



AGENDA

BOARD OF DIRECTORS MEETING

Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to the [Governor's Executive Orders N-25-20 and N-29-20](#).

Directors, staff and the public may participate remotely via Zoom at <https://samtrans.zoom.us/j/91275606315?pwd=L09zRIAwUpSVUg3L1V5U1RoUXFrzd09> or by entering Webinar ID: **912 7560 6315**, Passcode: **064030** in the Zoom app for audio/visual capability or by calling 1-669-900-9128 (enter webinar ID and press # when prompted for participant ID) for audio only. The video live stream will be available after the meeting at <http://www.samtrans.com/about/boardofdirectors/video.html>.

Public Comments: Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@samtrans.com prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at: http://www.samtrans.com/about/boardofdirectors/Board_of_Directors_Calendar.html

Oral public comments will also be accepted during the meeting through Zoom* or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Use the Raise Hand feature to request to speak. For participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise Hand feature for public comment. Each commenter will be recognized to speak and callers should dial *6 to unmute themselves when recognized to speak for two minutes or less. The Board and Committee Chairs have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

WEDNESDAY, DECEMBER 2, 2020

2:00 PM

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. GENERAL COUNSEL REPORT FROM NOVEMBER 4 CLOSED SESSIONS
 - a. Conference with Labor Negotiator Pursuant to Government Code Section 54957.6

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

Employee Organization: International Brotherhood of Teamsters, Local 856
(All Units)

- b. Conference with Labor Negotiator Pursuant to Government Code Section 54957.6

Employee Organization: Amalgamated Transit Union, Local 1574 (All Units)

4. PUBLIC HEARING/CONSIDERATION OF RESOLUTION OF NECESSITY (Continued from October 7, 2020)

- a. Property Location: 201 Gateway Blvd., South San Francisco, CA 94080
APN: 015-024-240

Property Owner: Healthpeak Life Science Properties, Inc.

- 1. Open the Public Hearing
- 2. Staff Presentation
- 3. Hear Public Comment
- 4. Close the Public Hearing
- 5. Board Discussion

5. CONSENT CALENDAR

MOTION

- a. Approval of Minutes of the Board of Directors Meeting of November 4, 2020
- b. Acceptance of Statement of Revenues and Expenses for the Period Ending October 31, 2020
- c. Acceptance of Capital Projects Quarterly Status Report 1st Quarter FY 2021
- d. Approval of Continuation of the Safe Harbor Transit Ticket Program
- e. Approving the One-year Extension of the Collective Bargaining Agreements with Teamsters Union, Local 856
- f. Renewal of Delta Dental Insurance Contract

6. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Comments by each individual speaker shall be limited to two (2) minutes. Items raised that require a response will be deferred for staff reply.

7. REPORT OF THE CHAIR

- a. Report of the Public Member Nominating Committee and Appointment of Two Public Member Seats for Four-year Terms Ending 12/31/2024 (Directors Groom, Ratto, and Stone)
- b. Report of the 2021 Chair and Vice Chair Nominating Committee

8. REPORT OF THE GENERAL MANAGER/CEO

9. BOARD MEMBER REQUESTS/COMMENTS

10. RECESS TO COMMITTEE MEETINGS

A. COMMUNITY RELATIONS COMMITTEE / COMMITTEE OF THE WHOLE*
(M. Fraser, Chair, R. Guilbault, J. Powell)

1. Call to Order

MOTION

2. Approval of Minutes of Community Relations Committee Meeting of November 4, 2020
3. Approval of Appointments to the Measure W Citizens Oversight Committee

INFORMATIONAL

4. Accessible Services Update
5. Paratransit Coordinating Council Update
6. Citizens Advisory Committee Update
7. Quarterly Dashboard Report – July-September 2020
8. Multimodal Ridership Report – October 2020
9. Adjourn

B. FINANCE COMMITTEE / COMMITTEE OF THE WHOLE*
(J. Powell, Chair, R. Collins, C. Stone)

1. Call to Order

MOTION

2. Approval of Minutes of Finance Committee Meeting of November 4, 2020
3. Comprehensive Annual Financial Report for the Fiscal Year Ending June 30, 2020
4. Award of Contract for Workers' Compensation Program (WCP) Administration Services
5. Authorize an Amendment to the Contract with Conduent Transport Solutions, Inc. for Advanced Traveler Information System (ATIS) Signs Cellular Wi-Fi Upgrade Services
6. Adjourn

C. STRATEGIC PLANNING, DEVELOPMENT, AND SUSTAINABILITY COMMITTEE / COMMITTEE OF THE WHOLE*
(D. Pine, Chair, C. Groom, R. Guilbault)

1. Call to Order

MOTION

2. Approval of Minutes of Strategic Planning, Development, and Sustainability Committee Meeting of November 4, 2020
3. Adoption of Public Transportation Agency Safety Plan

4. Approve the District's Rollout Plan to Comply with California Air Resources Board Innovative Clean Transit Regulation

INFORMATIONAL

5. Reimagine Update: Draft Service Policy Framework and Network Alternatives
6. Adjourn

D. LEGISLATIVE COMMITTEE / COMMITTEE OF THE WHOLE*
(R. Collins, Chair, M. Fraser, P. Ratto)

1. Call to Order

MOTION

2. Approval of Minutes of Legislative Committee Meeting of November 4, 2020

INFORMATIONAL

3. State and Federal Legislative Update
4. 2021 Draft Legislative Program
5. Adjourn

11. RECONVENE BOARD OF DIRECTORS MEETING

12. MATTERS FOR BOARD CONSIDERATION: COMMUNITY RELATIONS COMMITTEE

MOTION

- a. Approval of Appointments to the Measure W Citizens Oversight Committee

SUBJECTS DISCUSSED

- b. Accessible Services Update
- c. Paratransit Coordinating Council Update
- d. Citizens Advisory Committee Update
- e. Quarterly Dashboard Report – July-September 2020
- f. Multimodal Ridership Report – October 2020

13. MATTERS FOR BOARD CONSIDERATION: FINANCE COMMITTEE

MOTION

- a. Comprehensive Annual Financial Report for the Fiscal Year Ending June 30, 2020

RESOLUTIONS

- b. Awarding a Contract to The Cities Group for Workers' Compensation Program Administration Services for a Total Amount of \$1,767,000
- c. Authorizing an Amendment to the Contract with Conduent Transport Solutions, Inc., for Advanced Traveler Information System Signs Cellular Wi-Fi Upgrade Services and to Increase the Total Contract Amount by \$71,094

14. MATTERS FOR BOARD CONSIDERATION: STRATEGIC PLANNING, DEVELOPMENT, AND SUSTAINABILITY COMMITTEE

RESOLUTIONS

- a. Approving the San Mateo County Transit District Agency Safety Plan
- b. Approving the San Mateo County Transit District's Rollout Plan to Comply with the California Air Resource Board's Innovative Clean Transit Plan

SUBJECT DISCUSSED

- c. Reimagine Update: Draft Service Policy Framework and Network Alternatives

15. MATTERS FOR BOARD CONSIDERATION: LEGISLATIVE COMMITTEE

SUBJECTS DISCUSSED

- a. State and Federal Legislative Update
- b. 2021 Draft Legislative Program

16. COMMUNICATIONS TO THE BOARD OF DIRECTORS

17. DATE, TIME AND PLACE OF NEXT REGULAR MEETING – Wednesday, January 6, 2021 at 2:00 pm, via Zoom teleconference

18. GENERAL COUNSEL REPORT

19. ADJOURN

INFORMATION FOR 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. Communications to the Board of Directors can be emailed to board@samtrans.com.

Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电1.800.660.4287

Date and Time of Board and Citizens Advisory Committee Meetings

San Mateo County Transit District Committees and Board: First Wednesday of the month, 2:00 pm; SamTrans Citizens Advisory Committee (CAC): Last Wednesday of the month, 6:30 pm. Date, time and location of meetings may be changed as necessary. Meeting schedules for the Board and CAC are available on the website.

Location of Meeting

Due to COVID-19, the meeting will only be via teleconference as per the information provided at the top of the agenda. The Public may not attend this meeting in person.

*Should Zoom not be operational, please check online at http://www.samtrans.com/about/boardofdirectors/Board_of_Directors_Calendar.html for any updates or further instruction.

Public Comment

Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@samtrans.com prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at: http://www.samtrans.com/about/boardofdirectors/Board_of_Directors_Calendar.html. Oral public comments will also be accepted during the meeting through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM and each commenter will be automatically notified when they are unmuted to speak for two minutes or less. The Board and Committee Chairs have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

Accessible Public Meetings/Translation

Upon request, SamTrans 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 and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email titlevi@samtrans.com; or request by phone at 650-622-7864 or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda that are not exempt from disclosure pursuant to the California Public Records Act and 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 at the same time that the public records are distributed or made available to the legislative body.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Joan Cassman
Legal Counsel

SUBJECT: **HOLD PUBLIC HEARING AND ADOPT RESOLUTION OF NECESSITY TO
ACQUIRE PROPERTY REQUIRED FOR THE PENINSULA CORRIDOR
ELECTRIFICATION PROJECT**

ACTION

Staff recommends the Board hold a public hearing and adopt a Resolution of Necessity in support of the Peninsula Corridor Electrification Project (PCEP) to acquire certain interests in the following properties located in the City of South San Francisco:

JPB Parcel Nos.: JPB-SM2-0312-2A,-2B,-2C,-2D
Property Owner: Britannia Gateway II Limited Partnership

The Resolution of Necessity must be adopted by a vote of two-thirds of the entire membership of the Board.

SIGNIFICANCE

PCEP is being undertaken by the JPB to convert Caltrain's operation from diesel-hauled to Electric Multiple Unit (EMU) trains for service between the Fourth and King Street terminus station in San Francisco and the Tamien Station in San Jose. Operating speed would be up to 79 miles per hour, which would match the existing maximum permitted speed. PCEP will modernize the Caltrain service and address Peninsula commuters' vision of an environmentally-friendly and reliable service; support increased service levels to help meet current and future transportation demand between San Jose and San Francisco, and offer several advantages over existing diesel power use such as by off-setting existing and future worsening roadway congestion, addressing continuing regional air quality issues, reducing greenhouse gas emissions because of their effect on climate change.

PCEP requires the installation of 130 to 140 single-track miles of overhead contact system (OCS) wires for the distribution of electrical power to the new electric rolling stock. The OCS will be powered from a 25 kilovolt (kV), 60 Hertz (Hz), single-phase,

alternating current traction power system consisting of two traction power substations, one switching station, and seven paralleling stations.

In most cases, the OCS poles will be placed within the existing Caltrain right-of-way (ROW). However, in certain locations, there are insufficient clearances for the installation of the OCS facilities. In these locations, the JPB needs to acquire property rights from adjacent owners for the placement of poles and wires, and to provide safe clearances from energized facilities. Property acquisitions are required from approximately 50 property owners along the entire ROW for the placement of poles and wires in order to construct the PCEP. These acquisitions are being pursued in accordance with state and federal law, and diligent efforts are being made to acquire them through negotiated settlements. However, negotiated settlements may not be achievable in all instances and some of the property rights may need to be acquired through a timely condemnation process, to ensure that the project can stay on schedule.

The San Mateo County Transit District (District) has authority to conduct eminent domain proceedings on behalf of the Peninsula Corridor Joint Powers Board (JPB) within San Mateo County. By adopting the Resolution of Necessity, the Board of Directors will authorize the District's legal counsel to commence eminent domain proceedings to acquire 1.08 acres of overhead, underground and access easements, as shown on the attached plat map and described in the attached legal description (Property), which is needed for PCEP. The Property location is currently used for commercial purposes.

BACKGROUND

Peninsula Corridor Electrification Project

The primary purposes of PCEP include:

- *Improve train performance, increase ridership and increase service:* PCEP will enable Caltrain to use EMU trains, which are self-propelled electric rail vehicles that can accelerate and decelerate at faster rates than diesel-powered trains, even with trains of greater length. With EMUs, Caltrain will run longer trains without degrading speeds, thus increasing peak-period capacity. A substantial portion of a Caltrain trip is spent accelerating and decelerating between stations because of Caltrain's close-set station stops. For the same service profile of stops, EMUs can provide travel time reductions. Alternatively, due to the time savings, additional stops could be added without increasing existing total transit time from San Jose to San Francisco. Travel time savings and/or additional stops are expected to stimulate additional Caltrain ridership. By providing electric trains, Caltrain will also be able to use the planned Downtown Extension to reach the Transbay Transit Center and serve Downtown San Francisco, which will also increase ridership.
- *Increase revenue and reduce fuel costs:* Anticipated increased ridership will increase fare revenues, and conversion from diesel to electricity will reduce fuel costs.
- *Reduce environmental impact by reducing vibration and noise emanating from trains:* Vibration and noise emanating from the passage of electrified train sets is measurably less than diesel operations. With the increases in peak and off-peak Caltrain service that are either under way or planned for implementation during

the next decades, electrification will be an important aspect of maintaining quality of life near the ROW. Train horns will continue to be sounded at at-grade crossings, consistent with Federal Railroad Administration and California Public Utilities Commission safety regulations, whether or not electrification is pursued.

- *Reduce environmental impact by improving regional air quality and reducing greenhouse gas emissions:* EMUs will produce reduce emissions along the corridor when compared with diesel locomotives, even when the indirect emissions from electrical power generation are included in the analysis. In addition, the increased ridership allowed by PCEP is expected to reduce automobile usage, thereby resulting in additional air quality benefits. Electrically powered trains also are more energy efficient than diesel-electric trains, which further translates into reduced air emissions. Reductions in air pollutant emissions represent long-term health benefits for Caltrain riders, and for residents and employees along the Caltrain corridor. In addition, reduction of greenhouse gas emissions with electrification will help California meet its goals under AB 32, the 2006 Global Warming Solutions Act, as well as post-2020 state greenhouse gas emission reductions goals.
- *Provide electrical infrastructure compatible with high-speed rail (HSR):* An electrified Caltrain system will set the stage for an expanded modern regional electric express service and for Blended Service with HSR. While PCEP does not include all infrastructure necessary to implement HSR service in the corridor (such as HSR maintenance facilities, station platform improvements, or passing tracks), the electrical infrastructure being installed for PCEP (such as overhead wire systems) would accommodate future Blended Service of Caltrain and HSR on the ROW and PCEP will not preclude HSR.

