D</p> <p>Department of Transportation.</p>	<p>ASSEMBLY PRINT 2/15/2011 - From printer. May be heard in committee March 17.</p>	<p>Existing law creates the Department of Transportation, within the Business, Transportation and Housing Agency, under the administration of the Director of Transportation, who is required to organize the department, as specified, with the approval of the Governor and the Secretary of the Business, Transportation and Housing Agency.</p> <p>This bill would make a nonsubstantive, grammatical change to that provision.</p>	
<p>AB 385 Harkey R</p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/29/2011 - Re-referred to Com. on TRANS.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law requires the authority to approve and submit to the Director of Finance, a specified peer review group, the transportation policy committees and fiscal committees of the Legislature, a detailed funding plan for that corridor or a usable segment thereof of the high-speed train system. Existing law requires the funding plan to include certain information and meet specified requirements.</p> <p>This bill would require the authority to approve an investment grade analysis, to be prepared by the State Auditor, and to submit that investment grade analysis to those same entities. The bill would require that investment grade analysis to include certain information and meet specified requirements.</p> <p>Last Amended on 3/25/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 426 Lowenthal, Bonnie D</p> <p>Transit fare evasion.</p>	<p>ASSEMBLY PUB. S. 3/31/2011 - From committee chair, with author's amendments: Amend, and re-refer to Com. on PUB. S. Read second time and amended.</p> <p>4/5/2011 9 a.m. - State Capitol, Room 126 ASSEMBLY PUBLIC SAFETY, AMMIANO, Chair</p>	<p>Existing law authorizes certain transit operators to adopt and enforce an ordinance to impose and enforce civil administrative penalties for fare evasion or passenger misconduct, other than by minors, on or in a transit facility or vehicle in lieu of the criminal penalties otherwise applicable, with specified administrative adjudication procedures for the imposition and enforcement of the administrative penalties, including an initial review and opportunity for a subsequent administrative hearing.</p> <p>This bill would authorize the Southern California Regional Rail Authority to adopt and enforce such an ordinance. The bill would provide that a person cited under these ordinances adopted by transit operators shall be afforded an opportunity to complete the administrative process under the circumstances set forth in the ordinance. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/31/2011</p>	