Power of Eminent Domain and Resolution of Necessity

Because the JPB does not have the power of eminent domain, the District, pursuant to a Cooperative Agreement with JPB, is responsible for acquiring the property interests necessary for PCEP in San Mateo County. California Public Utilities Code section 103242 authorizes the District to acquire property by eminent domain. Before filing a condemnation action for any property interests, the District must satisfy certain procedural prerequisites, including obtaining an appraisal, presenting a formal offer, adopting a Resolution of Necessity and providing notice to the property owners of their right to a public hearing prior to adopting the Resolution.

The District, in adopting the Resolution of Necessity, must make certain determinations. The notice to the property owners must inform the owners of their right to appear and be heard on those issues, as follows:

1. The public interest and necessity require that the project be undertaken,
2. The project is planned and located in the manner that will be most compatible with the greatest public good and least private injury,
3. The acquisition of the property described in the resolution is necessary for the project, and

4. Either the offer required by Section 7267.2 of the Government Code has been made to the owners, or the offer has not been made because the owner cannot be located with reasonable diligence. (Code of Civil Procedure Section 1245.230)

1) The Public Interest And Necessity Require That The Project Be Undertaken.

In developing PCEP, the JPB concluded that there was a compelling need to convert from diesel motive power to electric propulsion on its ROW between San Francisco and Tamien Station in San Jose. As outlined above, PCEP will allow the JPB to provide more frequent and faster train service. Electric propulsion will reduce greenhouse gases and other pollutants, as well as noise.

2) The Project Is Planned And Located In The Manner That Will Be Most Compatible With The Greatest Public Good And Least Private Injury.

The JPB staff has worked with private consultants to conduct substantial investigations and studies regarding PCEP, including consideration of several alternative designs. The conceptual design for the project began in 2002. As a result of extensive planning efforts and collaborative design process, a revised conceptual design involves pole placement to minimize impacts to historic and cultural resources. The pole and traction power facility design was optimized to avoid impacts to wetlands and areas for suitable habitat of endangered or threatened species. PCEP has completed extensive public outreach and has completed all environmental review and clearances. Additionally, PCEP has involved significant coordination with local, state and federal resource and regulatory agencies and has obtained all required approvals.

PCEP has been designed to minimize the impact to private properties. The horizontal alignment of PCEP is fixed by the width of the existing right-of-way, as supplemented as necessary by certain property acquisitions, including the one contemplated herein. The vertical alignment of PCEP is controlled by the required vertical clearance of the OCS wires over the tracks and the structural requirements of the structures needed to support the OCS facilities. In order to provide the necessary power supply for PCEP, the project includes two Traction Power Substations, one switching station and seven paralleling stations. This property is needed to provide a connection between the PG&E power supply and the Traction Power Substation in South San Francisco and is designed in the most cost-effective manner possible.

3) The Acquisition Of The Property Is Necessary For The Project.

Among the approximately 50 property acquisitions required for PCEP, JPB staff is recommending that the District adopt a Resolution of Necessity for this property. The property is required in order to provide the most direct interconnection between the PG&E East Grand Substation, located at the southwest corner of East Grand Avenue and Gateway Boulevard, and PCEP Traction Power Substation #1, located adjacent to the Caltrain tracks behind the Property and adjacent to the Caltrain South San Francisco Station. The electrical interconnection will provide power to operate Caltrain's EMUs.

- The interconnection was environmentally cleared in a 2015 Environmental Impact Report (2015 EIR), a 2017 Addendum and a 2020 Addendum. As discussed in the 2015 EIR and the 2017 and 2020 addendums, PCEP has been designed to avoid significant impacts related to health exposure to electromagnetic fields or electromagnetic interference.
- The interconnection will be installed underground from the PG&E substation into the landscaped grass field at the northwest corner of Grand Avenue and Gateway Boulevard where two manholes will be installed. The underground duct bank and manholes will be approximately 13 feet deep. PG&E will have access across the grass landscaped area to the proposed manholes.
- The electrical portion of the interconnection will then transition to an overhead line via two tubular steel poles installed in the field. The poles in the field will be bolted to concrete foundations and will be approximately 86 feet high, with the lowest overhead wires approximately 44 feet above the ground. The interconnection will be routed from these poles via overhead line, to two poles placed in the landscape area adjacent to the parking lot along the southern edge of the Britannia Gateway property. The interconnection will then cross the JPB ROW to reach Caltrain's Traction Power Substation.
- The communications underground duct bank will follow the alignment of the overhead lines and will have two communication vaults adjacent to the steel poles installed in the field.
- The new 115 kV interconnection will have the same voltage as the two existing 115 kV transmission lines that connect to the PG&E East Grand Substation (the East Grand-San Mateo and Martin-East Grand Power Lines).
- The new electric power lines will use tubular steel poles instead of the steel-lattice towers used for the existing PG&E overhead power lines along Gateway Boulevard that cross East Grand Avenue.
- The interconnection will require removal of trees located under and adjacent to the overhead line route where necessary for safety purposes including trees along the southern edge of the parking lot and at the southwestern portion of the field, as show on the attached map.
 - Lower vegetation (such as shrubs, grass, and other ground cover) can remain as long as they are maintained to provide adequate safety clearance and access to the poles and manholes.
 - In addition, as required in the EIR, trees will also be replaced on a minimum 1:1 basis using 15-gallon trees on locations outside the interconnection route, including on the Britannia Gateway property if the property owner provides permission.

4) An Offer Has Been Made to the Owners.

The statutory offer and other procedural prerequisites to adopting the Resolution of Necessity have been satisfied. Prior to reaching this stage of the acquisition of this Property, JPB engaged a real estate appraiser to value the Property. On August 29, 2020, a formal offer was presented to the owner based on the fair market value as required by Government Code Section 7267.2.¹ The offer included copies of the comparable sales data used by the appraiser to determine the fair market value. On November 16, 2020, the appropriate notices were sent to the Property owners informing them of their right to appear and be heard prior to the adoption of the Resolution of Necessity being presented to the District Board of Directors today.

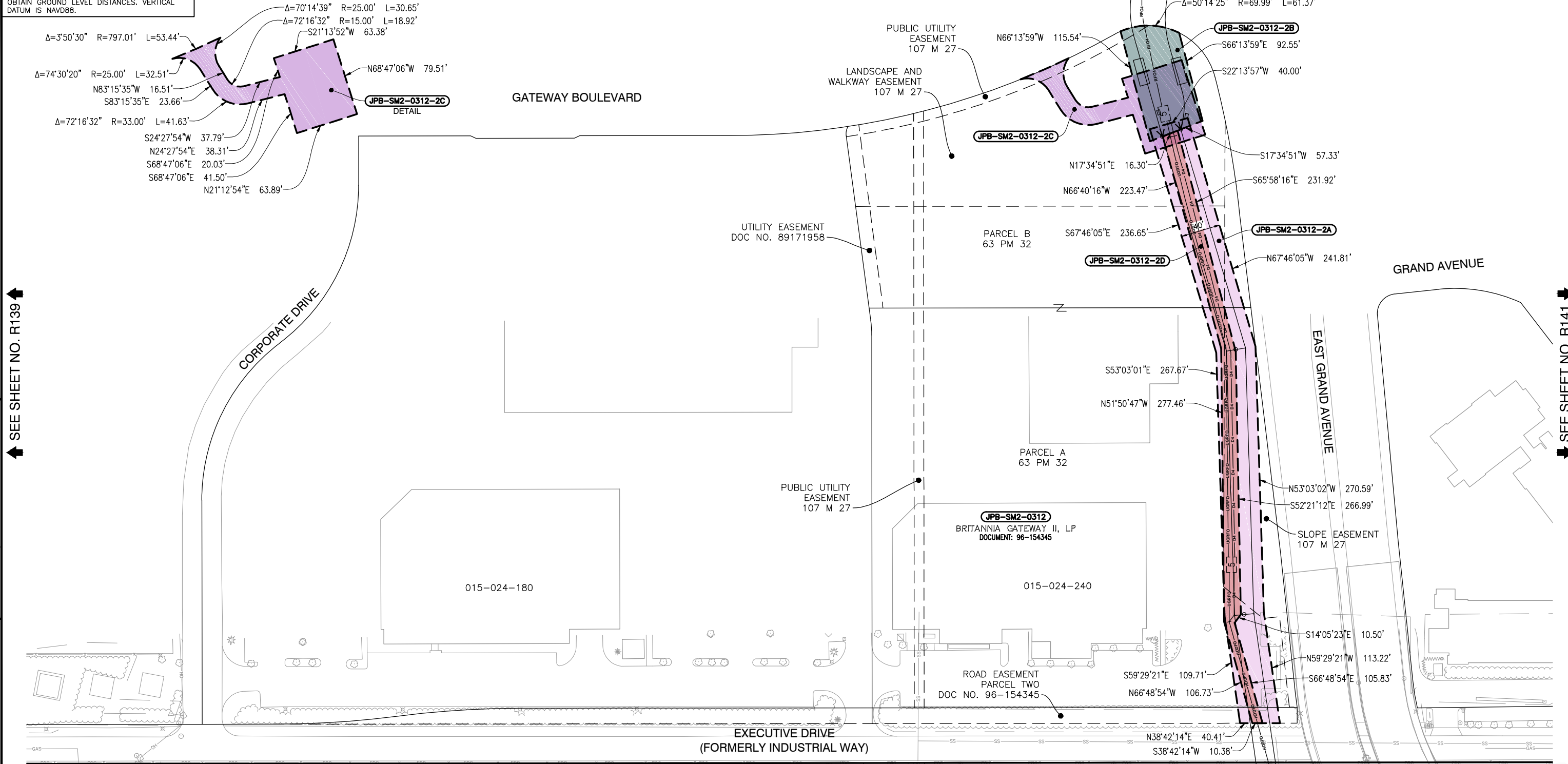
Prepared by: Michael Conneran, Legal Counsel

415-995-5042

¹ The purpose of the public hearing prior to adopting a Resolution of Necessity is to discuss the necessity of the property for the Project and whether the required offer was provided. It is not appropriate to discuss the value of the property or the amount of the offer at the public hearing.

SAN MATEO COUNTY -- CITY OF SOUTH SAN FRANCISCO

COORDINATES, BEARINGS AND DISTANCES SHOWN ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM ZONE III, NAD 83, 2010.00 EPOCH. MULTIPLY DISTANCES SHOWN BY 1.0000554 TO OBTAIN GROUND LEVEL DISTANCES. VERTICAL DATUM IS NAVD88.



PARCEL IDENTIFIER	GRANTOR	TOTAL OWNERSHIP	R/W	REM.	EXCESS	REMARKS
JPB-SM2-0312-2A	BRITANNIA GATEWAY II, LP	619742±				24793± Sq. Ft. AERIAL EASEMENT
JPB-SM2-0312-2B	BRITANNIA GATEWAY II, LP	619742±				6195± Sq. Ft. UNDERGROUND EASEMENT
JPB-SM2-0312-2C	BRITANNIA GATEWAY II, LP	619742±				7284± Sq. Ft. ACCESS EASEMENT
JPB-SM2-0312-2D	BRITANNIA GATEWAY II, LP	619742±				8804± Sq. Ft. FIBER EASEMENT

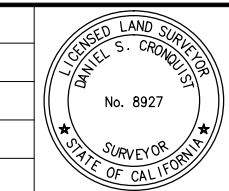
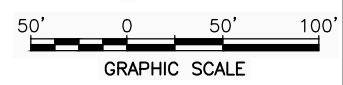
PARCEL NUMBER	GRANTOR	TOTAL OWNERSHIP	R/W	REM.	EXCESS	REMARKS	DOCUMENT NUMBER & RECORDING DATE
A	092520 DSC	JPB-SM2-0312-2A, 2B, 2C AND 2D					

REV	DATE	BY	SUB	APP	DESCRIPTION	REV	DATE	BY	SUB	APP	DESCRIPTION

PARCEL IDENTIFIER NOMENCLATURE:
 JPB-XX#-XXXX-#X
 COUNTY: SF-SAN FRANCISCO, SM-SAN MATEO, SC-SANTA CLARA
 SEGMENT: 1-4
 ACQUISITION IDENTIFIER
 ACQUISITION TYPE:
 1-FEE, 2-EASEMENT (AS DESCRIBED IN GRANTOR BOX), 3-TEMPORARY CONSTRUCTION EASEMENT
 PARCEL IDENTIFIER

LEGEND

- PROPOSED OVERHEAD CONTACT SYSTEM POLES
- COMMON OWNERSHIP



AECOM
 300 LAKESIDE DRIVE, SUITE 400
 OAKLAND, CA 94612
 DIRECT: 510-893-3600
 FAX: 510-874-3268

Caltrain
 1250 San Carlos Avenue
 San Carlos, CA 94070

PENINSULA CORRIDOR JOINT POWERS BOARD
 ELECTRICIFICATION PROJECT
 OVERHEAD CONTACT SYSTEM
 APPRAISAL MAP
 SEGMENT 2

CADD FILE NO: TESV140A
 CADD DATE: 092520
 SCALE: 1" = 40'
 CONTRACT NO: XXXX
 MILEPOST: 9.1
 DWG NO: V140A
 REV: A
 PAGE NO: 140A

P:\25068511-CALTRAIN\CAD\Sheets\TESV140A.dwg raymond.lim Fri, Sep 25, 2020 - 4:11 pm

SEE SHEET NO. R139

SEE SHEET NO. R141

RESOLUTION NO. 2020 -

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

* * *

DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION
OF CERTAIN INTERESTS IN LAND AND DIRECTING THE FILING OF EMINENT DOMAIN
PROCEEDINGS FOR THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT
(BRITANNIA GATEWAY II LIMITED PARTNERSHIP—
PARCEL NO. JPB-SM2-0312-2A,-2B,-2C,-2D)

WHEREAS, the Peninsula Corridor Joint Powers Board (JPB), is undertaking the Peninsula Corridor Electrification Project (PCEP) to convert Caltrain's operation from diesel-hauled to Electric Multiple Unit trains for service between the Fourth and King Street terminus station in San Francisco and the Tamien Station in San Jose; and

WHEREAS, PCEP includes the installation of 130 to 140 single-track miles of overhead contact system (OCS) wires for the distribution of electrical power to the new electric rolling stock (Project); and

WHEREAS, in January 2014, the JPB certified an Environmental Impact Report and adopted necessary findings to approve PCEP pursuant to the requirements of the California Environmental Quality Act (California Public Resources Code § 21080 et seq.); and

WHEREAS, on behalf of PCEP, the San Mateo County Transit District (District) desires to acquire for public use, by exercise of its power of eminent domain, property interests, to wit, overhead, underground and access easements, in certain real property reportedly owned in fee by Britannia Gateway II, Limited Partnership (collectively "Owners") to be used for the Project; and

WHEREAS, the Owners' overall property, which consists of land improved and used for commercial purposes, is situated between Gateway Blvd., Grand Ave., and

the Caltrain right-of-way, in South San Francisco, County of San Mateo, California, which is within the Project area, identified as San Mateo County Assessor Parcel Number 015-024-240, and more particularly described and shown on Exhibit A attached hereto and incorporated herein by this reference (Subject Property); and

WHEREAS, following a public hearing on this matter, the Board of Directors finds that the acquisition of the aforementioned real property, or interests in real property, for said public use is required by public interest and necessity, that the Project is planned and located in the manner that will be most compatible with the greatest public good and least private injury, and that the acquisition by the District of the Subject Property is necessary for the Project; and

WHEREAS, California Public Utilities Code section 103242 authorizes the District to acquire property by eminent domain; and

WHEREAS, in compliance with California Government Code section 7267.2 and all related statutory procedures for possible acquisition of the Subject Property, staff obtained an appraisal and presented a formal offer to the Owners for the amount determined to be just compensation; and

WHEREAS, in compliance with California Code of Civil Procedure section 1245.235, the District gave the Owners notice of this hearing and a reasonable opportunity to be heard; and

WHEREAS, the District has calendared this Resolution of Necessity on the Agenda, and invited public comment, prior to the meeting when this Resolution was considered for adoption; and

WHEREAS, this Board of Directors constitutes the governing body of the District.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the San Mateo County Transit District Board of Directors finds and determines that:

1. The public interest and necessity require completion of the Project;
2. The Project is planned and located in the manner that will be most compatible with the greatest public good and least private injury;
3. Acquisition by the District of the Subject Property is necessary for the proposed Project; and
4. The District made an offer to the Owners for the Subject Property in accordance with Government Code section 7267.2.

BE IT FURTHER RESOLVED that the District's Attorney is hereby authorized to institute proceedings in eminent domain to acquire the real property, or interests in real property, hereinabove described and to take such further actions as may be necessary to give effect to this Resolution, and may deposit the probable amount of compensation and obtain an order for prejudgment possession of the Subject Property

Regularly passed and adopted this 2nd day of December, 2020, by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST: _____
District Secretary

EXHIBIT A

SEE SHEET 2

JPB-SM2-0312

BRITANNIA GATEWAY II, LP
DOCUMENT: 96-154345

PARCEL A
63 PM 32

015-024-240

PUBLIC UTILITY
EASEMENT
107 M 27

015-024-180

ROAD EASEMENT
PARCEL TWO
DOC NO. 96-154345

N51°50'47"W 277.46'
S53°03'01"E 267.67'

SLOPE EASEMENT
107 M 27

JPB-SM2-0312-2D
8804 SQ. FT.

JPB-SM2-0312-2A
24793 SQ. FT.

S59°29'21"E 109.71'

N66°48'54"W 106.73'

N38°42'14"E 19.89'

N59°29'21"W 16.16'

N38°42'14"E 17.58'

N38°42'14"E 40.41'

S38°42'14"W 10.38'

S52°21'12"E
266.99'
N53°03'02"W
270.59'

EAST GRAND
AVENUE

S14°05'23"E
10.50'

N59°29'21"W
113.22'

S66°48'54"E
105.83'

POC

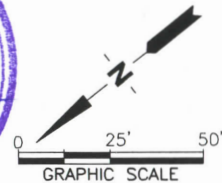
POB (2A)

POB (2D)

EXECUTIVE DRIVE
(FORMERLY INDUSTRIAL WAY)

LEGEND

- POC POINT OF COMMENCEMENT
- POB POINT OF BEGINNING
- PARCEL LINE
- PCJPB RIGHT OF WAY
- ▨ AERIAL EASEMENT
- ▨ FIBER EASEMENT



SHEET 1 OF 4, REV A
DATE: SEPTEMBER 25, 2020

PLAT TO ACCOMPANY LEGAL DESCRIPTION

JPB-SM2-0312-2A,
JPB-SM2-0312-2D
APPRAISAL MAP NO. V140A

AECOM

300 CALIFORNIA ST, SUITE 600
SAN FRANCISCO, CA 94104

SEE SHEETS 3 AND 4

UTILITY EASEMENT
DOC NO. 89171958

PARCEL B
63 PM 32

PARCEL A
63 PM 32

015-024-240

PUBLIC UTILITY
EASEMENT
107 M 27

N66°40'16"W 223.47'
S67°46'05"E 236.65'

SLOPE EASEMENT
107 M 27

N67°46'05"W 241.81'
S65°58'16"E 231.92'

JPB-SM2-0312
BRITANNIA GATEWAY II, LP
DOCUMENT: 96-154345

S53°03'01"E 267.67'

N51°50'47"W 277.46'

JPB-SM2-0312-2D
8804 SQ. FT.

JPB-SM2-0312-2A
24793 SQ. FT.

EAST GRAND
AVENUE

N53°03'02"W 270.59'

S52°21'12"E 266.99'

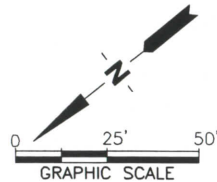
015-024-180

LEGEND

- POB POINT OF BEGINNING
- PARCEL LINE
- Z- COMMON OWNERSHIP
- ▨ AERIAL EASEMENT
- ▤ FIBER EASEMENT



SEE SHEET 1



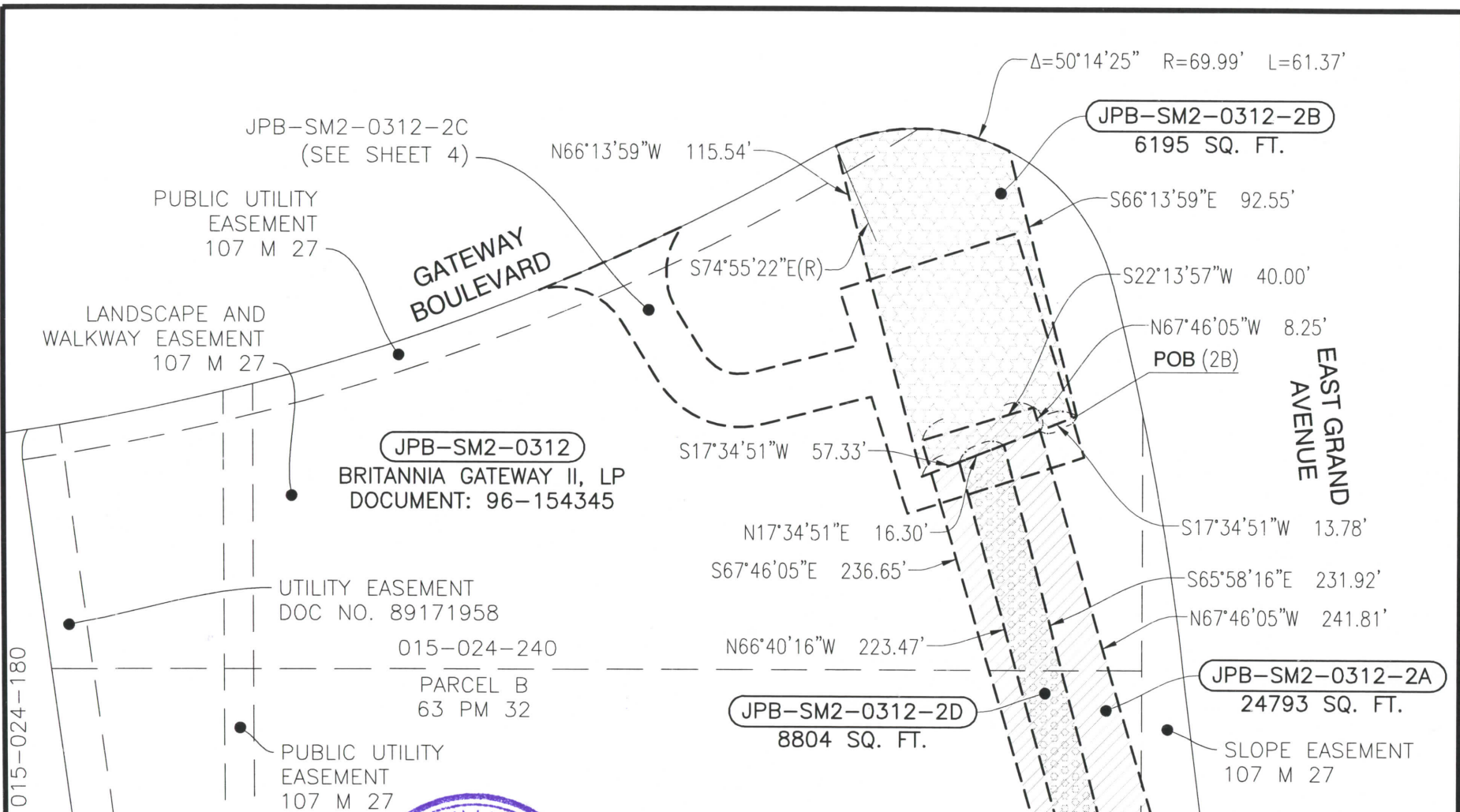
SHEET 2 OF 4, REV A
DATE: SEPTEMBER 25, 2020

PLAT TO ACCOMPANY LEGAL DESCRIPTION

JPB-SM2-0312-2A,
JPB-SM2-0312-2D
APPRAISAL MAP NO. V140A

AECOM

300 CALIFORNIA ST, SUITE 600
SAN FRANCISCO, CA 94104

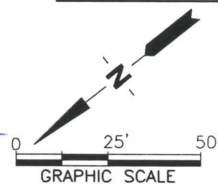


LEGEND

- POB POINT OF BEGINNING
- (R) RADIAL BEARING
- PARCEL LINE
- AERIAL EASEMENT
- UNDERGROUND EASEMENT
- FIBER EASEMENT



SEE SHEET 2

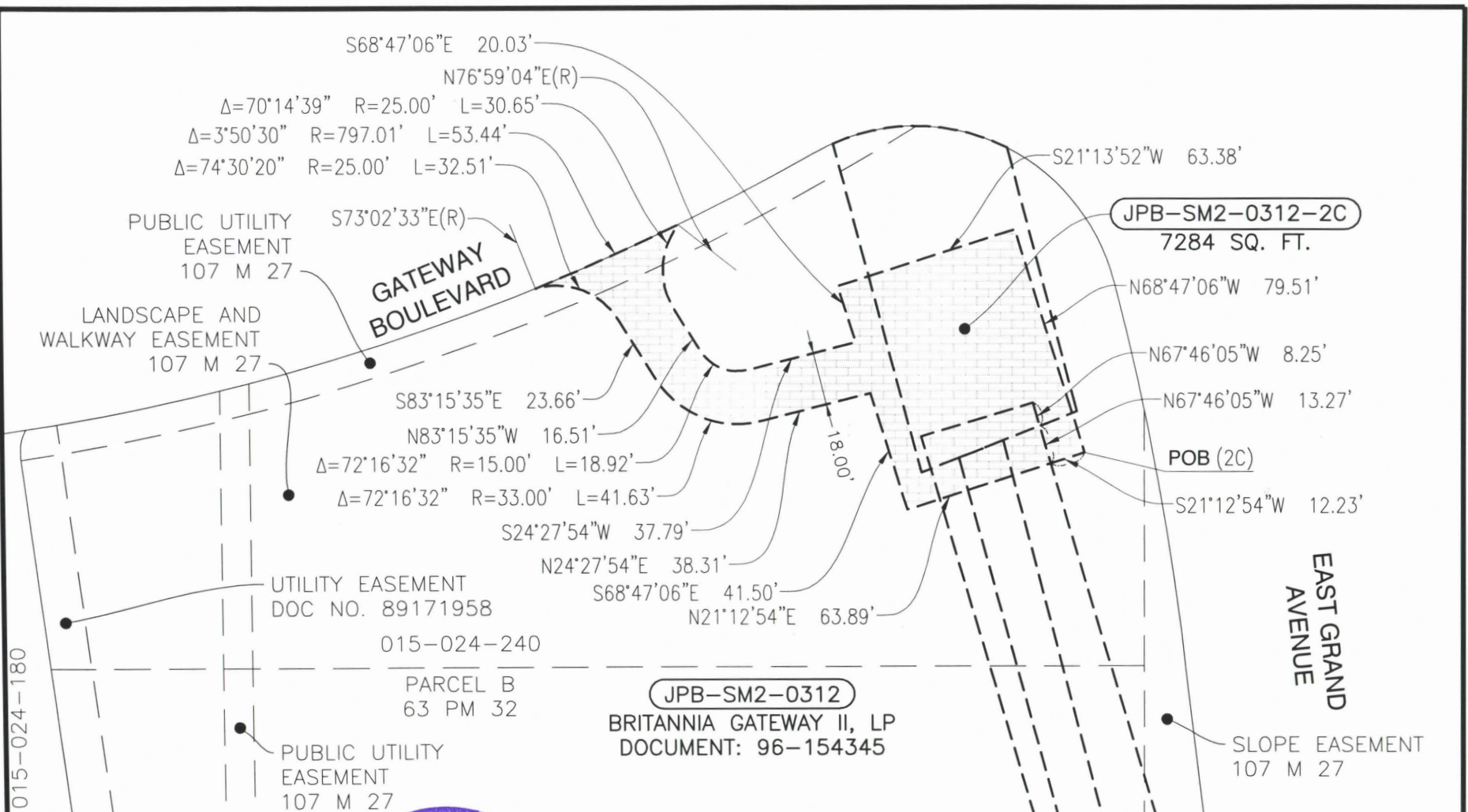


SHEET 3 OF 4, REV A
DATE: SEPTEMBER 25, 2020

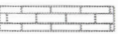
PLAT TO ACCOMPANY LEGAL DESCRIPTION
JPB-SM2-0312-2A, JPB-SM2-0312-2B,
JPB-SM2-0312-2D
APPRAISAL MAP NO. V140A