**San Mateo County Transit District
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Bill ID/Topic	Location	Summary	Position
<p>AB 427 John A. Pérez D</p> <p>Transportation bond funds: transit system safety.</p>	<p>ASSEMBLY G.O. 3/30/2011 - Re-referred to Com. on G.O.</p>	<p>Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorizes the issuance of \$19.925 billion of general obligation bonds for specified purposes. Existing law requires the deposit of \$1 billion of the bond proceeds in the Transit System Safety, Security, and Disaster Response Account to be used, upon appropriation, for capital projects that provide increased protection against a security and safety threat, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems that can move people, goods, and emergency personnel and equipment in the aftermath of a disaster impairing that movement. Existing law designates the California Emergency Management Agency as the administrative agency for this account and requires the allocation of 60% of the funds in the account for capital expenditures to transportation planning agencies, county transportation commissions, and certain other transit-related agencies, as specified, and 15% of the funds for capital expenditures to specified intercity passenger rail systems and commuter rail systems. Existing law provides that operators that receive those funds for intercity passenger rail systems and commuter rail systems are not eligible for those funds designated for capital expenditures of transportation planning agencies, county transportation commissions, and other specified transit-related agencies.</p> <p>This bill would instead authorize operators that receive funds from the account for intercity passenger rail systems and commuter rail systems to also be eligible for funds designated for capital expenditures of transportation planning agencies, county transportation commissions, and other specified transit-related agencies. The bill would require an entity eligible to receive allocations of any of those funds to submit a document within a specified time to the California Emergency Management Agency that indicates the intent to use the funds and would, if the document is not submitted, authorize the California Emergency Management Agency to reallocate the funds. The bill would require the California Emergency Management Agency to notify a transportation planning agency if funds allocated to an entity within the region of the transportation planning agency are being reallocated and, if the transportation planning agency provides a document to the California Emergency Management Agency indicating its intent to distribute the funds to transit operators or rail operators, would require the funds to be allocated to the transportation planning agency. The bill would authorize the California Emergency Management Agency to allocate the funds on a competitive basis to an eligible entity in a different region of the state if the transportation planning agency does not receive an allocation to distribute funds to transit operators and rail operators, as specified. This bill contains other related provisions.</p> <p>Last Amended on 3/29/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 471 Lowenthal, Bonnie D</p> <p>High-speed rail: Inspector General.</p>	<p>ASSEMBLY TRANS. 3/3/2011 - Referred to Com. on TRANS.</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.</p> <p>This bill would provide for an Office of the Inspector General and would require the authority to appoint an inspector general, who would serve at the pleasure of the authority, and would prepare specified reports and audits relating to high-speed rail.</p>	
<p>AB 485 Ma D</p> <p>Local planning: transit village development districts.</p>	<p>ASSEMBLY L. GOV. 3/3/2011 - Referred to Com. on L. GOV.</p> <p>4/6/2011 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair</p>	<p>The Transit Village Development Planning Act of 1994 authorizes a city or county to create a transit village plan for a transit village development district that addresses specified characteristics. Existing law authorizes the legislative body of the city or county to adopt an infrastructure financing plan, create an infrastructure financing district, and issue bonds for which only the district is liable, to finance specified public facilities, upon voter approval.</p> <p>This bill would eliminate the requirement of voter approval for the adoption of an infrastructure financing plan, the creation of an infrastructure financing district, and the issuance of bonds with respect to a transit village development district. The bill would require a city or county that uses infrastructure financing district bonds to finance its transit village development district to use at least 20% of the revenue from those bonds for the purposes of increasing, improving, and preserving the supply of lower and moderate-income housing; to require that those housing units remain available and occupied by moderate-, low-, very low, and extremely low income households for at least 55 years for rental units and 45 years for owner-occupied units; and to rehabilitate, develop, or construct for rental or sale to persons and families of low or moderate income an equal number of replacement dwellings to those removed or destroyed from the low- and moderate-income segment of the housing market as a result of the development of the district, as specified. The bill would set forth the findings and declarations of the Legislature, and the intent of the Legislature that the development of transit village development districts be environmentally conscious and sustainable, and that related construction meet or exceed the requirements of the California Green Building Standards Code.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 492 Galgiani D</p> <p>High-Speed Rail Authority.</p>	<p>ASSEMBLY TRANS. 3/3/2011 - Referred to Com. on TRANS.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes.</p> <p>This bill would authorize the authority to consider, to the extent permitted by federal and state law, the creation of jobs in California when awarding major contracts or purchasing high-speed trains, as specified.</p>	
<p>AB 508 Swanson D</p> <p>Displaced public transit, solid waste handling, and recycling services employees.</p>	<p>ASSEMBLY L. & E. 3/3/2011 - Referred to Com. on L. & E.</p> <p>4/13/2011 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LABOR AND EMPLOYMENT, SWANSON, Chair</p>	<p>Existing law requires a local government agency letting a public transit service contract out to bid to give a bidding preference for contractors and subcontractors who agree to retain, for a period of at least 90 days, certain employees who were employed to perform essentially the same services by the previous contractor or subcontractor. Under this law, contractors or subcontractors who agree to retain employees must offer employment to those employees except for reasonable and substantiated cause. Additionally, the law provides that if a successor contractor or subcontractor determines that fewer employees are needed than under the prior contract, qualified employees must be retained by seniority within the job classification. Further, the existing contractor, when required by the awarding authority, must provide employment information relating to wage rates, benefits, dates of hire, and job classifications of employees under the existing service contract to the awarding authority or a successor contractor.</p> <p>This bill would add employees of solid waste handling and recycling contractors and subcontractors to those provisions. By requiring local agencies to give a bidding preference to such contractors and subcontractors, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 516 V. Manuel Pérez D</p> <p>Safe routes to school.</p>	<p>ASSEMBLY TRANS. 3/3/2011 - Referred to Com. on TRANS.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law requires the Department of Transportation, in consultation with the California Highway Patrol, to establish and administer a "Safe Routes to School" program for construction of bicycle and pedestrian safety and traffic calming projects, and to award grants to local agencies in that regard from available federal and state funds, based on the results of a statewide competition. Existing law requires the department to rate proposals submitted by applicants using specified factors. One of the factors relates to consultation of and support for projects by school-based organizations, local traffic engineers, local elected officials, law enforcement agencies, school officials, and other relevant community stakeholders.</p> <p>This bill would delete that factor and instead substitute a factor relating to use of a specified public participation process, with involvement by the public, schools, parents, teachers, local agencies, the business community, key professionals, and others, which process identifies community priorities and ensures those priorities are reflected in the proposal, and secures support for the proposal by relevant community stakeholders. The bill would add another factor relating to benefit of a proposal to a disadvantaged community, as defined.</p>	
<p>AB 522 Bonilla D</p> <p>Vacation of public streets, highways, and public service easements.</p>	<p>ASSEMBLY PRINT 2/16/2011 - From printer. May be heard in committee March 18.</p>	<p>Existing law establishes the processes and procedures necessary for vacation of public streets, highways, and public service easements, and defines "vacation" for these purposes to mean the complete or partial abandonment or termination of the public right to use a public street, highway, or public service easement. Under these provisions, proof of publication of a required notice is made by affidavit.</p> <p>This bill would make a nonsubstantive change to these provisions.</p>	
<p>AB 535 Morrell R</p> <p>Regulations: 5-year review and report.</p>	<p>ASSEMBLY B.,P. & C.P. 3/31/2011 - Referred to Com. on B., P. & C.P.</p>	<p>The Administrative Procedure Act generally sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies.</p> <p>This bill would additionally require a state agency to review and report on regulations that it adopts or amends on and after January 1, 2012, 5 years after adoption, as specified. The bill would require that the review and report include 10 specified factors, including a summary of the written criticisms of the regulation received by the agency within the immediately preceding 5 years and the estimated economic, small business, and consumer impact of the regulation. The bill would require the Office of Administrative Law to make the review and report available on the office's Internet Web site.</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>AB 551</u> <u>Campos D</u></p> <p>Public contracts: prevailing wage requirements: violations.</p>	<p>ASSEMBLY L. & E. 3/3/2011 - Referred to Coms. on L. & E. and JUD.</p> <p>4/13/2011 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LABOR AND EMPLOYMENT, SWANSON, Chair</p>	<p>Existing law generally requires that not less than the general prevailing rate of per diem wages, as specified, be paid to workers employed on a public work, as defined. Existing law requires a contractor or subcontractor to submit, to the state or political subdivision on whose behalf a public work is being performed, a penalty of not more than \$50 per calendar day, and not less than \$10 per calendar day, as provided and determined by the Labor Commissioner, for violations of these prevailing wage provisions.</p> <p>This bill would increase that maximum penalty to \$100 for each calendar day and would increase the minimum penalty to no less than \$40 for each calendar day. The bill would also increase the penalty assessed to contractors and subcontractors with prior violations from \$20 to \$80, and from \$30 to \$120 for willful violations. This bill contains other related provisions and other existing laws.</p>	
<p><u>AB 567</u> <u>Valadao R</u></p> <p>Transportation funds: capital improvement projects.</p>	<p>ASSEMBLY PRINT 2/17/2011 - From printer. May be heard in committee March 19.</p>	<p>Existing law requires specified funds made available for transportation capital improvement projects to be programmed and expended for interregional and regional improvements, as specified.</p> <p>This bill would make nonsubstantive changes to these provisions.</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>AB 570</u> <u>Smyth R</u></p> <p>Emissions of greenhouse gases: California Global Warming Solutions Act of 2006.</p>	<p>ASSEMBLY PRINT 2/17/2011 - From printer. May be heard in committee March 19.</p>	<p>The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit to be achieved by 2020, equivalent to the statewide greenhouse gas emissions levels in 1990. The act requires the state board, on or before January 1, 2011, to adopt greenhouse gas emission limits and emission reduction measures by regulation to achieve the maximum technologically feasible and cost-effective reductions in emissions of greenhouse gases, in furtherance of achieving the statewide greenhouse gas emissions limit, with the regulations to become operative beginning January 1, 2012.</p> <p>This bill would make technical and nonsubstantive changes to the above requirements.</p>	
<p><u>AB 598</u> <u>Grove R</u></p> <p>Environmental quality: CEQA: standing.</p>	<p>ASSEMBLY NAT. RES. 3/31/2011 - Referred to Com. on NAT. RES. From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.</p> <p>This bill would limit the standing to file and maintain the above action or proceeding to the Attorney General. This bill contains other existing laws.</p> <p>Last Amended on 3/31/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>AB 605</u> <u>Dickinson D</u></p> <p>Environmental quality: California Environmental Quality Act: transportation impacts.</p>	<p>ASSEMBLY NAT. RES. 3/3/2011 - Referred to Com. on NAT. RES.</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.</p> <p>This bill would require the Office of Planning and Research, in consultation with specified entities, to prepare and adopt guidelines that would, among other things, establish the percentage reduction in the projected trip generation and vehicle miles traveled for a project as compared to the average for trip generation and vehicle miles traveled for that project type that would assist a region in meeting the greenhouse gas emission reduction targets established by the State Air Resources Board for the automobile and light truck sector for that region, and develop a list of mitigation measures that a project may incorporate to reduce the project's projected trip generation and vehicle miles traveled. The bill would provide that a project meeting or exceeding the percentage reduction in trip generation and vehicle miles traveled or a project that incorporates the listed mitigation measures sufficient to allow the project to meet the percentage reduction would not need to consider the transportation-related impact of the project in environmental documents prepared pursuant to CEQA. Because a lead agency would be required to determine whether a project would meet the percentage reduction established by the guidelines, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	
<p><u>AB 615</u> <u>Lowenthal, Bonnie D</u></p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/3/2011 - Referred to Com. on TRANS.</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system, including the acquisition of rights-of-way through purchase and eminent domain. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion for high-speed train capital projects and other associated purposes.</p> <p>This bill would enact similar exceptions, authorizations, and exemptions relative to real property obtained for high-speed rail purposes by the High-Speed Rail Authority. The bill would make various additional conforming changes. The bill would also enact new provisions governing acquisition or disposal of right-of-way property by the authority. This bill contains other related provisions and other existing laws.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 650 Blumenfield D</p> <p>Blue Ribbon Task Force on Public Transportation for the 21st Century.</p>	<p>ASSEMBLY TRANS. 3/31/2011 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law establishes various boards and commissions within state government. Existing law establishes various transit districts and other local entities for development of public transit on a regional basis and makes various state revenues available to those entities for those purposes. Existing law declares that the fostering, continuance, and development of public transportation systems are a matter of statewide concern. The Public Transportation Account is designated as a trust fund and funds in the account shall be available to the Department of Transportation only for specified transportation planning and mass transportation purposes.</p> <p>This bill would establish the Blue Ribbon Task Force on Public Transportation for the 21st Century. The bill would require the task force to be comprised of 12 specified members and would require the Senate Committee on Rules and the Speaker of the Assembly to jointly appoint these members, including a chair, by March 31, 2012. The bill would require the task force to issue a written report that contains specified findings and recommendations relating to, among other things, the current state of California's transit system, the estimated cost of creating the needed system over various terms, and potential sources of funding to sustain the transit system's needs, and to submit the report by March 31, 2013, to the Governor, the Legislature, the Joint Legislative Budget Committee, the Senate Committee on Rules, the Speaker of the Assembly, and the transportation committees of the Legislature. The bill would require the task force , for purposes of collecting information for the written report, to consult with appropriate state agencies and departments and would require the task force to contract with consultants for preparation of the report. The bill would require the department to provide administrative staffing to the task force. The bill would appropriate \$750,000 from the Public Transportation Account to the department, as specified, to accomplish the purposes of these provisions.</p> <p>Last Amended on 3/31/2011</p>	
<p>AB 676 Torres D</p> <p>Transportation funds.</p>	<p>ASSEMBLY TRANS. 3/3/2011 - Referred to Com. on TRANS.</p>	<p>Existing law establishes a policy for expenditure of certain state and federal funds available to the state for transportation purposes. Under this policy, the Department of Transportation and the California Transportation Commission develop a fund estimate of available funds for purposes of adopting the state transportation improvement program, which is a listing of capital improvement projects. After deducting expenditures for administration, operation, maintenance, local assistance, safety, rehabilitation, and certain environmental enhancement and mitigation expenditures, the remaining funds are available for capital improvement projects.</p> <p>This bill would provide that the remaining funds are available for the study of, and development and implementation of, capital improvement projects.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 710 Skinner D</p> <p>Local planning: infill and transit-oriented development.</p>	<p>ASSEMBLY H. & C.D. 3/14/2011 - Referred to Coms. on H. & C.D. and L. GOV.</p> <p>4/6/2011 9 a.m. - State Capitol, Room 126 ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT, TORRES, Chair</p>	<p>The Planning and Zoning Law requires specified regional transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, and requires the regional transportation plan to include, among other things, a sustainable communities strategy, for the purpose of using local planning to reduce greenhouse gas emissions.</p> <p>This bill would state the findings and declarations of the Legislature with respect to parking requirements and infill and transit-oriented development, and would state the intent of the Legislature to reduce unnecessary government regulation and to reduce the cost of development by eliminating excessive minimum parking requirements for infill and transit-oriented development. This bill contains other related provisions and other existing laws.</p>	
<p>AB 819 Wieckowski D</p> <p>Bikeways.</p>	<p>ASSEMBLY TRANS. 3/31/2011 - Referred to Com. on TRANS. From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.</p>	<p>Existing law requires the Department of Transportation, in cooperation with county and city governments, to establish minimum safety design criteria for the planning and construction of bikeways, and authorizes cities, counties, and local agencies to establish bikeways. Existing law defines 3 classes of bikeways for its purposes.</p> <p>This bill would include a class IV bikeway among the bikeways subject to the above provisions and would define a class IV bikeway to include a segregated bike lane which provides exclusive use of bicycles on streets, as specified.</p> <p>Last Amended on 3/31/2011</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>AB 845 Ma D</p> <p>Transportation: bond funds.</p>	<p>ASSEMBLY TRANS. 3/10/2011 - Referred to Com. on TRANS.</p> <p>4/11/2011 Anticipated Hearing ASSEMBLY TRANS., Not in daily file.</p>	<p>Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes, including \$950 million to be allocated by the California Transportation Commission to eligible recipients for capital improvements to intercity and commuter rail lines and urban rail transit systems in connection with or otherwise related to the high-speed train system. Of this amount, 80% is to be allocated to eligible commuter and urban rail recipients based on track miles, vehicle miles, and passenger trips pursuant to guidelines to be adopted by the commission. A dollar-for-dollar match is to be provided by a commuter and urban rail recipient for bond funds received.</p> <p>This bill would require the guidelines adopted by the commission to determine the funding share for each eligible commuter and urban rail recipient to use the distribution factors gathered from the most current available data in the National Transit Database of the Federal Transit Administration. The bill would require the commission to accept from each eligible recipient a priority list of projects up to the target amount expected to be available for the recipient and would require matching funds provided by the recipient to be from nonstate funds. The bill would define "nonstate matching funds" for purposes of these bond fund allocations to mean local, federal, and private funds, as well as state funds available to an eligible recipient that are not subject to allocation by the commission.</p>	
<p>AB 892 Carter D</p> <p>Department of Transportation: environmental review process: federal pilot program.</p>	<p>ASSEMBLY TRANS. 3/14/2011 - Referred to Com. on TRANS.</p>	<p>Existing law gives the Department of Transportation full possession and control of the state highway system. Existing federal law requires the United States Secretary of Transportation to carry out a surface transportation project delivery pilot program, under which the participating states assume certain responsibilities for environmental review and clearance of transportation projects that would otherwise be the responsibility of the federal government. Existing law, until January 1, 2012, provides that the State of California consents to the jurisdiction of the federal courts with regard to the compliance, discharge, or enforcement of the responsibilities it assumed as a participant in the pilot program.</p> <p>This bill would delete this repeal date, thereby extending the operation of these provisions indefinitely.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 912 Gordon D</p> <p>Local government: organization.</p>	<p>ASSEMBLY L. GOV. 3/14/2011 - Referred to Com. on L. GOV.</p>	<p>The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission, where the commission is considering a change of organization that consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, to either order a change of organization subject to confirmation of the voters, as specified, or order the change of organization without an election if the change of organization meets certain requirements.</p> <p>This bill would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district with zero sphere of influence, to immediately order the dissolution if the dissolution was initiated by the district board, or to, within 30 days following the approval of the application by the commission, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.</p>	
<p>AB 952 Jones R</p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/10/2011 - Referred to Coms. on TRANS. and E. & R.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor. Members of the authority are subject to the Political Reform Act of 1974.</p> <p>This bill would prohibit a member or employee of the authority from being the recipient of any gift, as defined, for purposes of the Political Reform Act. The bill would prohibit a construction company, engineering firm, consultant, legal firm, or any other company, vendor, or business entity with a contract or seeking a contract with the authority, or subcontractor of any of the foregoing, or owner, employee, or any member of their immediate families of any of these companies, firms, vendors, entities, or subcontractors, from making any gift to a member or employee of the authority, or to any member of their immediate families. The bill would allow the authority itself to receive gifts, subject to approval of the Senate. The bill would also allow the authority to transfer the gifts it receives to any person only with the approval of the Senate. This bill contains other related provisions.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 953 Jones R</p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/10/2011 - Referred to Com. on TRANS.</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Under federal law, funding is made available for allocation nationally to high-speed rail and other related projects.</p> <p>This bill would provide that no funds from Proposition 1A shall be available to the High-Speed Rail Authority for construction of the high-speed train system until adequate environmental studies are completed based on a new ridership study that uses an acceptable ridership evaluation methodology. The bill would require the authority to contract with the Institute of Transportation Studies at the University of California at Berkeley to complete a revised ridership study, using the ridership methodology of the institute. The bill would require the authority to use that ridership study as the basis for subsequent environmental studies. The bill would also require the authority to reconsider its adoption of the optimal high-speed rail route based both on the new ridership study and the ridership methodology.</p>	
<p>AB 957 Committee on Transportation</p> <p>Transportation omnibus bill.</p>	<p>ASSEMBLY TRANS. 3/10/2011 - Referred to Com. on TRANS.</p> <p>4/4/2011 Anticipated Hearing ASSEMBLY TRANS., Not in daily file.</p>	<p>Existing law authorizes the impoundment of a vehicle operating as a taxicab or other passenger vehicle for hire in violation of licensing requirements adopted by a local authority for a period of 30 days or less. Existing law requires an impoundment agency to release to the registered owner or his or her agency a vehicle so impounded prior to the expiration of the impoundment period under specified circumstances.</p> <p>This bill would additionally require the release of an impounded vehicle operating as a taxicab or other passenger vehicle for hire in violation of the licensing requirements if the vehicle is a rental car. Because a violation of this provision is a crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>AB 988</u> <u>Grove R</u></p> <p>Prevailing wages.</p>	<p>ASSEMBLY L. & E. 3/10/2011 - Referred to Coms. on L. & E. and JUD.</p> <p>4/13/2011 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LABOR AND EMPLOYMENT, SWANSON, Chair</p>	<p>Existing law defines the term "public works" for purposes of requirements regarding the payment of prevailing wages, the regulation of working hours, and the securing of workers' compensation for public works projects. Existing law further requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations as specified, be paid to workers employed on public works projects, and imposes misdemeanor penalties for certain violations of this requirement.</p> <p>This bill would revise the manner in which the director determines the rate of general prevailing wages, including deleting the requirement that he or she consider the applicable wage rates established by collective bargaining agreements and the rates that may have been predetermined for federal public works, and deleting the requirement that the director consider further data from labor organizations and employers or employer associations and concerns where the rates do not constitute the rates actually paid in the locality. The bill would also revise the methodology that the director is required to use in determining the general prevailing rate of per diem wages in the locality in which the public work is to be performed, including deleting certain requirement, and requiring the director to conduct a survey of the wages paid for work performed in each locality in which the public work is to be performed. This bill contains other related provisions and other existing laws.</p>	
<p><u>AB 1092</u> <u>Lowenthal,</u> <u>Bonnie D</u></p> <p>High-speed rail.</p>	<p>ASSEMBLY TRANS. 3/14/2011 - Referred to Com. on TRANS.</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.</p> <p>This bill would require the authority to report bianually to the Legislature beginning March 1, 2012, on the status of the project, including overall progress, the project budget, expenditures to date, a comparison of the current and project work schedule and the baseline schedule contained in the 2009 business plan, project milestones, and other related issues.</p>	
<p><u>AB 1105</u> <u>Gordon D</u></p> <p>High-occupancy toll lanes: roadway markings.</p>	<p>ASSEMBLY TRANS. 3/31/2011 - From committee chair, with author's amendments: Amend, and re-refer to Com. on TRANS. Read second time and amended.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Existing law authorizes the Santa Clara Valley Transportation Authority (VTA) to conduct, administer, and operate a value pricing high-occupancy toll (HOT) lane program on 2 corridors included in the high-occupancy vehicle lane system in Santa Clara County. This bill would provide that one or both of the corridors selected may be a corridor that extends into an adjacent county, subject to agreement of the congestion management agency or countywide agency responsible for preparation of the county transportation plan in that county, whichever is applicable. This bill contains other related provisions and other existing laws.</p>	