AECOM

300 CALIFORNIA ST, SUITE 600
SAN FRANCISCO, CA 94104

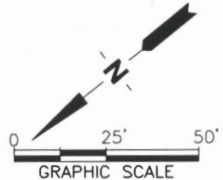


LEGEND

- POB POINT OF BEGINNING
- (R) RADIAL BEARING
- - - PARCEL LINE
-  ACCESS EASEMENT



SEE SHEET 2



SHEET 4 OF 4, REV A
 DATE: SEPTEMBER 25, 2020

PLAT TO ACCOMPANY LEGAL DESCRIPTION		AECOM 300 CALIFORNIA ST, SUITE 600 SAN FRANCISCO, CA 94104
JPB-SM2-0312-2C APPRAISAL MAP NO. V140A		

EXHIBIT ____
LEGAL DESCRIPTION

A portion of land located in the City of South of San Francisco, County of San Mateo, State of California, described as follows;

Being a portion of Parcels "A" and "B" of Parcel Map No. 89-268, filed December 12, 1989 in Book 63 of Parcel Maps at Pages 32 and 33 in the Office of the San Mateo County Recorder, and a portion of that certain 0.572 acre parcel of land described in Resolution No. 900, by the City of South San Francisco, recorded August 6, 1943, in Book 1079, at Page 77 in the Office of the San Mateo County Recorder being more particularly described as follows:

PARCEL JPB-SM2-0312-2A

COMMENCING at the west most corner of said Parcel "A", thence coincident with the northeast line of said Parcel "A" North 38°42'14" East, a distance of 19.89 feet, thence North 59°29'21" West, a distance of 16.16 feet to the northeast line of Parcel Two of Document No. 96-154345, recorded December 16, 1996 in the Office of the San Mateo County Recorder, also being the point of **BEGINNING**;

- Thence (1) Coincident with the northeast line of said Parcel Two North 38°42'14" East, a distance of 40.41 feet;
- Thence (2) South 59°29'21" East, a distance of 109.71 feet;
- Thence (3) South 53°03'01" East a distance of 267.67 feet;
- Thence (4) South 67°46'05" East, a distance of 236.65 feet;
- Thence (5) South 22°13'57" West, a distance of 40.00 feet;
- Thence (6) North 67°46'05" West a distance of 241.81 feet;
- Thence (7) North 53°03'02" West a distance of 270.59 feet;
- Thence (8) North 59°29'21" West a distance of 113.22 feet to the point of **BEGINNING**;

Contains 24,793 square feet, more or less.

The bearings and distances used in the above descriptions are based on the California Coordinate System 1983, Zone 3. Multiply distances shown above by 1.0000554 to obtain ground level distances.

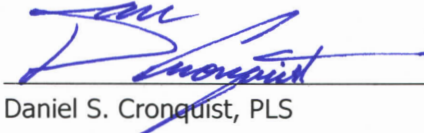

Daniel S. Cronquist, PLS 9/28/2020
Date



EXHIBIT ____
LEGAL DESCRIPTION

A portion of land located in the City of South of San Francisco, County of San Mateo, State of California, described as follows;

Being a portion of Parcel "B" of Parcel Map No. 89-268, filed December 12, 1989 in Book 63 of Parcel Maps at Pages 32 and 33 in the Office of the San Mateo County Recorder being more particularly described as follows:

PARCEL JPB-SM2-0312-2B

COMMENCING at the west most corner of Parcel "A" of said Parcel Map No. 89-268, thence coincident with the northeast line of said Parcel "A" North 38°42'14" East, a distance of 19.89 feet, thence South 59°29'21" East, a distance of 97.06 feet; thence South 53°03'02" East, a distance of 270.59 feet; thence South 67°46'05" East, a distance of 233.56 feet; thence South 17°34'51" West, a distance of 13.78 feet to the point of **BEGINNING**;

Thence (1) North 17°34'51" East, a distance of 57.33 feet;


Thence (2) South 66°13'59" East, a distance of 115.54 feet to the south line of said Parcel "B", also being the north line of Gateway Boulevard, also being the beginning of a non-tangent curve concave northwesterly having a radius of 69.99 feet from which the radius point bears North 74°55'22" West;

Thence (3) Coincident with the south line of said Parcel "B" southwesterly along said curve through a central angle of 50°14'25", an arc distance of 61.37 feet;

Thence (4) North 66°13'59" West, a distance of 92.55 feet to the point of **BEGINNING**;

Contains 6,195 square feet, more or less.

The bearings and distances used in the above descriptions are based on the California Coordinate System 1983, Zone 3. Multiply distances shown above by 1.0000554 to obtain ground level distances.


Daniel S. Cronquist, PLS

9/28/2020
Date



EXHIBIT ____
LEGAL DESCRIPTION

A portion of land located in the City of South of San Francisco, County of San Mateo, State of California, described as follows;

Being a portion of Parcel "B" of Parcel Map No. 89-268, filed December 12, 1989 in Book 63 of Parcel Maps at Pages 32 and 33 in the Office of the San Mateo County Recorder being more particularly described as follows:

PARCEL JPB-SM2-0312-2C

COMMENCING at the west most corner of Parcel "A" of said Parcel Map No. 89-268, thence coincident with the northeast line of said Parcel "A" North 38°42'14" East, a distance of 19.89 feet, thence South 59°29'21" East, a distance of 97.06 feet; thence South 53°03'02" East, a distance of 270.59 feet; thence South 67°46'05" East, a distance of 220.29 feet; thence South 21°12'54" West, a distance of 12.23 feet to the point of **BEGINNING**;

- Thence (1) North 21°12'54" East, a distance of 63.89 feet;
- Thence (2) South 68°47'06" East, a distance of 41.50 feet;
- Thence (3) North 24°27'54" East a distance of 38.31 feet to the beginning of a curve concave southeasterly having a radius of 33.00 feet;
- Thence (4) Northeasterly along said curve through a central angle of 72°16'32", an arc distance of 41.63 feet;
- Thence (5) South 83°15'35" East, a distance of 23.66 feet to the beginning of a curve concave northwesterly having a radius of 25.00 feet;
- Thence (6) Northeasterly along said curve through a central angle of 74°30'20", an arc distance of 32.51 feet to the south line of said Parcel "B", also being the north line of Gateway Boulevard, also being a cusp with a curve concave southeasterly having a radius of 797.01 feet from which the radius point bears South 73°02'33" East;
- Thence (7) Southwesterly along said curve coincident with the south line of said Parcel "A" through a central angle of 3°50'30", an arc distance of 53.44 feet to a cusp with a curve concave southwesterly having a radius of 25.00 feet from which the radius point bears South 76°59'04" West;
- Thence (8) Northwesterly along said curve through a central angle of 70°14'39", an arc distance of 30.65 feet;

- Thence (9) North 83°15'35" West, a distance of 16.51 feet to the beginning of a curve concave southeasterly having a radius of 15.00 feet;
- Thence (10) Southwesterly along said curve through a central angle of 72°16'32", an arc distance of 18.92 feet
- Thence (11) South 24°27'54" West, a distance of 37.79 feet;
- Thence (12) South 68°47'06" East, a distance of 20.03 feet;
- Thence (13) South 21°13'52 West, a distance of 63.38 feet;
- Thence (14) North 68°47'06" West a distance of 79.51 feet to the point of **BEGINNING**;

Contains 7,284 square feet, more or less.

The bearings and distances used in the above descriptions are based on the California Coordinate System 1983, Zone 3. Multiply distances shown above by 1.0000554 to obtain ground level distances.


 Daniel S. Cronquist, PLS _____ 9/28/2020
 Date



EXHIBIT ____
LEGAL DESCRIPTION

A portion of land located in the City of South of San Francisco, County of San Mateo, State of California, described as follows;

Being a portion of Parcels "A" and "B" of Parcel Map No. 89-268, filed December 12, 1989 in Book 63 of Parcel Maps at Pages 32 and 33 in the Office of the San Mateo County Recorder, and a portion of that certain 0.572 acre parcel of land described in Resolution No. 900, by the City of South San Francisco, recorded August 6, 1943, in Book 1079, at Page 77 in the Office of the San Mateo County Recorder being more particularly described as follows:

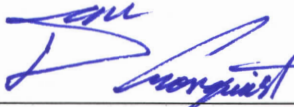
PARCEL JPB-SM2-0312-2D

COMMENCING at the west most corner of said Parcel "A", thence coincident with the northeast line of said Parcel "A" North 38°42'14" East, a distance of 19.89 feet, thence North 59°29'21" West, a distance of 16.16 feet to the northeast line of Parcel Two of Document No. 96-154345, recorded December 16, 1996 in the Office of the San Mateo County Recorder, thence coincident with the northeast line of said Parcel Two North 38°42'14" East, a distance of 17.58 feet to the point of **BEGINNING**;

- Thence (1) Coincident with the northwest line of said Parcel Two South 38°42'14" West, a distance of 10.38 feet;
- Thence (2) South 66°48'54" East, a distance of 106.73 feet;
- Thence (3) South 51°50'47" East, a distance of 277.46 feet;
- Thence (4) South 66°40'16" East, a distance of 223.47 feet;
- Thence (5) South 17°34'51" West, a distance of 16.30 feet;
- Thence (6) North 65°58'16" West, a distance of 231.92 feet;
- Thence (7) North 52°21'12" West, a distance of 266.99 feet;
- Thence (8) North 14°05'23" West, a distance of 10.50 feet;
- Thence (9) North 66°48'54" West a distance of 105.83 feet to the point of **BEGINNING**;

Contains 8,804 square feet, more or less.

The bearings and distances used in the above descriptions are based on the California Coordinate System 1983, Zone 3. Multiply distances shown above by 1.0000554 to obtain ground level distances.



Daniel S. Cronquist, PLS

9/28/2020

Date





CALTRAIN MODERNIZATION PROGRAM ELECTRIFICATION PROJECT

RESOLUTION OF NECESSITY HEARING
December 2, 2020

Resolution of Necessity Hearing



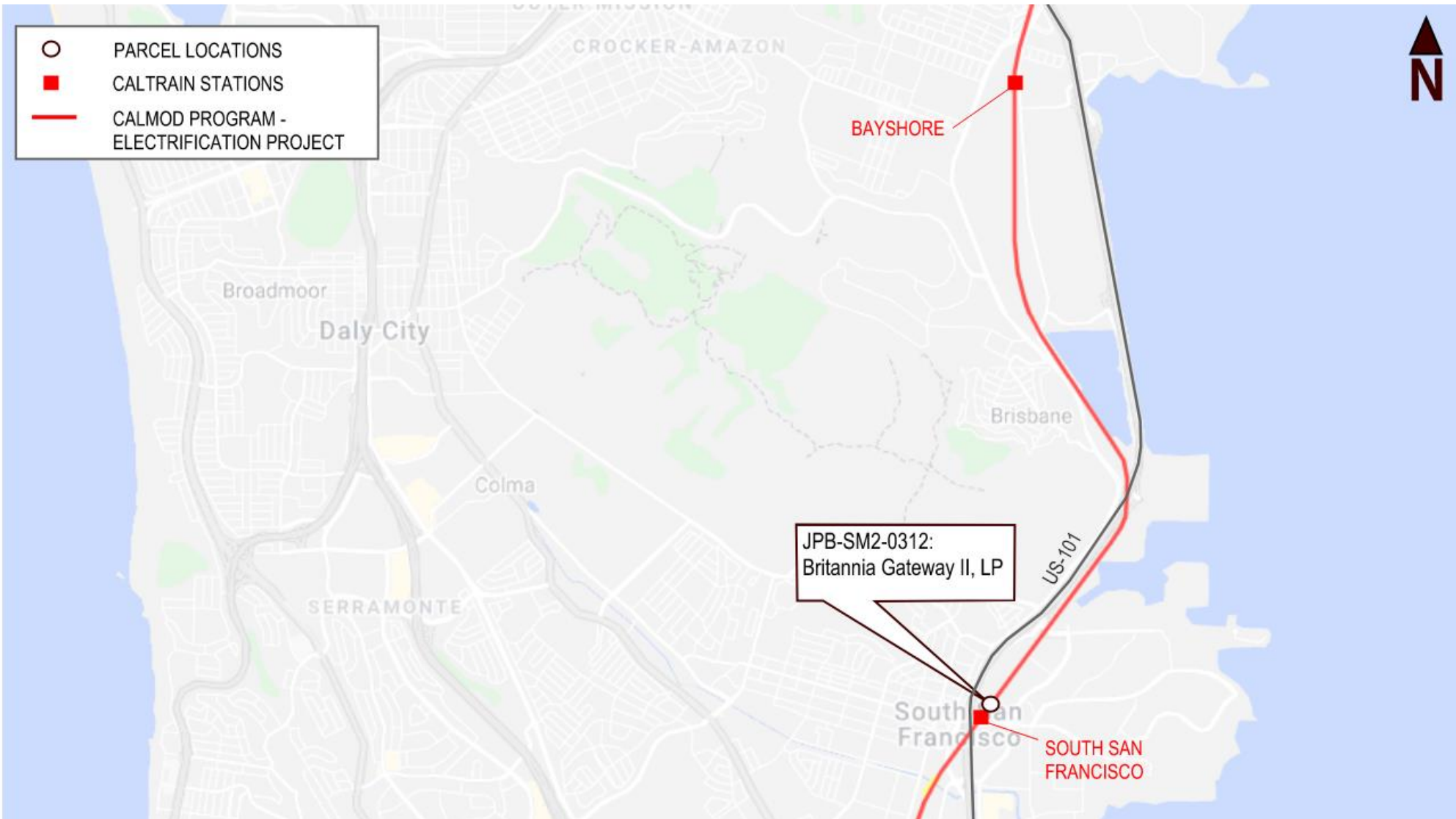
- Required findings by the Board
 - Public interest and necessity require the Project;
 - Project is planned or located to be most
 - Project is planned or located to be most compatible with greatest public good and least private injury;
 - Property in the RON is necessary for the project; and
 - An offer of just compensation has been made.