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Bill ID/Topic	Location	Summary	Position
<u>AB 1164</u> <u>Gordon D</u> High-Speed Rail Authority: appointees: Senate confirmation.	ASSEMBLY TRANS. 3/17/2011 - Referred to Com. on TRANS.	<p>Last Amended on 3/31/2011</p> <p>Existing law creates the High-Speed Rail Authority within the state government with various powers and duties relative to development and implementation of a high-speed passenger train system. Existing law provides that 5 of the 9 members comprising the authority shall be appointed by the Governor.</p> <p>This bill would require that those gubernatorial appointments be made with the advice and consent of the Senate.</p>	
<u>AB 1206</u> <u>Galgiani D</u> High-speed rail: contracts: small businesses.	ASSEMBLY TRANS. 3/31/2011 - Re-referred to Com. on TRANS. 4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Under federal law, funding is made available for allocation nationally to high-speed rail and other related projects.</p> <p>This bill would require the authority to identify essential components of, and adopt, a small business enterprise program as part of contracts to be awarded by the authority relative to development and construction of the high-speed rail system and to adopt an oversight and accountability program for the small business enterprise program. The bill would require the authority to report annually to the Department of General Services and Legislature in that regard and post the report on its Internet Web site.</p> <p>Last Amended on 3/30/2011</p>	
<u>AB 1287</u> <u>Buchanan D</u> Local government: audits.	ASSEMBLY L. GOV. 3/21/2011 - Referred to Com. on L. GOV.	<p>Existing law requires school districts to comply with General Accounting Office standards for financial and compliance audits, as specified, and prohibits an independent auditor from engaging in financial compliance audits unless, within 3 years of commencing the first of the audits, and every 3 years thereafter, the auditor completes a quality control review in accordance with General Accounting Office standards.</p> <p>This bill would require local agencies, defined to include cities, counties, a city and county, special districts, authorities, or public agencies, to comply with General Accounting Office standards for financial and compliance audits and would prohibit an independent auditor from engaging in financial compliance audits unless, within 3 years of commencing the first of the audits, and every 3 years thereafter, the auditor completes a quality control review in accordance with General Accounting Office standards.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 1298 Blumenfield D</p> <p>High-occupancy vehicle lanes.</p>	<p>ASSEMBLY TRANS. 3/21/2011 - Referred to Com. on TRANS.</p>	<p>Existing law authorizes the Department of Transportation to construct exclusive or preferential lanes for buses only or for buses and other high-occupancy vehicles and requires that, prior to constructing those lanes, the department conduct competent engineering estimates of the effect of those lanes on safety, congestion, and highway capacity.</p> <p>This bill would require the department to conduct those engineering estimates with respect to the effect on congestion mitigation and would make grammatical, nonsubstantive changes to those provisions.</p>	
<p>AB 1308 Miller R</p> <p>Highway Users Tax Account: appropriation of funds.</p>	<p>ASSEMBLY TRANS. 3/21/2011 - Referred to Com. on TRANS.</p> <p>4/11/2011 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWENTHAL, Chair</p>	<p>Article XIX of the California Constitution requires revenues from state excise taxes on motor vehicle fuels for use in motor vehicles upon public streets and highways, over and above the cost of collection and any refunds authorized by law, to be used for various street and highway purposes and for certain mass transit guideway purposes. Existing law requires state excise fuel tax revenues to be deposited in various accounts and to be allocated, in part, for various purposes, including the cost of collection and authorized refunds. Existing law requires the balance of these funds remaining after authorized deductions to be transferred to and deposited monthly in the Highway Users Tax Account in the Transportation Tax Fund. Existing law provides for formula apportionment of specified revenues in the Highway Users Tax Account to cities and counties for the transportation purposes authorized by Article XIX of the California Constitution, and requires other portions of those revenues to be transferred to and deposited in the State Highway Account in the State Transportation Fund. Existing law provides that the money in the Highway Users Tax Account is appropriated for the above-described transportation purposes, but also generally provides that the money in the State Highway Account may not be expended until appropriated by the Legislature.</p> <p>This bill, in any year in which the Budget Act has not been enacted by July 1, would provide that all moneys in the Highway Users Tax Account in the Transportation Tax Fund, except as specified, are continuously appropriated and may be encumbered for certain purposes until the Budget Act is enacted. The bill would thereby make an appropriation. The bill would authorize the Controller to make estimates in order to implement these provisions.</p>	
<p>AB 1332 Donnelly R</p> <p>State Air Resources Board: abolishment.</p>	<p>ASSEMBLY NAT. RES. 3/21/2011 - Referred to Com. on NAT. RES.</p>	<p>Existing law establishes the State Air Resources Board as the state agency with primary jurisdiction over the regulation of air pollution, including greenhouse gas emissions. Existing law creates the state board within the California Environmental Protection Agency with prescribed membership.</p> <p>This bill would abolish the State Air Resources Board and transfer its authority, duties, powers, purposes, responsibilities, and jurisdiction to the California Environmental</p>	

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Bill ID/Topic	Location	Summary	Position
		Protection Agency.	
<u>AB 1335</u> <u>Lara D</u> Local government: officials: salary increases.	ASSEMBLY PRINT 2/22/2011 - From printer. May be heard in committee March 22.	Existing law makes certain findings and declarations relating to the prohibition against the availability of state surplus or state loan funds, in the 1978-79 fiscal year, to any local public agency that provides an increase in salary in that fiscal year to any elected or appointed official, and cost-of-living increase for other individuals. This bill would make technical, nonsubstantive changes to these findings and declarations.	
<u>AB 1388</u> <u>Wieckowski D</u> Earnings withholding orders.	ASSEMBLY JUD. 3/15/2011 - Re-referred to Com. on JUD. 4/5/2011 9 a.m. - State Capitol, Room 4202 ASSEMBLY JUDICIARY, FEUER, Chair	Existing law requires an employer to withhold the amounts required by an earnings withholding order from all earnings of the employee payable for any pay period of the employee that ends during the withholding period. Under existing law, the portion of the judgment debtor's earnings that the judgment debtor proves is necessary for the support of the judgment debtor or the judgment debtor's family supported in whole or in part by the judgment debtor is exempt from the levy of an earnings withholding order. This exemption is not available if the debt was incurred for the common necessities of life furnished to the judgment debtor or the family of the judgment debtor. This bill would delete that restriction on the exemption from the levy of an earnings withholding order. Last Amended on 3/14/2011	
<u>ABX1 8</u> <u>Ma D</u> Transportation bond funds.	ASSEMBLY PRINT 12/7/2010 - From printer.	Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorizes the issuance of general obligation bonds for various transportation purposes. Existing law requires that \$1,000,000,000 of those funds be deposited in the Transit System Safety, Security, and Disaster Response Account, administered by the California Emergency Management Agency (Cal EMA), for capital projects that provide increased protection against a security and safety threat, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems, as specified. Existing law requires 25% of the available funds to be allocated to certain regional public waterborne transit agencies. Existing law requires entities receiving funds from the account to expend those funds within 3 fiscal years of the fiscal year in which the funds were allocated and requires that funds remaining unexpended after those 3 years revert to Cal EMA for reallocation in subsequent fiscal years. This bill would declare that it is to take effect immediately as an urgency statute. This bill contains other existing laws.	