Resolution of Necessity Hearing



- Board has full discretion as to whether or not to adopt a recommended Resolution of Necessity
- Amount of compensation is NOT a consideration in this hearing.
- Board must make each of the findings contained in the respective Resolution of Necessity prior to their adoption.

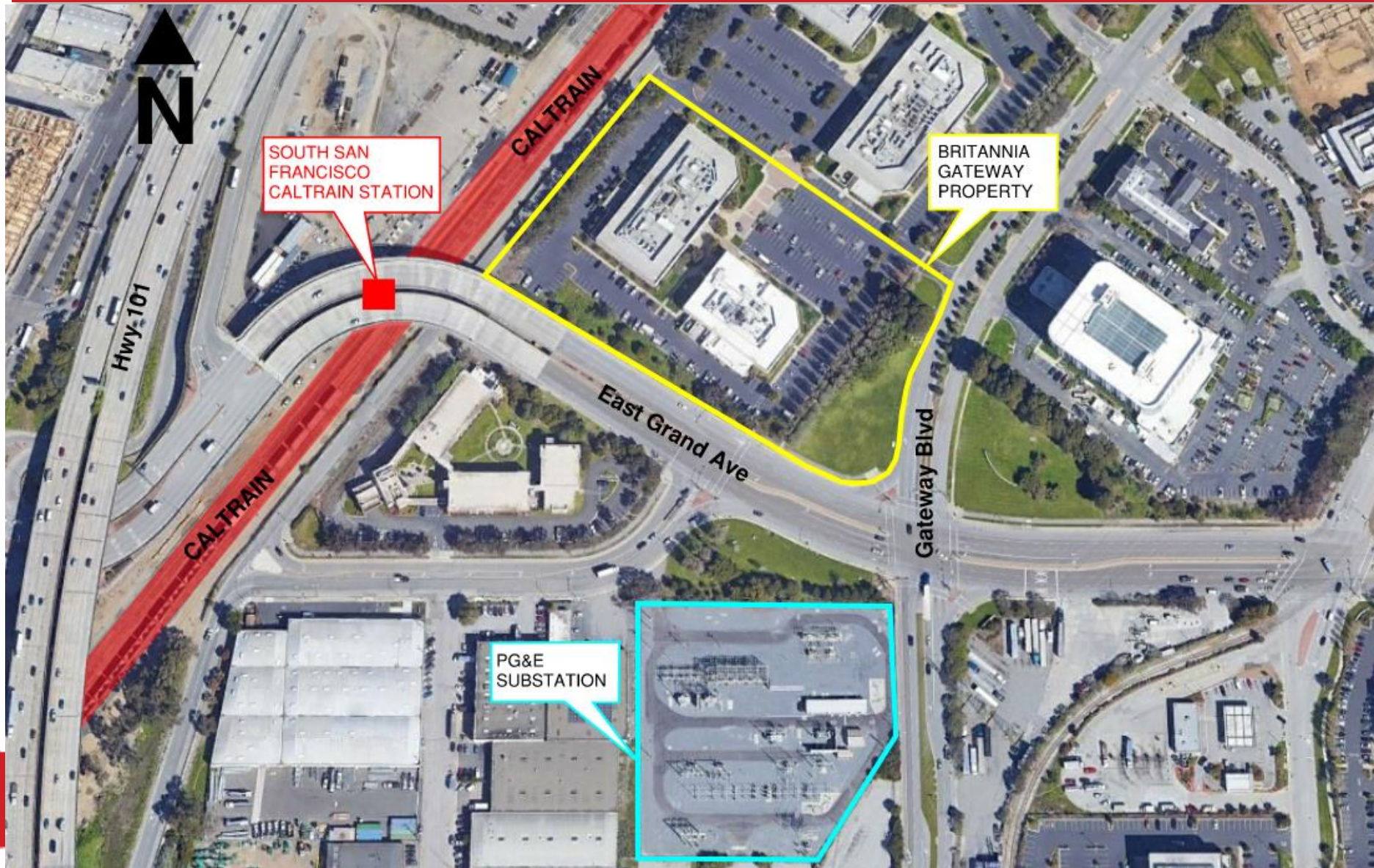
Project Map



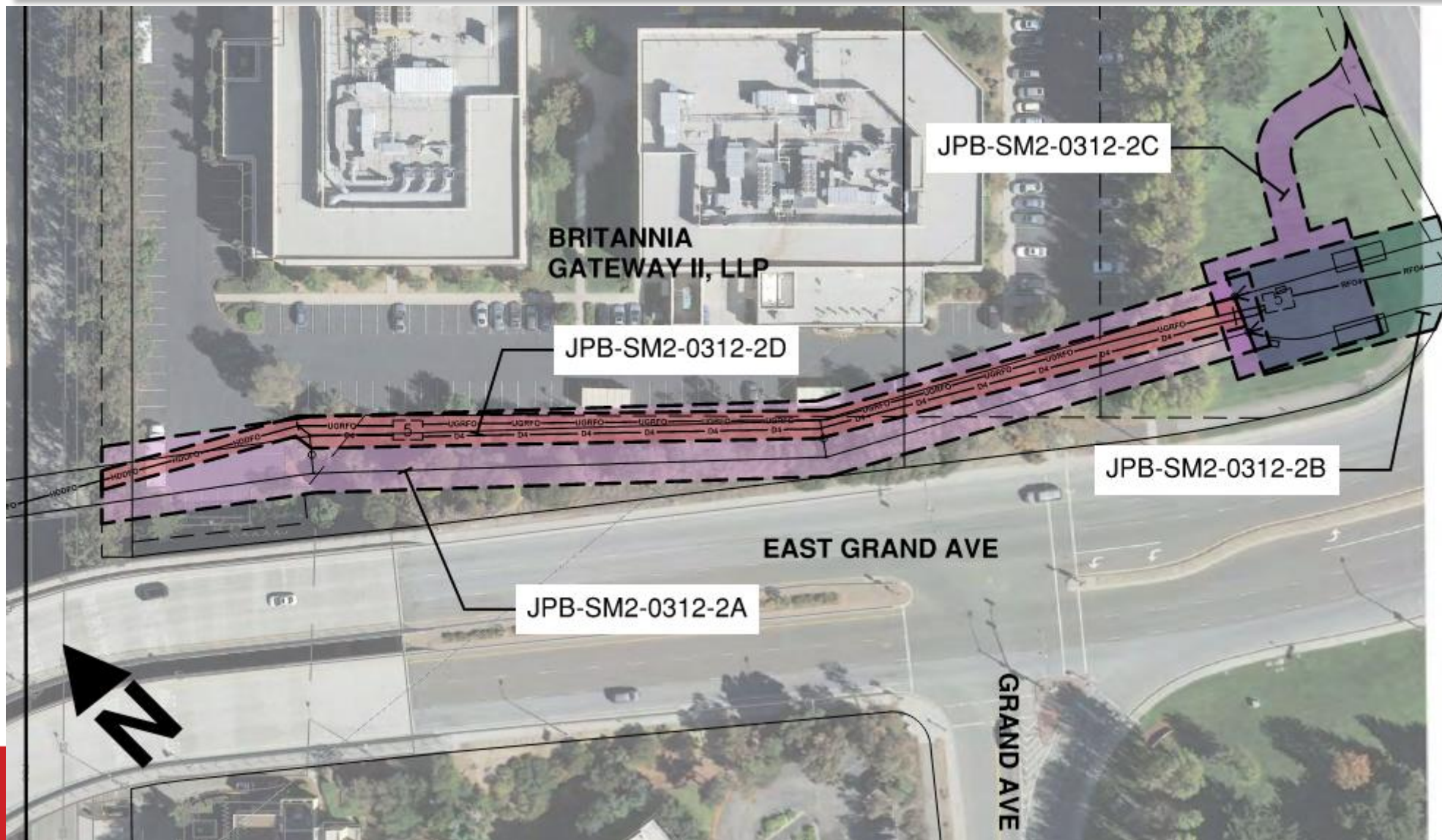
JPB-SM2-0312:
Britannia Gateway II, LP



Vicinity Map



Acquisition JPB-SM2-0312



Resolution of Necessity Hearing



- Owner:** Britannia Gateway II, LP
- Location:** APN 015-024-240; Property located on the corner of East Grand Avenue and Gateway Boulevard in South San Francisco, CA
- Acquisition:** An Aerial Easement – 24,793 SQFT
An Underground Utility Easement – 6,195 SQFT
An Access Easement – 7,284 SQFT
An Underground Fiber Easement – 8,804 SQFT
- Project Need:** PG&E Interconnect for electrical power
- Property Size:** Approximately 14 ac.
- Date of Offer:** December 2, 2020

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

**MINUTES OF BOARD OF DIRECTORS MEETING
NOVEMBER 4, 2020**

MEMBERS PRESENT: R. Collins (joined at 2:05 pm), M. Fraser, R. Guilbault, K. Matsumoto
(Via Teleconference) (Chair), D. Pine, J. Powell, P. Ratto (Vice Chair), C. Stone (joined at
3:02 pm)

MEMBERS ABSENT: C. Groom

STAFF PRESENT: J. Hartnett, C. Mau, J. Cassman, D. Olmeda, A. Chan, J. Brook,
D. Seamans

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair Karyl Matsumoto called the meeting to order at 2:00 pm and led the Pledge of Allegiance.

2. ROLL CALL

Dora Seamans, District Secretary, confirmed that a quorum of the Board was present.

3. GENERAL COUNSEL REPORT

a. Report From Closed Session From October 7 Special Board Meeting: Conference With Legal Counsel – Existing Litigation Pursuant To Government Code Section 54956.9(D)(1): Claim Of Nene P. Castellanos

Joan Cassman, Legal Counsel, reported that the Board gave authority to staff to settle the claim for \$130,000.

4. PUBLIC HEARING/CONSIDERATION OF RESOLUTION OF NECESSITY (regarding 201 Gateway Boulevard, South San Francisco, CA 94080)

Chair Matsumoto announced that the public hearing was continued to the December 2 Board meeting.

5. CONSENT CALENDAR

- a. Approval of Minutes of the Board of Directors Meeting of October 7, 2020**
- b. Approval of Minutes of the Board of Directors Special Meeting of October 7, 2020**
- c. Approval of Minutes of the Board of Directors Special Meeting/Board Workshop of October 12, 2020**
- d. Acceptance of Statement of Revenues and Expenses for the Period Ending September 30, 2020**
- e. Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended September 30, 2020**

Motion/Second: Guilbault/Powell

Ayes: Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto

Noes: None

Absent: Collins, Groom, Stone

6. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

There were no comments.

7. REPORT OF THE CHAIR

Chair Matsumoto said that she had appointed an ad hoc committee consisting of Directors Guilbault and Powell to nominate the Board chair and vice chair for 2021.

Director Ron Collins joined the meeting at 2:05 pm

8. REPORT OF THE GENERAL MANAGER/CEO

Jim Hartnett, General Manager/CEO, said that the report was in the packet. He said that regional Measure RR supporting Caltrain funding was likely to pass. Director Dave Pine said he was happy at the tentative passing of Measure RR.

Carter Mau, Deputy General Manager/CEO, provided a presentation on the timeline of the District's response to COVID-19 impacts.

Chair Matsumoto expressed her appreciation to Board members and staff.

Director Rose Guilbault said that the continued running of the buses throughout the pandemic has been reassuring to all.

Mr. Hartnett shared a positive letter from a SamTrans customer.

9. BOARD MEMBER REQUESTS/COMMENTS

There were no requests or comments.

10. RECESS TO COMMITTEE MEETINGS

The Board meeting recessed to Committee meetings at 2:42 pm.

11. RECONVENE BOARD OF DIRECTORS MEETING

Chair Matsumoto reconvened the Board meeting at 3:32 pm.