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Bill ID/Topic	Location	Summary	Position
<p>AJR 5 Lowenthal, Bonnie D</p> <p>Transportation revenues.</p>	<p>SENATE RLS. 3/30/2011 - In Senate. To Com. on RLS.</p>	<p>This measure would request the President and the Congress of the United States to consider and enact legislation to conduct a study regarding the feasibility of the collection process for a transportation revenue source based on vehicle miles traveled, in order to facilitate the creation of a reliable and steady transportation funding mechanism for the maintenance and improvement of surface transportation infrastructure.</p> <p>Last Amended on 3/29/2011</p>	
<p>SB 22 La Malfa R</p> <p>High-speed rail.</p>	<p>SENATE T. & H. 3/31/2011 - Re-referred to Com. on T. & H.</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Article XVI of the California Constitution authorizes the Legislature, at any time after the approval of a general obligation bond act by the people, to reduce the amount of the indebtedness authorized by the act to an amount not less than the amount contracted at the time of the reduction or to repeal the act if no debt has been contracted.</p> <p>This bill would reduce the amount of general obligation debt authorized pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to the amount contracted as of January 1, 2012.</p> <p>Last Amended on 3/24/2011</p>	
<p>SB 46 Correa D</p> <p>Local government: compensation disclosure.</p>	<p>SENATE G. & F. 3/30/2011 - Set, second hearing. Hearing canceled at the request of author.</p> <p>4/27/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair</p>	<p>Existing law provides for the compensation of local government officers and employees, as specified. This bill would, until January 1, 2019, require each public official, defined to mean a public official required to file a statement of economic interest pursuant to the Political Reform Act of 1974, to annually file a compensation disclosure form that provides compensation information for the preceding calendar year, as specified.</p> <p>The bill would specify that compensation disclosure forms are open to public inspection, as specified. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/7/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>SB 50</u> <u>Correa D</u></p> <p>Conflicts of interest: disqualification.</p>	<p>SENATE E. & C.A. 3/25/2011 - Set for hearing April 5.</p> <p>4/5/2011 1:30 p.m. - Room 3191 SENATE ELECTIONS AND CONSTITUTIONAL AMENDMENTS, CORREA, Chair</p>	<p>Existing provisions of the Political Reform Act of 1974 prohibit a public official at any level of state or local government from making, participating in making, or attempting to use his or her official position to influence a governmental decision in which he or she knows or has reason to know that he or she has a financial interest, as defined. Existing law also requires specified elected and appointed officers at the state and local level of government to disclose specified financial interests by filing periodic statements of economic interests. Existing law further requires public officials who hold specified offices and who have a financial interest in a decision within the meaning of the Political Reform Act of 1974 to publicly identify the financial interest giving rise to the conflict of interest or potential conflict of interest, recuse themselves from discussing and voting on the matter, and leave the room until after the discussion, vote, and other disposition of the matter is concluded, except as specified.</p> <p>This bill would add members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly. This bill contains other related provisions and other existing laws.</p>	
<p><u>SB 126</u> <u>Steinberg D</u></p> <p>California Transportation Commission: guidelines.</p>	<p>SENATE T. & H. 3/10/2011 - Set, first hearing. Hearing canceled at the request of author.</p>	<p>Existing law generally provides for programming and allocation of state and federal funds available for transportation capital improvement projects by the California Transportation Commission, pursuant to various requirements. Existing law authorizes the commission, in certain cases, to adopt guidelines relative to its programming and allocation policies and procedures.</p> <p>This bill would establish specified procedures that the commission would be required to utilize when it adopts guidelines, except as specified, and would exempt the adoption of those guidelines from the requirements of the Administrative Procedure Act. This bill contains other existing laws.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>SB 211 Emmerson R</p> <p>California Global Warming Solutions Act of 2006: tire inflation regulation: enforcement.</p>	<p>SENATE E.Q. 3/30/2011 - From committee: Do pass and re-refer to Com. on E.Q. (Ayes 5. Noes 0.) (March 29). Re-referred to Com. on E.Q.</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. A violation of a regulation adopted by the state board pursuant to the act is subject to specified civil and criminal penalties. Pursuant to the act, the state board adopted a regulation requiring automobile service providers, by September 1, 2010, among other things, to check and inflate vehicle tires to the recommended pressure rating when performing automobile maintenance or repair services.</p> <p>This bill would authorize a tire pressure gauge used to meet the requirements of this regulation to be accurate within a range of plus or minus 2 pounds per square inch of pressure (2 psi). The bill would limit penalties for a violation of the requirements of the regulation to a civil penalty of not more than \$20 for the first offense and not more than \$50 for each subsequent offense. The bill would prohibit the imposition of a civil or criminal penalty upon a customer of an automobile service provider for a violation of the requirements of the regulation.</p> <p>Last Amended on 3/14/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p>SB 241 Cannella R</p> <p>Environment: California Environmental Quality Act (CEQA).</p>	<p>SENATE E.Q. 3/22/2011 - Set for hearing April 4.</p> <p>4/4/2011 1:30 p.m. - Room 112 SENATE ENVIRONMENTAL QUALITY, SIMITIAN, Chairman</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA provides for the judicial review of a lead agency's decision to certify an EIR.</p> <p>The bill would enact the CEQA Litigation Protection Pilot Program of 2011 and would require the Business, Transportation and Housing Agency to select projects that meet specified requirements from specified regions for each calendar year between 2012 and 2016. The bill would exempt from judicial review, pursuant to CEQA, a lead agency's decision to certify the EIR of, or to adopt a mitigated negative declaration based on an initial study for, the selected projects, a lead agency's and responsible agency's approval of the selected project, and the Business, Transportation and Housing Agency's selection of the projects. The bill would require the Business, Transportation and Housing Agency, by December 31 of each year, to submit an annual report to the Governor and to the Legislature summarizing the designation of projects, and the job creation and investment attributable to the designated projects. This bill contains other related provisions.</p>	
<p>SB 310 Hancock D</p> <p>Local development.</p>	<p>SENATE G. & F. 3/31/2011 - Re-referred to Coms. on Gov. & F. and RLS.</p>	<p>Existing law authorizes the legislative body of a city or county to adopt an infrastructure financing plan, which is required to contain specified information, for the purpose of financing certain infrastructure facilities, if specified procedural requirements are met, and requires the legislative body, if it adopts the plan, to submit the proposal to the voters. Existing law authorizes the legislative body to create an infrastructure financing district, by ordinance, if 2/3 of the qualified electors of the proposed district vote in favor of adoption of the plan, and also authorizes the legislative body to initiate proceedings to issue bonds to finance the infrastructure facilities if 2/3 of those electors vote in favor of the issuance. Existing law authorizes infrastructure finance districts to finance specified projects, including financing certain infrastructure facilities.</p> <p>This bill would eliminate the requirement of voter approval and authorize the legislative body to create the district, adopt the plan, and issue the bonds by resolutions. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/24/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>SB 316</u> <u>Emmerson</u> R</p> <p>Meal periods: exemption: transportation industry.</p>	<p>SENATE L. & I.R. 2/24/2011 - Referred to Com. on L. & I.R.</p>	<p>Existing law prohibits, subject to certain exceptions, an employer from requiring an employee to work more than 5 hours per day without providing a meal period and, notwithstanding that provision, authorizes the Industrial Welfare Commission to adopt a working condition order permitting a meal period to commence after 6 hours of work if the order is consistent with the health and welfare of affected employees.</p> <p>This bill would add employees employed in the transportation industry, as defined, to the list of employees exempt from the above provisions. This bill contains other existing laws.</p>	
<p><u>SB 392</u> <u>Gaines</u> R</p> <p>Transportation: California Transportation Commission.</p>	<p>SENATE RLS. 2/24/2011 - Referred to Com. on RLS.</p>	<p>Existing law establishes the California Transportation Commission and authorizes the commission to alter or change the location of any state highway if, in the opinion of the commission, the alteration is for the best interest of the state.</p> <p>This bill would make a nonsubstantive change to these provisions.</p>	

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Bill ID/Topic	Location	Summary	Position
<p><u>SB 468</u> <u>Kehoe D</u></p> <p>Department of Transportation: capacity-increasing state highway projects: coastal zone.</p>	<p>SENATE T. & H. 3/31/2011 - Withdrawn from committee. Re-referred to Coms. on N.R. & W. and T. & H.</p>	<p>Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law imposes various requirements for the development and implementation of transportation projects.</p> <p>This bill would impose additional requirements on the department with respect to proposed capacity-increasing state highway projects in the coastal zone, including requiring the department to collaborate with local agencies, the California Coastal Commission, and countywide or regional transportation planning agencies to develop traffic congestion reduction goals. The bill would, for these projects, require the department to suspend a notice of determination relating to environmental impact, issued between January 1, 2011, and January 1, 2012, until it is determined that environmental documents for the projects satisfy the requirements of the bill. The bill would also make legislative findings and declarations.</p> <p>Last Amended on 3/29/2011</p>	
<p><u>SB 475</u> <u>Wright D</u></p> <p>Infrastructure financing.</p>	<p>SENATE G. & F. 3/31/2011 - Set, first hearing. Hearing canceled at the request of author.</p> <p>4/6/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair 4/27/2011 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair</p>	<p>Existing law authorizes a governmental agency, as defined, to solicit proposals and enter into agreements with private entities for the design, construction, or reconstruction by, and lease to, private entities, for specified types of fee-producing infrastructure projects. Existing law permits these agreements to provide for infrastructure facilities owned by a governmental entity, but constructed by a private entity, to be leased to or owned by that private entity for a period of up to 35 years.</p> <p>This bill would authorize a local governmental agency to enter into an agreement with a private entity for financing for specified types of revenue-generating infrastructure projects. The bill would require an agreement entered into under these provisions to include adequate financial resources to perform the agreement, and would permit the agreements to lease or license to, or provide other permitted uses by, the private entity for a term of up to 50 years, after which time the project would revert to the governmental agency.</p> <p>Last Amended on 3/21/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p>SB 517 Lowenthal D</p> <p>High-Speed Rail Authority.</p>	<p>SENATE T. & H. 3/29/2011 - Set for hearing April 26.</p> <p>4/26/2011 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman</p>	<p>Existing law creates the High-Speed Rail Authority in state government with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor.</p> <p>This bill would place the High-Speed Rail Authority within the Business, Transportation and Housing Agency. The bill would provide for the Secretary of Business, Transportation and Housing to serve on the authority as a nonvoting, ex officio member. The bill would require the secretary to propose an annual budget for the authority upon consultation with the authority. The bill would require the members of the authority appointed by the Governor to be appointed with the advice and consent of the Senate. The bill would provide for the members that are appointed to have specified background or experience, as specified. This bill contains other related provisions and other existing laws.</p>	
<p>SB 522 Walters R</p> <p>Public employees' retirement: additional service credit.</p>	<p>SENATE P.E. & R. 3/22/2011 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.</p>	<p>Existing law authorizes certain members of the Public Employees' Retirement System, the State Teachers' Retirement System, and county, city, and district retirement systems that have adopted specified provisions, to make additional contributions to the retirement system and receive up to 5 years of additional retirement service credit for time that does not qualify for public service, as specified.</p> <p>The bill would repeal the provisions that authorize these additional contributions and service credit, and would make related technical changes.</p> <p>Last Amended on 3/22/2011</p>	

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Bill ID/Topic	Location	Summary	Position
<p>SB 523 Walters R</p> <p>Public employees' retirement: elected local officials.</p>	<p>SENATE P.E. & R. 3/22/2011 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.</p>	<p>Existing law authorizes the creation of retirement systems for public employees by counties, cities, and districts. Existing law creates the Public Employees' Retirement System and the State Teachers' Retirement System, which provide a defined benefit to their members based on age at retirement, service credit, and final compensation. Existing law establishes the criteria for membership in the various public employee retirement systems and may exclude certain employment classifications from membership. The California Constitution provides for the division of the state into counties and requires that a county have an elected sheriff, elected district attorney, elected assessor, and elected governing body. Existing law provides for the incorporation of cities in various forms and requires that certain city offices be filled pursuant to elections, as prescribed. Existing law provides for the creation of districts, the governing bodies of which may be elected.</p> <p>This bill would prohibit a person who is publicly elected to a local office of any kind, on and after January 1, 2012, from becoming a member of a retirement system by virtue of that service or from acquiring any retirement right or benefit for serving in that elective local office. The bill would also apply these prohibitions to a person who is appointed to fill the term of a person so elected, but would not apply them to a person who obtained membership by virtue of holding an elective local office prior to January 1, 2012, for so long as he or she holds that office or is reelected to that office.</p> <p>Last Amended on 3/22/2011</p>	
<p>SB 524 Walters R</p> <p>Public employees' retirement: retroactive benefits.</p>	<p>SENATE P.E. & R. 3/22/2011 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.</p>	<p>The Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions commonly referred to as the Educational Employment Relations Act, the Higher Education Employer-Employee Relations Act, the Trial Court Employment Protection and Governance Act, the Trial Court Interpreter Employment and Labor Relations Act, and the Los Angeles County Metropolitan Transportation Authority Transit Employer-Employee Relations Act each provide for the representation of state or local public employees by recognized employee organizations, and provide that the scope of this representation includes negotiations concerning wages, hours, and other terms and conditions of employment between the state or local public employer and representatives of those employee organizations.</p> <p>This bill would exclude matters relating to the retroactive effect of pension benefit increases from the scope of representation of public employees by recognized employee organizations, and would thereby prohibit these employee organizations from negotiating for a retroactive effect of pension benefit increases with public employers. This bill contains other related provisions and other existing laws.</p> <p>Last Amended on 3/22/2011</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>SB 582 Emmerson R</p> <p>Commute benefit policies.</p>	<p>SENATE T. & H. 3/29/2011 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on T. & H.</p> <p>4/5/2011 1:30 p.m. - Room 112 SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman</p>	<p>Existing law requires transportation planning agencies to undertake various transportation planning activities, including preparation of a regional transportation plan. Existing law requires transportation planning agencies that are designated under federal law as metropolitan planning organizations to include a sustainable communities strategy as part of the regional transportation plan for their region. Existing law creates air quality management districts with various responsibilities relative to reduction of air pollution.</p> <p>This bill, beginning on January 1, 2013, would authorize a metropolitan planning organization jointly with the local air quality management district to adopt a commute benefit ordinance that requires covered employers operating within the common area of the organization and district with a specified number of covered employees to offer those employees certain commute benefits. The bill would require that the ordinance specify certain matters, including any consequences for noncompliance. The bill would provide for the ordinance to be adopted by the county transportation commission rather than the metropolitan planning organization in those counties where the Southern California Association of Governments is the designated metropolitan planning organization.</p> <p>Last Amended on 3/29/2011</p>	
<p>SB 620 Correa D</p> <p>California Environmental Quality Act: retail facilities: project review.</p>	<p>SENATE E.Q. 3/22/2011 - Set for hearing April 4.</p> <p>4/4/2011 1:30 p.m. - Room 112 SENATE ENVIRONMENTAL QUALITY, SIMITIAN, Chairman</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, as defined, or to adopt a negative declaration if it finds that the project will not have that effect.</p> <p>This bill would, until January 1, 2015, exempt from those CEQA requirements a project that consists of the alteration of a vacant retail structure that existed prior to January 1, 2009, is not more than 120,000 square feet in area, and that meets specified requirements. This bill contains other related provisions and other existing laws.</p>	
<p>SB 624 Harman R</p> <p>Emissions of greenhouse gases: California Global Warming Solutions Act of 2006.</p>	<p>SENATE RLS. 3/3/2011 - Referred to Com. on RLS.</p>	<p>The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit to be achieved by 2020, equivalent to the statewide greenhouse gas emissions levels in 1990. The act requires the state board, on or before January 1, 2011, to adopt greenhouse gas emission limits and emission reduction measures by regulation to achieve the maximum technologically feasible and cost-effective reductions in emissions of greenhouse gases, in furtherance of achieving the statewide greenhouse gas emissions limit, with the regulations to become operative beginning January 1, 2012. This bill would make technical, nonsubstantive changes to the above requirements.</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p>SB 659 Hernandez D</p> <p>San Gabriel Basin Water Quality Authority: board members.</p>	<p>SENATE G. & F. 3/31/2011 - Re-referred to Com. on Gov. & F.</p>	<p>The San Gabriel Basin Water Quality Authority Act authorizes the San Gabriel Water Basin Quality Authority to plan, finance, and implement groundwater remediation activities, as prescribed. The act requires the authority to be governed by a board composed of 7 members, consisting of 3 members appointed by the San Gabriel Valley Municipal Water District, the Upper San Gabriel Valley Municipal Water District, and the Three Valleys Municipal Water District; 2 members elected by specified cities within the San Gabriel Basin; and 2 producer members appointed by the San Gabriel Valley Water Association. The act prescribes 4-year terms of office for the board members.</p> <p>This bill would require the members appointed by the water districts and the producer members to hold office at the pleasure of their respective appointing authorities, instead of holding a 4-year term of office, and would make conforming changes to the act.</p> <p>Last Amended on 3/24/2011</p>	
<p>SB 683 Correa D</p> <p>Environment: California Environmental Quality Act: noncompliance allegations: public comment.</p>	<p>SENATE E.Q. 3/22/2011 - Set for hearing April 4.</p> <p>4/4/2011 1:30 p.m. - Room 112 SENATE ENVIRONMENTAL QUALITY, SIMITIAN, Chairman</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA provides for a public review period for the public to review a draft EIR, proposed negative declaration, or proposed mitigated negative declaration. CEQA requires a lead agency to evaluate and respond to comments on a draft EIR, proposed negative declaration, or proposed mitigated negative declaration made during the public review period and authorizes a lead agency to evaluate and respond to comments made on a draft EIR when the comments are submitted after the public review period. CEQA requires an action or proceeding alleging noncompliance with its requirements to be based on grounds that were presented to the public agency orally or in writing by any person unless the person objected to the approval of the project orally or in writing, during the public comment period provided under CEQA or prior to the close of the public hearing on the project before the issuance of the notice of determination.</p> <p>This bill instead would prohibit these actions or proceedings unless the oral or written presentation or objection occurs during the public comment period provided under CEQA or prior to the close of the public hearing on the project before the filing, rather than issuance, of the notice of determination.</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p><u>SB 693</u> <u>Dutton R</u></p> <p>Public contracts: local agencies.</p>	<p>SENATE T. & H. 3/10/2011 - Set for hearing April 12.</p> <p>4/12/2011 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman</p>	<p>Existing law sets forth requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement. Existing law also authorizes specified state agencies, cities, and counties to implement alternative procedures for the awarding of contracts on a design-build basis. Existing law authorizes the Department of Transportation and regional transportation agencies to enter into public-private partnerships for transportation projects under certain conditions. Existing law authorizes the department to delegate to any city or county any part of its powers and jurisdiction, except the power of approval, with respect to any portion of any state highway within the city or county, and to withdraw the delegation.</p> <p>This bill would specify that the delegation authority includes the authority to utilize private-public partnership agreements for transportation projects. The bill would also make findings and declarations related to local agency contracting.</p>	
<p><u>SB 733</u> <u>Price D</u></p> <p>High-speed rail: business plan: contracts: small business participation.</p>	<p>SENATE T. & H. 3/29/2011 - Set for hearing April 26.</p> <p>4/26/2011 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman</p>	<p>Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Under federal law, funding is made available for allocation nationally to high-speed rail and other related projects. Existing law requires the authority to prepare, publish, adopt, and submit to the Legislature a business plan containing specified elements beginning January 1, 2012, and every 2 years thereafter.</p> <p>This bill would require the authority to include in the business plan to be submitted on January 1, 2012, or as an addendum to that plan to be submitted as soon as possible after that date, a strategy for ensuring the participation of small business enterprises in contracts awarded by the authority with state or federal funds during all phases of the project.</p>	
<p><u>SB 749</u> <u>Steinberg D</u></p> <p>High-speed rail.</p>	<p>SENATE T. & H. 3/29/2011 - Set for hearing April 26.</p> <p>4/26/2011 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman</p>	<p>Existing law creates the High-Speed Rail Authority with specified powers and duties relative to development and implementation of a high-speed train system. The authority is composed of 9 members, including 5 members appointed by the Governor.</p> <p>This bill would provide that the members of the authority appointed by the Governor are subject to appointment with the advice and consent of the Senate.</p>	

**San Mateo County Transit District
State Legislative Matrix 4/1/2011**

Bill ID/Topic	Location	Summary	Position
<p>SB 775 Walters R</p> <p>Bonds.</p>	<p>SENATE PRINT 2/20/2011 - From printer. May be acted upon on or after March 22.</p>	<p>The existing State General Obligation Bond Law contains procedures for use in authorizing the issuance and sale and providing for the repayment of state general obligation bonds. Existing law also requires prescribed accountability measures to be included in local bond measures. This bill would incorporate a requirement into the State General Obligation Bond Law that would require a committee created by a bond act to periodically prepare a report on, among other topics, the amount of bonds that the committee has issued in the past five years and the likelihood that the committee will issue any additional bonds in the future.</p> <p>This bill would require that this report is submitted to standing committees in the Legislature with responsibility for budget and fiscal affairs. This bill would specifically authorize house committees to recommend to the Legislature, based upon the contents of that report, that the amount of bonds authorized by the act should be reduced if they conclude either that it is unlikely that the bond committee will issue any additional bonds in the future or that the amount of bonds authorized by the act is excessive or unnecessary in relation to the purpose for which the bond act was passed. This bill contains other related provisions.</p>	
<p>SB 783 Dutton R</p> <p>Environment: CEQA.</p>	<p>SENATE RLS. 3/10/2011 - Referred to Com. on RLS.</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.</p> <p>This bill would make technical, nonsubstantive changes to the term "project" for the purposes of CEQA. This bill contains other existing laws.</p>	
<p>SB 785 Dutton R</p> <p>Environmental quality CEQA: compliance: environmentally mandated projects.</p>	<p>SENATE RLS. 3/10/2011 - Referred to Com. on RLS.</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.</p> <p>This bill would make a technical, nonsubstantive change in those provisions relating to the requirements imposed on a lead agency for the compliance project. This bill contains other</p>	

San Mateo County Transit District State Legislative Matrix 4/1/2011

Bill ID/Topic	Location	Summary	Position
<p><u>SB 832</u> <u>Strickland</u> R</p> <p>California Global Warming Solutions Act of 2006.</p>	<p>SENATE RLS. 3/10/2011 - Referred to Com. on RLS.</p>	<p>existing laws.</p> <p>The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations to require the reporting and verification of emissions of greenhouse gases and to monitor and enforce compliance with the reporting and verification program, and requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020.</p> <p>This bill would make a technical, nonsubstantive change to a provision of the California Global Warming Solutions Act of 2006.</p>	
<p><u>SB 851</u> <u>Anderson</u> R</p> <p>Transportation.</p>	<p>SENATE RLS. 3/10/2011 - Referred to Com. on RLS.</p>	<p>Existing law provides the Department of Transportation with full possession and control of all state highways and authorizes the department to lay out and construct all state highways, as specified.</p> <p>This bill would state intent of the Legislature to enact legislation that would address the need for highway construction.</p>	
<p><u>SB 862</u> <u>Lowenthal</u> D</p> <p>Southern California Goods Movement Authority.</p>	<p>SENATE T. & H. 3/31/2011 - Hearing postponed by committee. (Refers to 3/31/2011 hearing)</p> <p>4/26/2011 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman</p>	<p>Existing law requests the California Marine and Intermodal Transportation System Advisory Council, a federal entity, to compile data on, among other issues, air pollution caused by the movement of goods through the state's maritime ports and proposed methods of mitigating or alleviating that pollution.</p> <p>This bill would establish the Southern California Goods Movement Authority consisting of representatives from specified entities. The bill would require the authority to establish a priority list of goods movement projects in southern California. The bill would require the Alameda Corridor East Construction Authority, a local agency, to provide staff and meeting space for the authority, thereby imposing a state-mandated local program. The bill would authorize the authority to enter into a memorandum of understanding with PierPass, a not-for-profit company, for funding the list of goods movement projects. This bill contains other related provisions and other existing laws.</p>	
<p><u>SB 864</u> <u>Fuller</u> R</p> <p>Emissions of greenhouse gases: market-based compliance mechanisms.</p>	<p>SENATE RLS. 3/10/2011 - Referred to Com. on RLS.</p>	<p>The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating greenhouse gas emission sources. The act requires the state board to adopt regulations to require the reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance with this program. The act also requires the state board to adopt regulations to provide for a statewide greenhouse gas emissions limit to be achieved by 2020, equivalent to the statewide greenhouse gas emissions levels in 1990. Existing law authorizes the state board to include market-based compliance mechanisms, as defined, to comply with the regulations.</p>	

**San Mateo County Transit District
State Legislative Matrix 4/1/2011**

Bill ID/Topic	Location	Summary	Position
		This bill would make technical, nonsubstantive changes to this authorization.	
<p><u>SB 867</u> <u>Padilla D</u></p> <p>Build California Bonds.</p>	<p>SENATE PRINT 2/19/2011 - From printer. May be acted upon on or after March 21.</p>	<p>Existing law creates the California Transportation Financing Authority with specified powers and duties relative to the issuance of bonds to fund transportation projects to be backed, in whole or in part, by various revenue streams of transportation funds and toll revenues in order to increase the construction of new capacity or improvements for the state transportation system.</p> <p>This bill would, in addition, provide for the authority to issue Build California Bonds, the proceeds of which would be used for specified transportation capital improvements. Bondholders would be entitled to nonrefundable tax credits against their personal income tax or corporate tax liability. The bonds would not be a debt or liability of the state or a political subdivision of the state, except for the authority. The bill would provide for the authority to enter into financing agreements with participating local transportation authorities for the purpose of financing or refinancing transportation projects. Each series of bonds issued by the authority would be secured by a financing agreement between the authority and the local transportation authority. The bill would limit the principal amount of bonds to be issued by the authority under these provisions to \$5 billion over a 5-year period commencing January 1, 2012. The bill would enact other related provisions.</p>	



BOARD OF DIRECTORS 2011

KARYL MATSUMOTO, CHAIR
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ADRIENNE TISSIER

MICHAEL J. SCANLON
GENERAL MANAGER/CEO

AGENDA

PLANNING, DEVELOPMENT & SUSTAINABILITY COMMITTEE COMMITTEE OF THE WHOLE

**San Mateo County Transit District Administrative Building
Bacciocco Auditorium - Second Floor
1250 San Carlos Ave., San Carlos, CA**

WEDNESDAY, APRIL 13, 2011– 3:20 p.m.
or immediately following previous Committee meeting

ACTION

1. Approval of Minutes of Planning, Development and Sustainability Committee Meeting of March 9, 2011

INFORMATIONAL

2. Sustainability Program Overview

Committee Members: Carole Groom, Jerry Deal, Art Lloyd

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- 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 TRANSIT DISTRICT
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA
MINUTES OF PLANNING, DEVELOPMENT AND SUSTAINABILITY
COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 9, 2011**

Committee Members Present: C. Groom (Committee Chair), J. Deal, A. Lloyd

Other Board Members Present, Constituting Committee of the Whole: R. Guilbault, S. Harris, Z. Kersteen-Tucker, K. Matsumoto, A. Tissier

Other Board Members Absent, Constituting Committee of the Whole: O. Ahmad

Staff Present: E. Betts, J. Cassman, C. Goodrich, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez, N. McKenna, D. Miller, M. Scanlon, M. Simon

Committee Chair Carole Groom called the meeting to order at 3:10 p.m.