12. MATTERS FOR BOARD CONSIDERATION: COMMUNITY RELATIONS COMMITTEE

Director Marina Fraser reported on the following items:

SUBJECTS DISCUSSED:

- a. Accessible Services Update
- b. Paratransit Coordinating Council Update
- c. Citizens Advisory Committee Update
- d. Multimodal Ridership Report – September 2020

13. MATTERS FOR BOARD CONSIDERATION: FINANCE COMMITTEE

Director Josh Powell led the Board on voting on the following items in one motion:

RESOLUTIONS:

- a. Awarding a Contract to Golden Bay Construction, Inc., for Replacement of the North Base Bus Facility Industrial Brake Pit Waste Line for a Total Amount of \$348,857 – *Approved by Resolution No. 2020-41*
- b. Amending the Public Safety Communications Services Agreement with the County of San Mateo to Extend the Agreement for an Additional Five-year Period for an Estimated Amount of \$262,464 – *Approved by Resolution No. 2020-42*
- c. Amending the Investment Policy for the San Mateo County Transit District and Paratransit Trust Funds – *Approved by Resolution No. 2020-43*
- d. Reauthorizing Investment of San Mateo County Transit District Funds in the Local Agency Investment Fund – *Approved by Resolution No. 2020-44*

Motion/Second: Powell/Guilbault

Ayes: Collins, Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto, Stone

Noes: None

Absent: Groom

Director Powell reported on the following item:

SUBJECT DISCUSSED:

- e. Fuel Hedging Update

14. MATTERS FOR BOARD CONSIDERATION: STRATEGIC PLANNING, DEVELOPMENT, AND SUSTAINABILITY COMMITTEE

Director Dave Pine led the Board on voting on the following items in one motion:

RESOLUTIONS:

- a. San Mateo County Transit District (SamTrans) Supports an Alternative to Plan Bay Area (PBA) 2050 Strategy EN7: "Institute Telecommuting Mandates for Major Office-Based Employers" – *Approved by Resolution No. 2020-45*
- b. Authorizing Participation in the Clipper START Regional Means-Based Fare Pilot Program, Approving the Associated Title VI Analysis, Making Findings under the California Environmental Quality Act, and Updating the Fare Structure– *Approved by Resolution No. 2020-46*

Motion/Second: Stone/Pine

Ayes: Collins, Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto, Stone

Noes: None

Absent: Groom

15. MATTERS FOR BOARD CONSIDERATION: LEGISLATIVE COMMITTEE

Director Ron Collins reported on the following item:

SUBJECT DISCUSSED:

- a. State and Federal Legislative Update

16. COMMUNICATIONS TO THE BOARD OF DIRECTORS

Chair Matsumoto noted that the correspondence was in the packet (available online).

17. DATE, TIME AND PLACE OF NEXT REGULAR MEETING

Chair Matsumoto announced the time and location of the next meeting as Wednesday, December 2, 2020 at 2:00 pm, with teleconference details to be provided prior to the meeting.

18. GENERAL COUNSEL REPORT

- a. **Closed Session: Conference with Labor Negotiator Pursuant to Government Code Section 54957.6**
Agency-designated Representatives: Pat Glenn, Juliet Nogales-DeGuzman, David Olmeda
Employee Organization: International Brotherhood of Teamsters, Local 856 (All Units)
- b. **Closed Session: Conference with Labor Negotiator Pursuant to Government Code Section 54957.6**
Agency-designated Representatives: Pat Glenn, Juliet Nogales-DeGuzman, David Olmeda
Employee Organization: Amalgamated Transit Union, Local 1574 (All Units)

Ms. Cassman announced that she would report on any action taken in the closed sessions at the December regular Board meeting.

19. ADJOURN

The Board meeting adjourned at 3:39 pm.

An audio/video recording of this meeting is available online at www.samtrans.com. Questions may be referred to the District Secretary's office by phone at 650-508-6242 or by email to board@samtrans.com.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING
OCTOBER 31, 2020**

ACTION

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenses for the month of October 31, 2020 and supplemental information.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through October 31, 2020. The statement has been designed to follow the Agency wide line item rollup as included in the adopted budget. The columns have been designed to provide easy comparison of year to date prior to current actuals for the current fiscal year including dollar and percentage variances.

SIGNIFICANCE

Year to Date Revenues: As of October year-to-date actual, the Total Sources of Funds (page 1, line 18) are \$20.5 million higher than the prior year. This is primarily driven by the CARES Act funds (page 1, line 4). The increase was partially offset by decreases in Passenger Fares (page 1, line 1), Local TDA and STA Funds (page 1, line 2), District Sales Tax (Page 1, line 10), and PCJPB, SMCTA and SAMTR capital wages and benefits (Page 1, line 14).

Year to Date Expenses: As of October year-to-date actual, the Total Uses of Funds (page 1, line 39) are \$1.0 million lower than the prior year-to-date actual. This is primarily due to decreases in PCJPB, SMCTA and SAMTR Capital Wages and Benefits (page1, line 21), Motor Bus (page 1, line 22), A.D.A Programs (page 1, line 23), and Caltrain (page 1, line 24). The decreases are partially offset by increases in Sales Tax Allocation for Capital Programs (page 1, line 35).

BUDGET IMPACT

There is no budget impact for the month of October 2020.

STRATEGIC INITIATIVE

This item does not achieve a strategic initiative.

Prepared By:

Maria Pascual, Accountant II
Jennifer Ye, Manager, General Ledger

650-508-6288
650-622-7890

**SAN MATEO COUNTY TRANSIT DISTRICT
SUMMARY OF REVENUES AND EXPENSES
FISCAL YEAR 2021
OCTOBER 2020**

% OF YEAR ELAPSED: 33.3%

	YEAR-TO-DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
<u>SOURCES OF FUNDS</u>					
Operating Revenues					
1 Passenger Fares	5,512,897	1,288,848	(4,224,049)	(76.6%)	5,260,150.00
2 Local TDA and STA Funds	19,915,425	13,525,664	(6,389,761)	(32.1%)	45,138,493
3 Pass through to Other Agencies	105,333	116,058	10,724	10.2%	580,345
4 CARES Act Funds	-	36,718,952	36,718,952	100.0%	25,547,295
5 Operating Grants	143,851	39,260	(104,591)	(72.7%)	3,338,767
6 SMCTA Measure A	4,822,075	4,057,629	(764,446)	(15.9%)	10,597,344
7 AB434 Funds, TA Funded Shuttle & Other	138,000	278,536	140,536	101.8%	452,000
8 Subtotal - Operating Revenues	30,637,581	56,024,946	25,387,365	82.9%	90,914,394
Other Revenue Sources					
10 District Sales Tax	32,504,509	28,470,258	(4,034,251)	-12.4%	80,000,000
11 Measure W Sales Tax	14,346,161	14,084,436	(261,725)	100.0%	40,000,000
12 Investment Income	1,323,304	1,320,143	(3,161)	(0.2%)	3,630,000
13 Other Interest, Rent & Other Income	2,577,152	3,388,658	811,506	31.5%	6,902,350
14 Due from PCJPB, SMCTA & SAMTR Capital W&B	9,935,211	8,535,938	(1,399,273)	(14.1%)	31,950,189
15					
16 Subtotal - Other Revenues	60,686,336	55,799,432	(4,886,904)	-8.1%	162,482,539
17 Total Revenues	91,323,918	111,824,378	20,500,461	22.4%	253,396,933
18 Total Sources of Funds	91,323,918	111,824,378	20,500,461	22.4%	253,396,933
19					
<u>USES OF FUNDS</u>					
21 PCJPB, SMCTA & SAMTR Capital W&B	9,935,211	8,535,938	(1,399,273)	(14.1%)	31,950,189
22 Motor Bus	46,743,201	44,208,934	(2,534,267)	(5.4%)	146,116,387
23 A. D. A. Programs	5,500,450	4,709,426	(791,025)	(14.4%)	19,100,642
24 Caltrain	3,608,742	2,958,962	(649,779)	(24.2%)	8,876,887
25 Other Multi-modal Programs	811,879	673,852	(138,028)	(17.0%)	2,676,890
26 Pass through to Other Agencies	105,333	116,058	10,724	10.2%	580,345
27 Land Transfer Interest Expense	-	-	-	0.0%	95,411
28 Total Operating Expense	66,704,816	61,203,169	(5,501,647)	(8.2%)	209,396,751
29					
30 Total Operating Surplus / (Deficit)	24,619,102	50,621,210	26,002,108	105.6%	44,000,182
31					
32 District Sales Tax Capital	2,831,373	1,864,727	(966,646)	(34.1%)	5,594,180
33 Measure W Sales Tax Capital	811,667	333,333	(478,333)	100.0%	1,000,000
34 Reserves for Future Capital Allocation	-	6,085,688	6,085,688	100.0%	18,257,063
35 Sales Tax Allocation - Capital Program	3,643,040	8,283,748	4,640,708	127.4%	24,851,243
36					
37 Total Debt Service	3,114,659	2,955,594	(159,065)	(5.1%)	19,148,939
38					
39 Total Uses of Funds	73,462,514	72,442,510	(1,020,004)	(1.4%)	253,396,933
40					
41 NET SURPLUS / (DEFICIT)	17,861,404	39,381,868	21,520,464	120%	(0)

SAN MATEO COUNTY TRANSIT DISTRICT
STATEMENT OF REVENUES
FISCAL YEAR 2021
OCTOBER 2020

% OF YEAR ELAPSED: 33.3%

	YEAR-TO-DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
OPERATING REVENUES - MOTOR BUS					
1 PASSENGER FARES	5,241,143	1,247,620	(3,993,523)	(76.2%)	5,071,876
2					
3 LOCAL (TDA) TRANSIT FUND	15,203,078	11,573,284	(3,629,794)	(23.9%)	39,059,834
4					
5 STATE TRANSIT ASSISTANCE	3,335,607	1,180,045	(2,155,562)	(64.6%)	3,540,136
6					
7 OPERATING GRANTS	54,604	35,432	(19,172)	(35.1%)	1,256,231
8					
9 DISTRICT SALES TAX REVENUE	20,099,749	26,475,497	6,375,748	31.7%	90,606,856
10					
11 INVESTMENT INTEREST INCOME	1,131,220	1,029,682	(101,538)	(9.0%)	3,125,000
12					
13 OTHER REVENUE SOURCES:					
14 Rental Income	700,915	502,054	(198,861)	(28.4%)	1,451,492
15 Advertising Income	252,994	31,403	(221,591)	(87.6%)	804,549
16 Other Income	723,893	2,133,916	1,410,024	194.8%	1,200,413
17 TOTAL OTHER REVENUES	1,677,801	2,667,373	989,571	59.0%	3,456,454
18					
19 TOTAL MOTOR BUS	46,743,201	44,208,934	(2,534,267)	(5.4%)	146,116,387
20					
21 AMERICAN DISABILITIES ACT:					
22 Passenger Fares Redi-Wheels	271,754	41,228	(230,527)	(84.8%)	188,274
23 Local TDA 4.5 Redi-Wheels	823,915	613,720	(210,195)	(25.5%)	2,062,681
24 Local STA - Paratransit	552,825	158,614	(394,211)	(40.2%)	475,842
25 Operating Grants	89,248	3,829	(85,419)	100.0%	2,082,536
26 Sales Tax Revenue - ADA	1,955,699	2,302,445	346,746	17.7%	8,986,309
27 Interest Income - Paratransit Fund	192,084	290,461	98,377	51.2%	505,000
28 SMCTA Measure A Redi-Wheels	1,213,333	1,098,667	(114,667)	(9.5%)	3,200,000
29 SM County Measure K	-	-	-	0.0%	-
30 Measure M Paratransit	401,592	200,463	(201,128)	(50.1%)	1,600,000
31 TOTAL ADA PROGRAMS	5,500,450	4,709,426	(791,023)	(14.4%)	19,100,642
32					
33 MULTI-MODAL TRANSIT PROGRAMS:					
34					
35 Transfer from SMCTA for Caltrain	3,608,742	2,465,781	(1,142,960)	(31.7%)	7,397,344
36 Other Sources - Caltrain	-	493,181	493,181	100.0%	1,479,543
37 AB434 Funds-SamTrans Shuttle	138,000	278,536	140,536	101.8%	452,000
38 Employer SamTrans Shuttle Funds	497,759	360,781	(136,978)	(27.5%)	1,554,500
39 Dumbarton Rental Income	-	160,041	160,041	100.0%	291,396
40 Sales Tax Revenue - Gen. Operating Asst.	176,121	(125,505)	(301,626)	(171.3%)	378,994
41					
42 TOTAL MULTIMODAL	4,420,621	3,632,814	(787,807)	(17.8%)	11,553,777
43					
44 TOTAL REVENUES	56,664,272	52,551,173	(4,113,099)	(7.3%)	176,770,806