Approval of Minutes of Planning, Development and Sustainability Committee Meeting of February 9, 2011

The Committee approved the minutes (Guilbault/Lloyd).

North San Mateo Community-Based Transportation Plan (CBTP)

Manager of Strategic Development Corinne Goodrich said this is the third community-based transportation plan that SamTrans has completed for the City/County Association of Governments (C/CAG). Ms. Goodrich introduced Program Manager Jean Higaki from C/CAG and Senior Planner Emily Betts.

Ms. Higaki said the North Central San Mateo Community-Based Transportation Plan (Plan) is a concept level document that identifies the transportation needs of this particular community through extensive outreach. She said it is the third plan to be completed for the four communities of concern identified by the Metropolitan Transportation Commission (MTC) in San Mateo County. Ms. Higaki said communities of concern are delineated by MTC and are composed of high concentrations, low-income or minority populations. The document is a product of a collaborative effort between the city of San Mateo, SamTrans and community stakeholders. C/CAG contracted with SamTrans to perform this study since transit is a critical element in this Plan and plays a vital role in serving the transportation needs of the low-income community, in general. The Plan was presented and adopted by the San Mateo city council on January 3 and accepted by the C/CAG board on February 10.

Ms. Betts reported:

- The Plan examines the needs of the north central San Mateo community and is part of MTC's Community Based Transportation Planning Program.

- Funding was awarded to C/CAG by the MTC. MTC selected SamTrans to carry out the Plan previously done for the other two community-based transportation plans.
- The MTC program objectives are:
 - Target planning efforts in low-income communities.
 - Facilitate community participation in prioritizing transportation needs and identifying potential solutions.
 - Cultivate collaboration between the community, transit agencies, congestion management agencies and MTC.
 - Build community capacity through community-based organization involvement in the planning process.
- Extensive outreach was done over a five month period. Surveys were mailed to residents in both English and Spanish. One-on-one interviews were done with community groups and agencies.
- Through the outreach process 10 proposed strategies were developed and divided into three categories:
 - Accessing places outside of the project area.
 - Accessing transit and community facilities in the project area.
 - Information and cost.
- The potential lead agencies are C/CAG, city of San Mateo, Human Services Agency, SamTrans, San Mateo-Foster City School District, San Mateo Medical Center, San Mateo County Office of Education
- MTC requirements for the Plan are:
 - Make the results available to all congestion management agencies and transit agencies.
 - Forward findings to applicable local or county-level policy boards to the MTC.
 - Forward recommended service improvements to transit policy boards for consideration and subsequent incorporation into Short Range Transit Plans and/or future service expansions.
 - Forward recommended service improvements to C/CAG policy boards for planning, funding and implementation discussions.
- Next steps include consideration by SamTrans and C/CAG of recommended improvements for incorporation into plans and develop project funding and implementation of steps for short-term strategies.

Public Comment

Jerry Grace, San Lorenzo, asked how this Plan works.

Ms. Higaki said this is a concept level document and has potential leads for some of the strategies.

Capital Projects Quarterly Status Report

No discussion.

Adjourned: 3:30 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Planning, Development & Sustainability Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: C.H. (Chuck) Harvey
Deputy CEO

SUBJECT: SUSTAINABILITY PROGRAM OVERVIEW AS OF APRIL 2011

ACTION:

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

SIGNIFICANCE:

This report provides a comprehensive overview of the Sustainability Program as of April 2011. Additional details will be presented by staff at the meeting.

Sustainability Program Framework:

The Sustainability Program exists to help conserve resources and potentially save money for the District. The program relies on two volunteer committees, one addresses policy and strategy, the other, project management and delivery. While their tasks are different, the goal is the same: to find ways to reduce energy, water and waste streams at the District, and in the process, embed sustainability into the culture of the organization. The Sustainability Program Manager, Executive Team and Board support the committees.

Taking a “top to bottom” “bottom to top” approach is consistent with best practices in sustainability as is working through volunteer teams. The District enjoys strong cross-department committee representation in the Sustainability Program with seventy percent of the agency’s departments are represented on the committees.

Program Progress:

The committees have been meeting for one year, and to date they have completed twelve projects and two policies. Some examples include: single stream recycling, midday motor pool consolidation, lights out signage in common areas, double sided printing as default, use of 100% recycled paper, an update to the SamTrans construction design criteria to include recommended sustainable materials and construction practices and education sessions for employees. These projects were included in the American Public Transportation Association (APTA) bronze

submission as evidence supporting the District's commitment to sustainability. The committee also wrote an overarching sustainability policy and an environmental procurement policy.

In addition to leading the teams, the Sustainability Program Manager has also been working on a variety of program level matters, including completing the District's first greenhouse gas emissions inventory, leading our green business certification process, collecting other examples of sustainable activities outside the work of the committees, and identifying additional opportunities to deepen and broaden the District's sustainability commitment.

Milestones:

When the District launched its Sustainability Program a key first step was to sign the APTA's "Sustainability Commitment". This commitment prescribed a number of actions and best practices that transit agencies should apply to their sustainability efforts. APTA established a recognition process for programs that have achieved specific program targets including reductions in greenhouse gas emissions. The District was recently recognized with the APTA bronze award for our sustainability efforts. The APTA committee who reviewed our application made the following comment:

In reviewing SamTrans submission, it was clear that they are serious not only about committing to Sustainability, but also about tracking their performance and progress. It presents a very practical and realistic example of a typical transit agency that is trying to make the best of the resources available – not averse to identifying areas for improvement, and balanced by areas that deserve recognition.

APTA is supportive of our work and they have indicated they will feature our award in an upcoming issue of *Passenger Transport*. We will also note the bronze award in our own targeted marketing and public affairs publications.

Next Steps:

Continuing to engage staff and our other stakeholders in our sustainability efforts is one of the key next steps in the Sustainability Program. As the program matures, the challenge will be to new find ways to diffuse sustainability thinking even further throughout the organization. Another key step is to continue measuring the District's greenhouse gas emissions level and communicating about that, as well as other sustainability issues.

BUDGET IMPACT:

There is no impact on the budget. Sustainability program efforts are included in adopted operating and capital budgets.

Prepared by: C.H. (Chuck) Harvey, Deputy CEO

650-508-7720



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GENERAL MANAGER/CEO

A G E N D A

BOARD OF DIRECTORS

San Mateo County Transit District Administrative Building
Bacciocco Auditorium - Second Floor
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WEDNESDAY, APRIL 13, 2011 – 3:40 p.m.
or immediately following Committee meetings

RECONVENE FROM COMMITTEE MEETINGS

6. CONSENT CALENDAR

MOTION

- a. Approval of Minutes of Board of Directors Meeting of March 9, 2011
- b. Approval of Minutes of Board of Directors Special Meeting of March 24, 2011
- c. Acceptance of Statement of Revenues and Expenses for February 2011

7. PUBLIC COMMENT

Public comment by each individual speaker shall be limited to one minute

8. REPORT OF THE CHAIR

9. REPORT OF THE GENERAL MANAGER/CEO

10. COMMUNITY RELATIONS COMMITTEE

(Accessibility, Senior Services, and Community Issues)

MOTION

- a. Appointment of Citizen Advisory Committee Members
 - i) Daniel Cruz, Representing Bus Riders
 - ii) Saundra Curry, Representing Bus Riders
 - iii) Sonny Koya, Representing Bus Riders
 - iv) Peter Loranger, Representing Bus Riders
 - v) Maureen Hall, Representing Community Riders
 - vi) Peter Ratto, Representing Multimodal Riders

SUBJECTS DISCUSSED

- b. Accessibility Update
- c. Paratransit Coordinating Council (PCC) Update
- d. Citizens Advisory Committee Liaison Report
- e. Performance Report – Shuttles
- f. Multimodal Ridership Report – February 2011

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

11. FINANCE COMMITTEE

RESOLUTION

- a. Assessment of the Fiscal Year 2011 Fuel Hedging Program and Adoption of Revised Fuel Hedging Policy
- b. Authorize Appointment of Orrick, Herrington and Sutcliffe LLP to Serve as Special Counsel in Connection with the Fiscal Year 2012 Fuel Hedging Program
- c. Authorize Amendment to the Investment Policies and Annual Reauthorization to Invest Monies with the Local Agency Investment Fund
- d. Adoption of Advertising Policy
- e. Authorize Rejection of Low Monetary Bid as Non-Responsive From Harris Electric and Award of Contract to Liberty Electric for Electrical Maintenance Services for a Total Estimated Cost of \$948,094 for a Three Year Term

MOTION

- f. Authorize Rejection of all Bids for Floor Maintenance Services and Related Carpet/Vinyl Work as Non-Responsive and Authorize Reissuing the Solicitation

12. LEGISLATIVE COMMITTEE

SUBJECTS DISCUSSED

- a. State and Federal Legislative Update

13. PLANNING, DEVELOPMENT AND SUSTAINABILITY

SUBJECTS DISCUSSED

- a. Sustainability Program Overview

14. WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

15. BOARD MEMBER REQUESTS/COMMENTS

16. DATE, TIME AND PLACE OF NEXT MEETING – May 11, 2011 at 2 p.m., San Mateo County Transit District, Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 Carlos Ave., San Carlos 94070

17. GENERAL COUNSEL PROPOSAL

- a. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6, Teamsters Union, Local 856 (Bus Transportation Supervisors, Dispatchers and Radio Controllers)
- b. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6, Amalgamated Transit Union, Local 1574 (Customer Service Center Employees)
- c. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6, Amalgamated Transit Union, Local 1574 (Bus Operators, Mechanics, Utility Workers and Storeskeeper Employees)

18. ADJOURNMENT

INFORMATION TO THE PUBLIC

If you have questions on the agenda, please contact the District Secretary at 650-508-6242. Agendas are available on the SamTrans Website at www.samtrans.com.

The San Mateo County Transit District Board and Citizens Advisory Committee (CAC) meeting schedules are available on the Web site.

Date and Time of Board and Advisory Committee Meetings

San Mateo County Transit District Committees and Board: Second Wednesday of the month, 2 p.m.; SamTrans Citizens Advisory Committee: First Wednesday of the month, 6:30 p.m. Date, time and location of meetings may be change as necessary.

Location of Meeting

The San Mateo County Transit District Administrative Building is located at 1250 San Carlos Avenue, San Carlos, one block west of the San Carlos Caltrain Station on El Camino Real and accessible by SamTrans bus Routes 260, 295, 390, 391, KX. [Map link](#) Additional transit information can be obtained by calling 1-800-660-4287 or 511.

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 District 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 Transit District 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 District Secretary at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to board@samtrans.com; or by phone at 650-508-6242, or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

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 TRANSIT DISTRICT
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF BOARD OF DIRECTORS MEETING
MARCH 9, 2011**

Board Members Present: J. Deal, C. Groom, R. Guilbault, S. Harris, Z. Kersteen-Tucker, A. Lloyd, K. Matsumoto (Chair), A. Tissier

Board Members Absent: O. Ahmad

Staff Present: J. Cassman, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez, N. McKenna, D. Miller, M. Scanlon, M. Simon, J. Slavit

Chair Karyl Matsumoto called the meeting to order at 3:20 p.m.

CONSENT CALENDAR

The Board approved the consent calendar (Deal/Harris):

- a. Approval of Minutes of Board of Directors Meeting of February 9, 2011
- b. Acceptance of Statement of Revenues and Expenses for January 2011

PUBLIC COMMENT

Jerry Grace, San Lorenzo, said his birthday is next week and this weekend the clocks need to be changed.

REPORT OF CHAIR

Resolution of Appreciation to Outgoing Chair Rose Guilbault

Chair Matsumoto presented a resolution of appreciation to Director Rose Guilbault for serving as chair in 2010.

The motion (Matsumoto/Deal) to approve the resolution was approved unanimously by roll call.

Director Guilbault said it was an extraordinary year and staff and this board is great to work with.