**SAN MATEO COUNTY TRANSIT DISTRICT
OPERATING EXPENSES
FISCAL YEAR 2021
OCTOBER 2020**

% OF YEAR ELAPSED: 33.3%

EXPENSES	YEAR-TO-DATE				ANNUAL BUDGET
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	
DISTRICT OPERATED BUSES					
1 Motor Bus Wages & Benefits	29,386,651	27,054,301	(2,332,351)	(7.9%)	76,566,126
2					
3 Services:					
4 Board of Directors	35,869	42,872	7,003	19.5%	122,366
5 Contracted Vehicle Maintenance	422,262	263,169	(159,093)	(37.7%)	1,277,216
6 Property Maintenance	390,438	407,328	16,889	4.3%	1,833,000
7 Professional Services	480,019	861,601	381,582	79.5%	5,520,982
8 Technical Services	2,518,993	2,642,431	123,438	4.9%	10,618,112
9 Other Services	498,777	936,960	438,182	87.9%	4,197,236
10 Materials & Supply:					
11 Fuel and Lubricants	1,094,294	617,860	(476,434)	(43.5%)	2,567,023
12 Bus Parts and Materials	547,731	674,347	126,615	23.1%	2,149,404
13 Uniforms and Driver Expense	45,914	99,138	53,224	115.9%	712,678
14 Timetables and Tickets	21,471	-	(21,471)	(100.0%)	215,000
15 Office Supplies / Printing	156,370	89,692	(66,678)	(42.6%)	665,791
16 Other Materials and Supply	39,513	63,740	24,227	61.3%	142,800
17					
18 Utilities:					
19 Telephone	123,096	160,642	37,546	30.5%	667,500
20 Other Utilities	298,845	340,669	41,824	14.0%	1,778,540
21 Insurance	459,481	646,899	187,418	40.8%	2,202,982
22 Claims Reserves and Payments	125,925	213,491	87,566	100.0%	1,455,563
23 Workers' Compensation	1,010,731	907,341	(103,390)	(10.2%)	3,817,674
24 Taxes and License Fees	288,071	207,812	(80,259)	(27.9%)	836,273
25 Leases and Rentals	58,812	26,913	(31,899)	(54.2%)	71,800
26 Promotional and Legal Advertising	174,203	22,550	(151,652)	(87.1%)	1,098,250
27 Training and Business Travel	80,140	57,570	(22,569)	(28.2%)	472,432
28 Dues and Membership	37,100	48,366	11,265	30.4%	201,853
29 Postage and Other	15,655	51,499	35,844	229.0%	216,580
30					
31 Total District Operated Buses	38,310,360	36,437,188	(1,873,172)	(4.9%)	119,407,181
32					
33 CONTRACTED BUS SERVICES					
34 Contracted Urban Bus Service	7,470,168	6,480,931	(989,236)	(13.2%)	22,704,800
35 Coastside Services	532,068	517,290	(14,778)	(2.8%)	1,754,000
36 Redi Coast Non-ADA	75,994	68,695	(7,298)	(9.6%)	260,800
37 La Honda - Pescadero	13,650	-	(13,650)	(100.0%)	55,130
38 SamCoast - Pescadero	34,416	9,987	(24,429)	(71.0%)	149,000
39 CUB Related Wages & Benefits	109,557	123,176	13,619	100.0%	440,419
40 CUB Related Other Support	18,330	32,980	14,650	79.9%	109,200
41 CUB Insurance	153,973	295,415	141,442	91.9%	1,017,457
42 CUB Claims Reserves & Payments	24,685	243,271	218,587	100.0%	218,400
43 Total Contracted Bus Service	8,432,840	7,771,745	(661,095)	(7.8%)	26,709,206
44					
45 TOTAL MOTOR BUS	46,743,200	44,208,934	(2,534,267)	(5.4%)	146,116,387

**SAN MATEO COUNTY TRANSIT DISTRICT
OPERATING EXPENSES
FISCAL YEAR 2021
OCTOBER 2020**

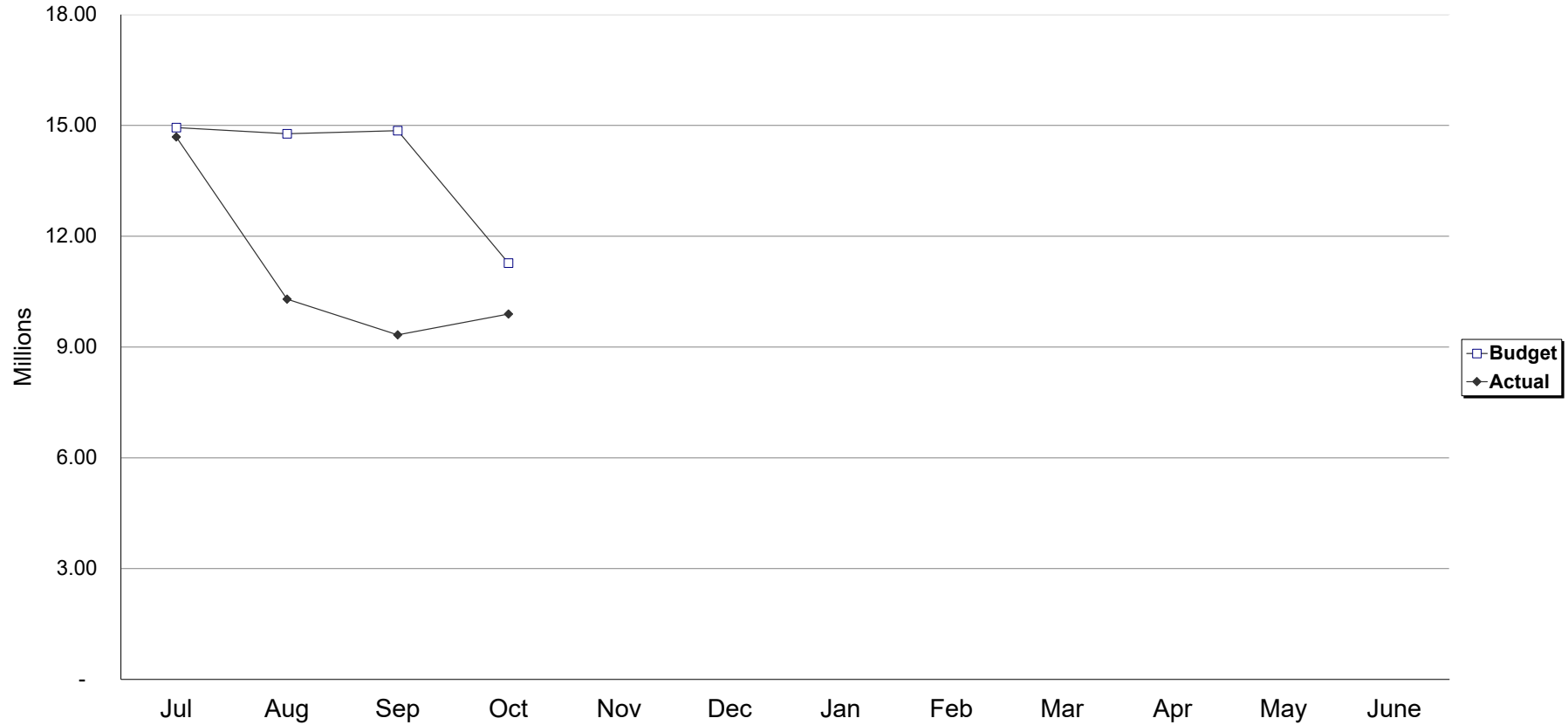
% OF YEAR ELAPSED: **33.3%**

EXPENSES	YEAR-TO-DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
46 AMERICAN DISABILITY ACT PROGRAMS					
47					
48 Elderly & Disabled/Redi-Wheels	1,646,737	2,248,342	601,605	36.5%	6,929,800
49 ADA Sedans / Taxi Service	1,954,220	629,019	(1,325,200)	(67.8%)	3,629,400
50 Coastside ADA	624,539	381,284	(243,255)	(38.9%)	2,032,900
51 ADA Related Wages & Benefits	828,366	938,090	109,724	13.2%	2,649,599
52 ADA Related Other Support	379,774	317,545	(62,229)	(16.4%)	2,863,778
53 ADA Insurance	129,093	239,341	110,248	85.4%	776,765
54 ADA Claims Reserves & Payments	(62,279)	(44,195)	18,084	100.0%	218,400
55					
56 TOTAL ADA PROGRAMS	5,500,450	4,709,426	(791,025)	(14.4%)	19,100,642
57					
58 MULTI-MODAL TRANSIT PROGRAMS					
59					
60 CALTRAIN SERVICE					
61 Peninsula Rail Service	3,608,742	2,958,962	(649,779)	(18.0%)	8,876,887
62 Total Caltrain Service	3,608,742	2,958,962	(649,779)	(18.0%)	8,876,887
63					
64 OTHER SUPPORT					
65 SamTrans Shuttle Service	706,773	620,626	(86,147)	(12.2%)	2,101,500
66 Shuttle Related Wages & Benefits	21,136	26,149	5,013	100.0%	92,875
67 Dumbarton M.O.W.	30,826	1,900	(28,926)	100.0%	309,515
68 Maintenance Multimodal Facilities	53,144	25,177	(27,968)	100.0%	173,000
69 Total Other Support	811,879	673,852	(138,028)	(17.0%)	2,676,890
70					
71					
72 TOTAL MULTI-MODAL PROGRAMS	4,420,621	3,632,814	(787,807)	(17.8%)	11,553,777
73					
74					
75					
76 TOTAL OPERATING EXPENSES	56,664,272	52,551,173	(4,113,099)	(7.3%)	176,770,806

SAN MATEO COUNTY TRANSIT DISTRICT

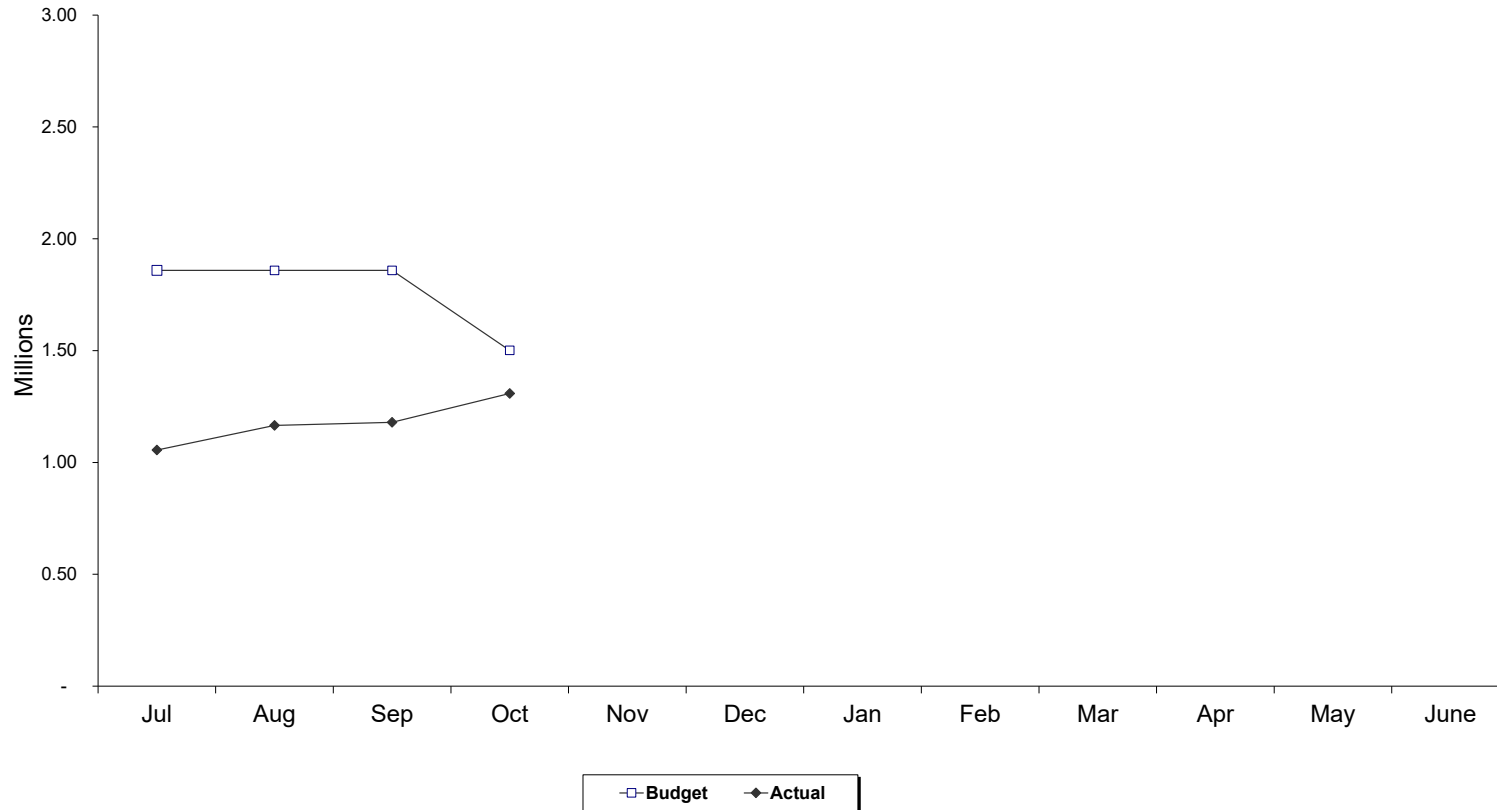
MOTOR BUS MONTHLY EXPENSES - BUDGET VS ACTUAL

FISCAL YEAR 2021



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	14,942,139	14,775,940	14,859,040	11,273,847								
Actual	14,687,367	10,297,742	9,329,172	9,894,653								
CUMULATIVE EXPENSES												
Budget	14,942,139	29,718,079	44,577,120	55,850,966								
Actual	14,687,367	24,985,109	34,314,281	44,208,934								
Variance - F(U)	254,773	4,732,971	10,262,839	11,642,032								
Variance %	1.7%	15.9%	23.02%	20.84%								