Chair Matsumoto announced the committee chairs for the year:

- Community Relations Committee – Director Guilbault
- Finance Committee – Director Omar Ahmad
- Legislative Committee – Director Zoe Kersteen-Tucker
- Planning, Development & Sustainability Committee – Director Carole Groom
- Ad Hoc: San Carlos Transit Oriented Development – Director Jerry Deal
- Ad Hoc: Strategic Plan/Financial Capacity – Director Adrienne Tissier

REPORT OF THE GENERAL MANAGER/CEO

Michael Scanlon reported:

- Thanked Director Guilbault for her service as chair last year.
- Jai Prasad was recognized for 30-year safe driver award.
- Tevita Pepa was recognized as 2010 Maintenance Employee of the Year.
- Cheryl Ross was recognized as 2010 Operator of the Year.
- SamTrans is partnering with the University of the Pacific for a nine-course certificate program starting on March 18 entitled "Transit and Paratransit Management."
- The second leadership academy class has begun.
- Deputy CEO Chuck Harvey attended the recent American Public Transportation Association (APTA) Chief Executive Officers conference and he had an opportunity to talk with transit CEOs about SamTrans' investment in human capital. Mr. Harvey has been asked by APTA staff to conduct sessions on work force development being done at SamTrans.
- The employees at South Base have worked over 32,000 without a loss work day between April-October 2010.
- Fixed-route averaged over 29,000 miles between service calls and paratransit fleet averaged over 37,000 miles. These are both above the 19,000 mile target.
- A Route 17 operator was recognized by Director Kersteen-Tucker for turning in a lost wallet.
- Thanked Director Tissier for her continued support with the older driver classes.
- Two public hearings were held at the March 3 Peninsula Corridor Joint Powers Board on service cuts, station closures and fare increases and also to declare a fiscal emergency. He said 99 speakers spoke between the two public hearings.
- There will be a special Board workshop on March 24 at 1 p.m. to discuss the SamTrans financial issue.

Mr. Harvey said SamTrans signed an APTA Sustainability Commitment. He said a group of SamTrans volunteers was formed and a program was put together to measure greenhouse gas emissions and begin to chart a methodology to reduce these emissions. Mr. Harvey said by achieving all of the particular items necessary under the commitment SamTrans was awarded the APTA Sustainability Bronze award.

CALL FOR A PUBLIC HEARING ON APRIL 13, 2011 FOR THE FILING OF A FEDERAL TRANSIT ADMINISTRATION (FTA) SECTION 5310 GRANT APPLICATION

Manager of Grants and Fund Programming Joel Slavit said staff is requesting a public hearing be held at the April 13 meeting for the filing of FTA Section 5310 Transportation for Elderly Persons and Persons with Disabilities grant application. He said public agencies are required to hold public hearings when they seek to apply for discretionary Section 5310 funds to ensure there is no duplication from other non-profit entities that may be readily available to provide the same service. Mr. Slavit said staff will be applying for two small cut-away buses to replace two sedans for Redi-Wheels service. The proposal will also result in cost savings as it will reduce the need to rely on taxi service during periods of peak demand.

The motion (Lloyd/Tissier) to call for the public hearing at the April 13 meeting was approved unanimously.

COMMUNITY RELATIONS COMMITTEE

SUBJECTS DISCUSSED

- a. Accessibility Update
- b. Citizens Advisory Committee Liaison Report
- c. Performance Report – Caltrain
- d. Multimodal Ridership Report – January 2011

FINANCE COMMITTEE

RESOLUTIONS

- a. Authorize Execution of Cooperative Agreements with the City/County Association of Governments (C/CAG) for Transportation Funds for Clean Air Funds for the SamTrans Shuttle Bus Program
- b. Authorize the Filing of Applications for Proposition 1B Transit Security Program Funds
- c. Authorize Amending the Fiscal Year 2011 Capital Budget by \$3,797,000 from \$8,624,325 to \$12,421,325 for the PeopleSoft Integration and Real-Time Transit Information Projects
- d. Authorize a Pilot Residential Pass Program Through 2013
- e. Authorize Award of Contract to Aramark Uniform Services for Rental, Purchase and Laundering of Work Clothing, Shop Towels and Related Items for a Total Estimated Cost of \$269,186 for a Five-Year Term
- f. Authorize Award of Contract to Bayshore Truck Equipment for Remanufacturing Heavy Duty Differentials for a Total Estimated Cost of \$287,010

The motion (Harris/Lloyd) to approve the resolutions was approved unanimously by roll call.

LEGISLATIVE COMMITTEE

SUBJECTS DISCUSSED

- a. State and Federal Legislative Update

PLANNING, DEVELOPMENT & SUSTAINABILITY COMMITTEE

SUBJECTS DISCUSSED

- a. North San Mateo County-Based Transportation Plan
- b. Capital Projects Quarterly Status Report

WRITTEN COMMUNICATIONS

In reading file

BOARD MEMBER COMMENTS

Director Kersteen-Tucker commended SamTrans and staff on the APTA Bronze Sustainability award. She said it demonstrates a lot of courage among staff and SamTrans to take on the effort and appreciates the commitment SamTrans has on this issue.

DATE AND TIME OF NEXT MEETING – Special Meeting March 24 at 1 p.m., San Mateo County Transit District, Administrative Building, 1250 San Carlos Avenue, San Carlos, CA 94070.

GENERAL COUNSEL PROPOSAL

- a. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6, Teamsters Union, Local 856 (Bus Transportation Supervisors, Dispatchers and Radio Controllers)
- b. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6, Amalgamated Transit Union, Local 1574 (Customer Service Center Employees)
- c. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6, Amalgamated Transit Union, Local 1574 (Bus Operators, Mechanics, Utility Workers and Storeskeeper Employees)

Legal Counsel David Miller said there will be a closed session today for an update on pending labor negotiations.

The meeting adjourned to closed session at 4:02 p.m.

Meeting reconvened to open session at 4:36 p.m.

Mr. Miller said the Board met in closed session to consider pending labor negotiations and period reports will continue to be made to the Board as negotiations proceed.

Adjourned at 4:37 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING
MARCH 24, 2011**

Board Members Present: O. Ahmad, J. Deal, R. Guilbault, S. Harris, A. Lloyd, K. Matsumoto (Chair), A. Tissier

Board Members Absent: C. Groom, Z. Kersteen-Tucker

Staff Present: J. Cassman, G. Harrington, C. Harvey, R. Haskin, R. Lake, M. Martinez, N. McKenna, D. Miller, M. Scanlon, M. Simon

Chair Karyl Matsumoto called the meeting to order at 1:15 p.m.

Deputy CEO Gigi Harrington presented the following information concerning the San Mateo County Transit District's (District) financial outlook and its impact on District funding to Caltrain operations:

- The District has been facing a continuing structural deficit as Federal, State and local sources of funding have dwindled.
- District staff has been working with the Strategic Plan/Financial Capacity Ad Hoc Committee since 2006 to develop measures to address the structural deficit.
- Since the discussions in 2006, the District has addressed the structural deficit with the following actions: refinanced the District's debt, negotiated an end to the District's operations partnership with BART for the Peninsula extension, service reductions, administrative layoffs, hiring and salary freezes, furlough days, fare increases and a reduction in the District's contribution to the Caltrain operating budget.
- SamTrams preliminary FY2012 Operating Budget assumptions include:
 - Wages and salaries to remain at current year levels.
 - Benefit costs reduced slightly and assume some concessions from employees.
 - Diesel fuel is \$3.00 per gallon, unchanged from FY2011.
 - General sales tax revenues increase by \$1.5 million from FY2011 to FY2012.
 - Transportation Development Act increase by \$3.3 million from FY2011.
 - No fixed-route fare or service changes for FY2012; paratransit fare increase planned for July 1, 2011.
 - SamTrans contribution to the Peninsula Corridor Joint Powers Board (JPB) is \$4.9 million.
- Based on these assumptions, the preliminary FY2012 revenues are projected at \$138.1 million and preliminary operating expenses are projected at \$121.8 million. The debt service requirement for FY2012 is \$24.5 million; \$10.9 million in reserves will have to be used to balance the budget.
- With this budget, it is projected the District will run out of cash reserves in August 2015.
- If the contribution to Caltrain in FY2012 remains the same as previous year's, cash reserves would be gone by April 2014.

Director Omar Ahmad asked what the total BART debt is. Ms. Harrington said about \$200-240 million is debt service and about half of this debt is for BART, but would provide him with the exact number.

Director Ahmad asked how much the District put out for the JPB partners for the right of way. Ms. Harrington said the amount that is owed the District is based on the agreement between the Metropolitan Transportation Commission (MTC) and the three partners is \$48 million, but more than that was paid.

General Manager/CEO Michael Scanlon said the original amount owed by the Santa Clara Valley Transportation Authority (VTA) was \$34.6 million and San Francisco Municipal Transportation Authority (SFMTA) was \$8.3 million. He said the agreement to advance the funds included "best efforts" to pay these monies back with compounded interest at the same rate as the District's portfolio. Mr. Scanlon said, as of 2006, with interest, VTA owes the District \$76 million and SFMTA owes \$18 million.

Mr. Scanlon said a deal was put together a few years ago to pay back these funds with spillover funds and in the interest of reaching a settlement the interest being paid was negotiated down from a compounded rate to a simple rate that ended up being 1.5 percent per year. Mr. Scanlon said to-date MTC has paid \$6 million; VTA has paid \$800,000 and nothing has been received from SFMTA.

Director Ahmad said about \$35 million was what the District put forward for the VTA share and about \$8.5 million was put forward by the District for SFMTA's share. He said looking at the numbers today the District is probably owed about \$100 million.

Ms. Harrington continued with Caltrain's current fiscal status:

- In the early 2000s the economic downturn caused significant reduction in ridership and revenues.
- The service was reinvented between 2004 and 2005, which led to an increase in ridership and revenues.
- Funding for transit operations continues to be uncertain today.
- SamTrans' structural deficit resulted in a reduction in its member contributions to the JPB in FY2011.
- Staff proposes to continue its reduction in Caltrain operating funds to the level of \$4.9 million in FY2012.
- Caltrain's structural deficit will continue due to the lack of a dedicated and stable funding source.
- In order to balance the budget, Caltrain service was reduced in FY2010 and FY2011.
- In the past Caltrain has relied on one-time funds to balance its budget and this is no longer sustainable.
- The JPB is in the process of awarding a new contract for Caltrain operations and maintenance.
- Due to the reinvention of Caltrain service, average weekday ridership increased by 44 percent since 2004.
- Caltrain has a high farebox recovery compared with other local agencies.

- Caltrain's administrative staff costs are the lowest among all rail agencies.
- Member agencies provide operating contributions to the JPB according to the Joint Powers Agreement (JPA).
- The JPA states that each member subsidizes the operating budget based upon their county's morning peak hour boardings. In FY2006 the members agreed to an annual increase of 3 percent and since 2009 member contributions have been frozen.
- In FY2011 SamTrans proposed reducing its contribution and the member agencies adjusted their contributions accordingly.
- The FY2012 preliminary budget shows member contributions reduced from \$35 million to \$11.7 million.
- Caltrain has been working with stakeholders and the Board to discuss possible service scenarios.
- Caltrain's cost control and revenue measures include:
 - Operating with a lean staffing level as the staff is shared with two other agencies.
 - Administrative staff salaries have been frozen since 2008.
 - Administrative employees have been subjected to furlough days since 2008
 - In 2009 fares were increased, eight trains were eliminated, staff was laid off and there was a hiring freeze.
 - In 2011 fares were increased again, including the GO Pass and four more trains were eliminated.
- Criteria for operating reduced weekday service include:
 - Preserving commute-hour service, as well as service for the top 10 stations which account for 80 percent of the peak ridership.
 - Minimize ridership loss and maximize revenue retention.
 - Minimize the number of train crews and equipment required.
 - Maximize service to the most heavily used stations and suspend service to least-used stations.
 - Balance station coverage and end-to-end run time to 70 minutes.
 - The suspension of Gilroy service and closure of up to seven stations between San Jose and San Francisco.
 - Criteria for station closures is ridership and revenue; transit connections; and proximity to neighboring stations.
 - Fare and parking fee increases
 - Use \$7.1 million in SamTrans repayment funds from VTA
 - Use electrification funds
 - Re-direct Dumbarton Rail operating funds from MTC
 - Seek preventative maintenance funds
- Next steps include:
 - Continue discussions with member agencies, funding partners and MTC on funding options.
 - Continue work on service, fare and one-time source of funding plan for FY1012 and FY2013
 - Continue to work with stakeholders, including the Silicon Valley Leadership Group, MTC's Transit Sustainability Project and Friends of Caltrain, to develop long-term strategies for new revenue sources.

Director Jerry Deal asked about the money owed to SamTrans and are we just pretending they don't owe it. Mr. Scanlon said the parties engaged in a good faith agreement, but the revenue source disappeared, but MTC continues to pay SamTrans. He said VTA has stepped up to pay and SFMTA is going to try and put something in their budget this year to payback the funds. Mr. Scanlon said the District owns the right of way as tenants in common in San Mateo County. He said the right of way in the other counties is owned by the JPB, but the District has a security interest in the right of way.

Legal Counsel David Miller said the agreement reached among the member agencies in 1990 was to pay the District back for the advance that was made and that is why a security interest was taken and there is a binding commitment.

Director Shirley Harris asked if the \$7.1 million is a good faith payment by VTA. Mr. Scanlon said yes but with a string attached that the repaid funds be allocated only to Caltrain. Mr. Scanlon said the financial problem with SamTrans is creating the Caltrain problem and at this point all three agencies are on a similar course.

Ms. Harrington continued with staff's recommendations for the near-term:

- Recommend reducing the District's FY2012 contribution to Caltrain to \$4.9 million.
- Continue to work with the JPB partners and MTC on near-term solutions to balance the Caltrain budget for FY2012 and FY2013.
- Explore possible solutions to contribute additional funding to Caltrain including:
 - A possible fund swap to provide additional capacity for the District to contribute funding to Caltrain.
 - Utilize a portion of the District's right of way repayment from VTA for Caltrain: \$2 million in FY2012 and \$3 million in FY2013.
- Continue to work with the Strategic Plan/Financial Capacity Ad Hoc Committee on monitoring the financial condition of the District.
- Explore cost containment strategies for delivery of paratransit services.
- Continue work on the Comprehensive Operating Analysis (COA).

Director Art Lloyd asked about the MTC funding proposal.

Mr. Scanlon said no agreement has been reached yet, but MTC and all three partners are very engaged in finding a solution to this crisis. Mr. Scanlon said the goal is to find a two-year window for short-term funding issue while a permanent, dedicated funding solution is found. That long-term effort could come forward in conjunction with MTC's Transit Sustainability Project where some pretty significant decisions will have to be made in calendar year 2012.

Director Ahmad said he would like to see a two-tier benefit system for employees and have some discussion at a future meeting about different tiers for employees and the funding costs. He said VTA can write a check to Caltrain, but from a SamTrans perspective it feels like it a bit of a shell game. Director Ahmad said if VTA wants to write a check and say it should go to Caltrain then it should. He said what SamTrans does is lifeline work and the money that comes here towards SamTrans is going to lifeline services. Director Ahmad said parts of the SamTrans budget are mandated but would like to see how much mandated spending has gone up. He asked if staff could go to BART and ask for a two year moratorium on the loan.

Mr. Scanlon said the District does not owe BART money. The District financed the money used for the BART extension and that is the District's debt service. Mr. Scanlon said the unfunded mandate is Americans with Disabilities Act (ADA) transportation which is a very important and expensive service that SamTrans provides.

Deputy CEO Chuck Harvey said ADA transportation is a federally mandated program which must have a zero denial rate. He said the projected operating revenues and expenses for FY2012 are \$14 million. In prior years, operating expenses were \$12.8 million in calendar year 2007, \$13.4 million in 2008, \$14.1 million in 2009 and \$13.5 million in 2010. He said costs have been driven down by efficiencies. Mr. Harvey said other unfunded mandates include designed fixed-route service which must comply with Title VI - Route 17, along the coast, is one of these routes.

Chair Matsumoto asked how much each paratransit trip costs. Mr. Scanlon said it is \$40 per trip. He said this service cannot be taken away from this very fragile population. Mr. Scanlon said these customers need to be treated with dignity and respect and all trips are eligible no matter where the customer is going.

Chair Matsumoto asked if fares can be set on a sliding scale. Mr. Harvey said the fares are approaching the federally allowed level of twice the regular fixed-route fare.

Mr. Scanlon said people with disabilities have been mainstreamed more with staff's travel training. He said the cost is tough but is a very important service.

Director Adrienne Tissier asked how staff is projecting \$4.9 million from SamTrans this year and next year for Caltrain. Mr. Scanlon said that is money that comes from the San Mateo County Transportation Authority and was approved by the voters. Director Tissier asked if the money has to be used for operating. Mr. Scanlon said staff would rather use the funds for capital but it is allocated for operating. Director Tissier asked if a dedicated source of funding is found can the \$4.9 million be used elsewhere and Mr. Scanlon said yes.

Director Tissier said she is concerned that reducing service too much runs the risk of reaching a point where it is damaged beyond repair. She said doesn't want to use electrification money to solve the financial crisis and may need to look at using the Dumbarton Rail funds. Director Tissier said people at MTC don't like the idea of using the Dumbarton Rail funds, but if Caltrain doesn't exist it won't be going over the Dumbarton Bridge. She said she wants to put the puzzle together without detriment to the Caltrain service and once too much is taken away from the model it is damaged.

Mr. Scanlon said it is cautiously encouraged by his discussions with MTC and the JPB partners, but there is going to have to be some service cuts to balance the budget.

Director Tissier asked when the contract for Amtrak will be solidified. Mr. Scanlon said staff is negotiating with proposers now and the new contract will go into effect the beginning of the 2012 calendar year.

Director Harris asked if part of the funding source could be private partnerships. Mr. Scanlon said private-public partnerships are great but with farebox recovery there are no profits and it is a financing technique and not a funding technique. He said they can be great help if you just need financing, but this is a funding issue.

Chair Matsumoto said she is a strong proponent of Caltrain but if this Board opts to save Caltrain what kind of fare increases and reduction in bus service will have to happen.

Mr. Scanlon said what is important to come out of this meeting today is a decision from the Board of whether to go with \$2 million for the first year and \$3 million for the second year. He said to put the jigsaw puzzle together he needs direction from the Board.

Ms. Harrington said the District will run out of cash reserves in August 2015 in a financial model that calls for no fare increase and no service adjustment in FY2012 and a fare increase built in every three years, wages being frozen and a \$4.9 million contribution to Caltrain. If right of way repayments for Caltrain are made in the amounts of \$2 million in 2012 and \$3 million in 2014 cash reserves will be gone by June 2015.

Chair Matsumoto said she supports electrification and Caltrain but everything is going to be a band-aid until there is a dedicated source of funding for Caltrain. She asked if staff is anticipating something will go to the ballot in the next two years that will provide permanent, dedicated funding.

Director Tissier said from the MTC standpoint they are only looking at this as a two-year deal and it is up to the Board, elected officials and the public to get this on the 2012 ballot otherwise there will be no funding for Caltrain. She said the Board needs to give Mr. Scanlon as many “tools” as possible to work through this with MTC, VTA and SFMTA and if it includes those dollars, so be it. Director Tissier said this Board can’t tie Mr. Scanlon’s hands because then this Board will be sending a message to MTC that we aren’t doing anything to help solve this issue. She said if the public and elected officials don’t get a ballot measure by 2012 Caltrain service will be gone.

Mr. Scanlon said long-term funding for transit is a problem over the nine county Bay Area and MTC’s Transit Sustainability Project is critical to addressing that issue, of which Caltrain and SamTrans are part. Work is required on many fronts and on many issues, from governance to what is the right revenue vehicle.

Director Harris asked if there is any money available from High Speed Rail (HSR). Mr. Scanlon He said if a robust signaling system and a significant portion of electrification is paid for it will cut Caltrain’s financial problem in half because the system will perform better and can carry more passengers.

Chair Matsumoto said funding for Positive Train Control (PTC) failed in Congress. Mr. Scanlon said out of the latest continuing resolution, \$50 million was taken out that was available nationally. Mr. Scanlon said PTC for Caltrain is embedded in the Communications Based Overlay Signal System. He said Caltrain has a bid out and will get about \$16 million from the Federal Railroad Administration (FRA) that will be matched locally to at least start the program.

Mr. Scanlon said this is a \$200 million unfunded mandate for Caltrain and more money is needed from HSR or FRA.

Mr. Scanlon said in addition to the recommendations staff has proposed, we want to continue exploring a more equitable funding formula among the Caltrain partners. He said one of the things VTA has put forward besides the \$7.1 million is looking at the morning boarding formula. ,VTA would stay about the same, the District would go down and SFMTA would go up. He said SFMTA may not like that, but these are all the things being discussed with MTC. Mr. Scanlon said there are a lot of people in San Francisco who work in Silicon Valley who don't ride in the morning peak. Secondly, staff would like to try and negotiate and get some credit back to SamTrans for being the managing agency. Mr. Scanlon said staff is not doing something for 5.9 percent that over at ACE costs 16.7 percent. He believes it is a more efficient way to run all of transit, but some of the expense, just by nature, bleeds into the mothership so he would like to try to get some consideration, even if it we don't put cash in and it is matched, something creative for being the managing agency for Caltrain.

Mr. Scanlon said the plain truth is SamTrans has been subsidizing Caltrain above and beyond what the other members have for a lot of years. He said in the existing agreement VTA was responsible for the fully allocated operating costs of the Gilroy extension and this is clearly something that has to be on the table as we try to resolve this issue.

Mr. Scanlon said he appreciates having the tools, but would like to know he has Board authorization to accept \$5 million of VTA's repayment funds over two years. He said staff's goal is to make a decision at the April JPB meeting to get the full year out of the efficiencies. People need to know what is going to happen with Caltrain and then start focusing on the structural deficit of SamTrans.

Director Ahmad said he appreciates the work being done for Caltrain, but he doesn't want to lose sight of the brick wall that is going to be hit in 2015.

Public Comment

Michael Engemann, Redwood City, said he is humbled by the work this Board is doing to save Caltrain. He would like to see the entire \$7.1 million from VTA be used to solve this problem. Mr. Engemann said he doesn't want the electrification funds to be taken away. He believes Mr. Scanlon needs to have as many tools as possible when he speaks with MTC.

Shirley Ingalls, Mountain View, said she has ridden Caltrain for 14 years. She said staff and the Board need to accept MTC's idea of how to solve the fiscal problem for the next two years so a dedicated funding can be found.

Laura Lorgenger, Community Gatepath, said people with disabilities like the train and depend on it to do things in their community.

William Syme, Burlingame, said if Caltrain service is taken away from downtown Burlingame, it will affect all growing technology tenants that rely on Caltrain for their commute.

Yoriko Kishimoto, Friends of Caltrain, said it would be great for SamTrans to complete the Comprehensive Operating Analysis. She said timing is a significant issue and staff and the Board need to give MTC enough time to work on a proposal. Ms. Kishimoto said the Board needs to build on the SamTrans Citizens Advisory Committee recommendation and do more outreach to the community.

Eileen Menter, Mountain View, said she hopes the money lent by SamTrans wasn't a mistake and VTA and SFMTA will be able to pay it back. She is also lobbying for the San Antonio station to remain open, especially now that gas prices are going up. Ms. Menter said she is appalled at how Caltrain is funded. There needs to be a dedicated funding source and she supports a ballot measure.

Pat Dixon, Redwood Shores, said with the exception of one person on this Board everyone has a job and the CAC is all volunteers. She suggested the Board members give their stipends back to SamTrans.

Michael Stogner, Burlingame, said he came today because the word emergency appeared on the agenda. He works as victim's advocate and doesn't see any emergency here in this room today. Mr. Stogner said he sees no urgency and if Caltrain service needs to be cut then bring it down to 20 trains and stop at every station and charge a \$1.00 per zone.

Mr. Scanlon said today's meeting was to discuss the financial emergency and this Board is working very hard to solve this crisis.

A motion (Ahmad/Lloyd) to allocate \$2 million of the VTA repayment funds to FY2012 and \$3 million to FY2013 to help fund Caltrain's operating expenses was approved unanimously.

Adjourned at 3:07 p.m.