SAN MATEO COUNTY TRANSIT DISTRICT
ADA PROGRAM MONTHLY EXPENSES - BUDGET VS ACTUAL
FISCAL YEAR 2021

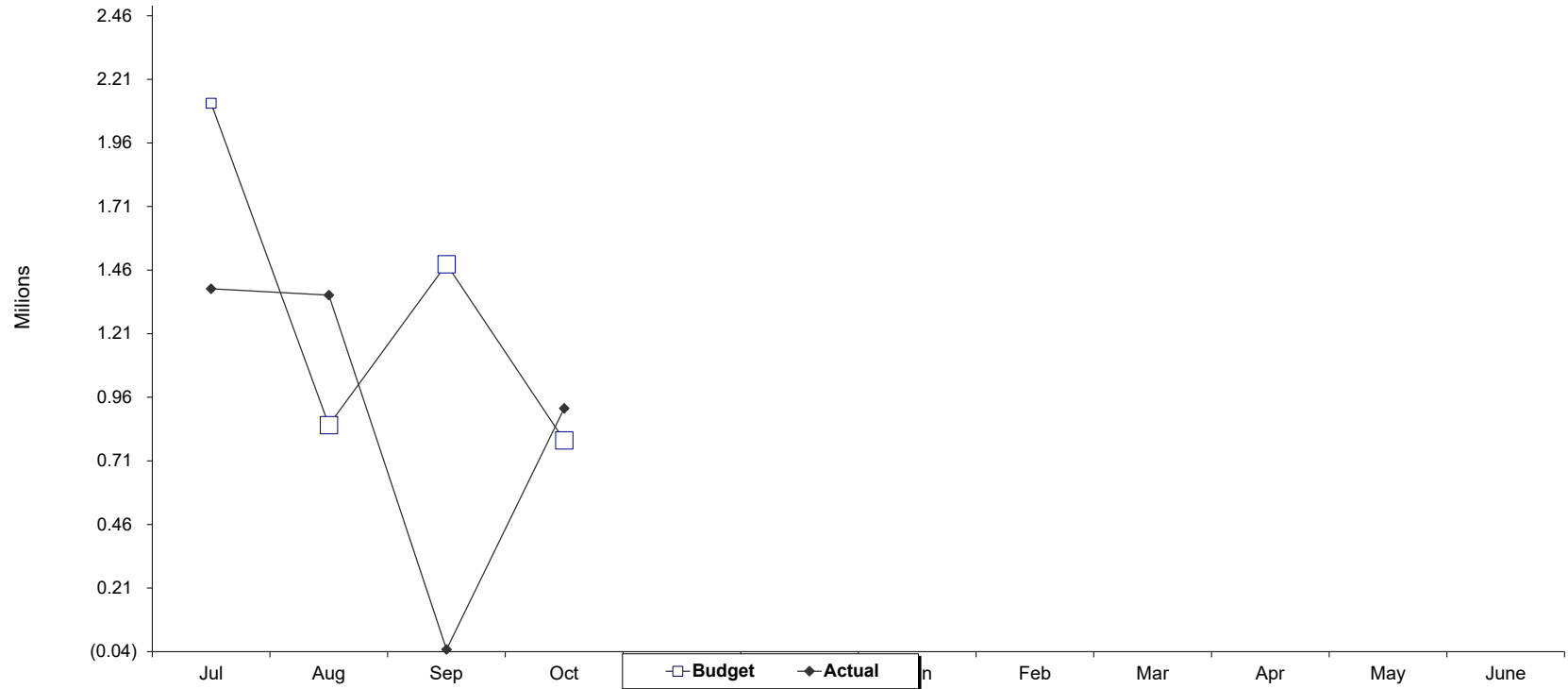


	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	1,858,824	1,858,824	1,858,824	1,500,969								
Actual	1,055,479	1,165,787	1,179,597	1,308,562								
CUMULATIVE EXPENSES												
Budget	1,858,824	3,717,648	5,576,472	7,077,441								
Actual	1,055,479	2,221,267	3,400,863	4,709,426								
Variance - F(U)	803,345	1,496,381	2,175,608	2,368,015								
Variance %	43.2%	40.3%	39.01%	33.46%								

SAN MATEO COUNTY TRANSIT DISTRICT

MULTIMODAL MONTHLY EXPENSES - BUDGET VS ACTUAL

FISCAL YEAR 2021



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	2,116,061	850,520	1,483,290	791,040								
Actual	1,386,629	1,361,441	(31,577)	916,322								
CUMULATIVE EXPENSES												
Budget	2,116,061	2,966,581	4,449,871	5,240,911								
Actual	1,386,629	2,748,070	2,716,492	3,632,814								
Variance - F(U)	729,432	218,511	1,733,379	1,608,097								
Variance %	34.5%	7.4%	39.0%	30.7%								

SAN MATEO COUNTY TRANSIT DISTRICT
CASH AND INVESTMENTS AS OF OCTOBER 31, 2020

	<u>10/31/2020</u>
<u>LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF</u>	
Bank of America Checking	\$ 67,839,299.22
Bank of America Checking (Restricted)	9,677,683.17
Wells Fargo	0.00
LAIF	74,892,662.86
<u>INVESTMENT FUNDS</u>	
Investment Portfolio (Market Values+ Accrued interest)*	152,454,371.13
MMF - US Bank Custodian Account	12,780,193.96
Debt Service Reserves Held By Trustee	7,994,548.00
	<hr/>
TOTAL	<u><u>325,638,758.34</u></u>

* Fund Managed by PFM Investment Advisor



Risk Summary

10/01/2020 - 10/31/2020

SAM Transit District Agg (136232)

Dated: 11/03/2020

Cash and Fixed Income Summary

<i>Risk Metric</i>	<i>Value</i>
Cash	-550,937.49
MMFund (incl LAIF)	87,672,856.82
Fixed Income	153,005,308.62
Duration	2.223
Convexity	0.079
WAL	1.568
Years to Final Maturity	1.670
Years to Effective Maturity	1.568
Yield	0.446
Book Yield	0.973
Avg Credit Rating	AA-/Aa3/AA-

Issuer Concentration

<i>Issuer Concentration</i>	<i>% of Base Market Value + Accrued</i>
(SM - LAIF) State of California	31.200%
Other	22.216%
United States	21.868%
Freddie Mac	11.728%
U.S. Bancorp	6.120%
Federal National Mortgage Association	3.734%
Federal Home Loan Banks	2.163%
Apple Inc.	0.971%

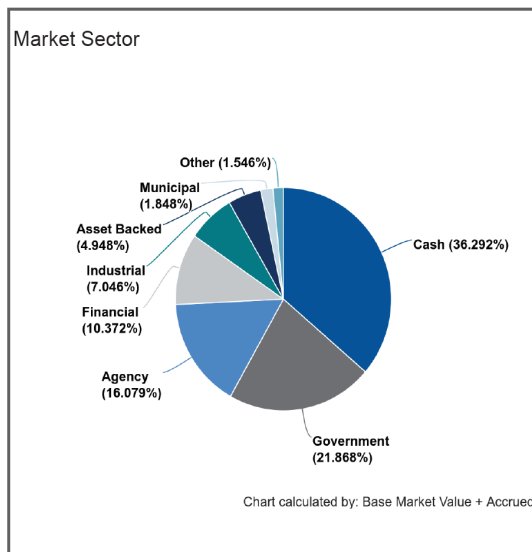
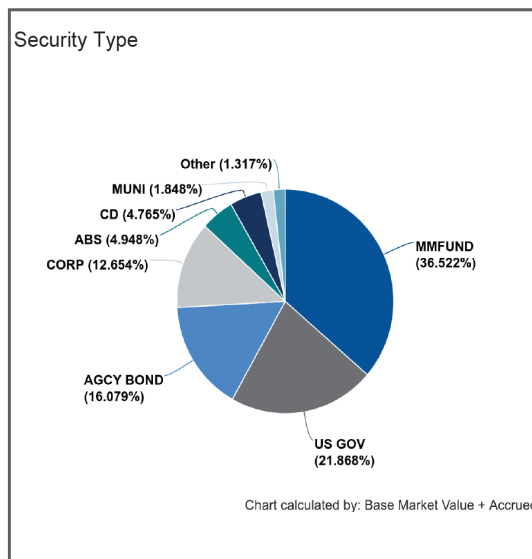
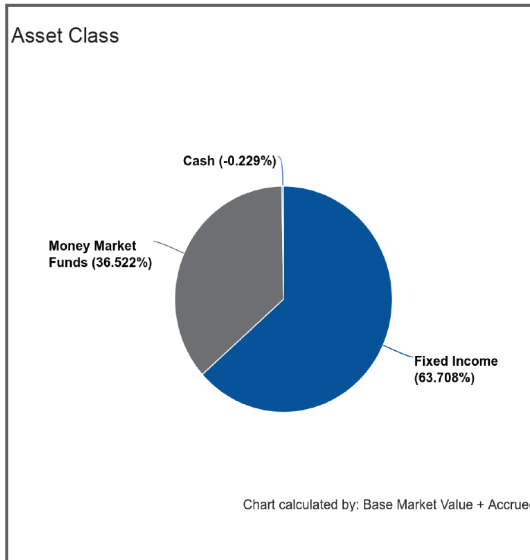
100.000%

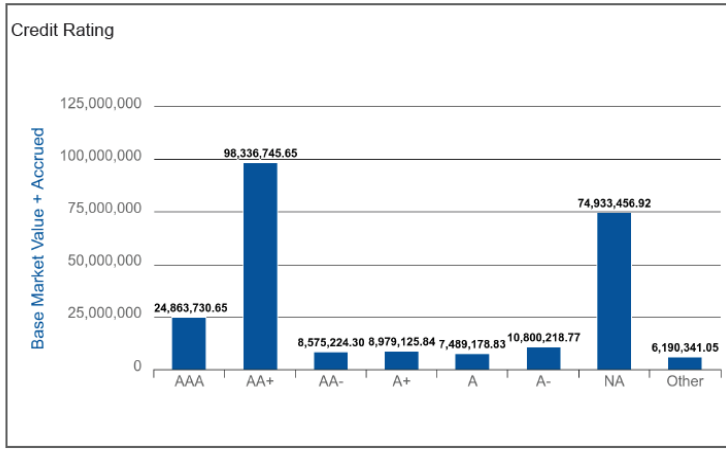
Footnotes: 1,2

Footnotes:

1) Grouped by Issuer Concentration

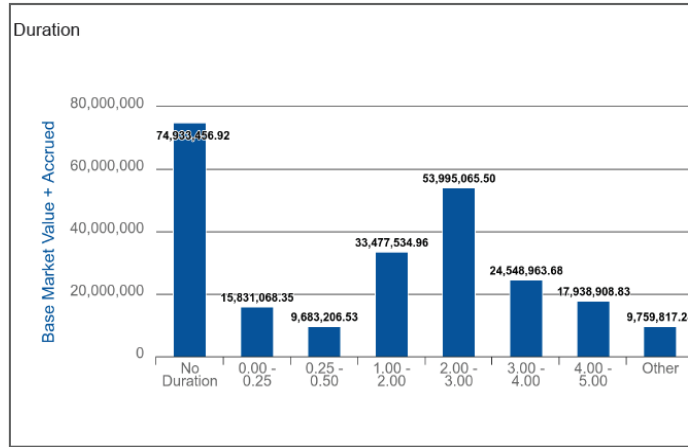
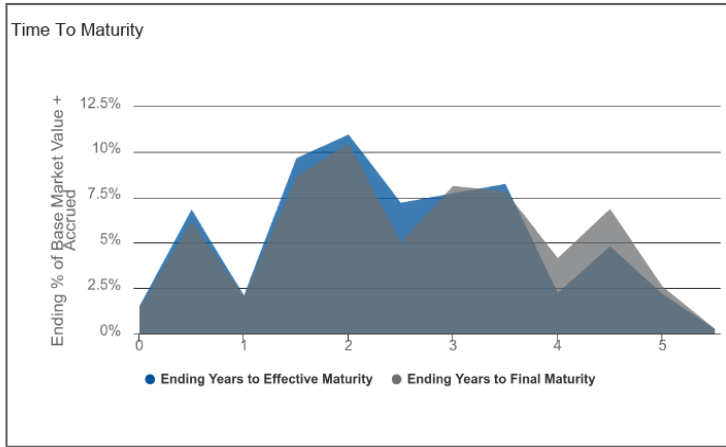
2) Groups sorted by: % of Base Market Value+Accrued





Credit Duration Heat Map

Rating	0 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5 - 7	7 - 10	10 - 15	15 - 30
AAA	5.693%	1.533%	2.814%	0.312%	0.000%	0.000%	0.000%	0.000%	0.000%
AA	6.122%	9.424%	17.028%	6.430%	7.066%	0.000%	0.000%	0.000%	0.000%
A	2.379%	2.882%	2.640%	2.951%	0.403%	0.000%	0.000%	0.000%	0.000%
BBB	0.493%	0.000%	0.000%	0.528%	0.000%	0.000%	0.000%	0.000%	0.000%
BB	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
B	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CCC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
C	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
NA	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%



Industry Sector

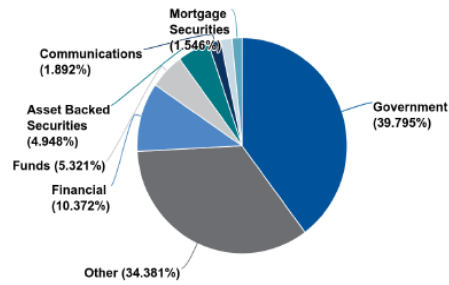


Chart calculated by: Base Market Value + Accrued

Industry Group

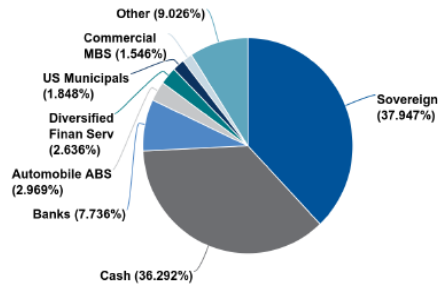


Chart calculated by: Base Market Value + Accrued

Industry Subgroup

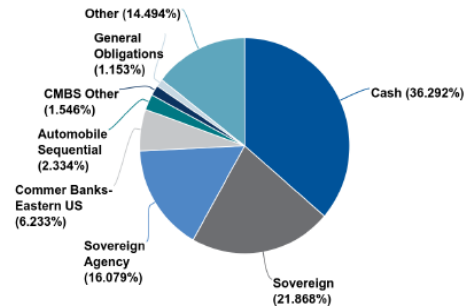


Chart calculated by: Base Market Value + Accrued

MMF Asset Allocation

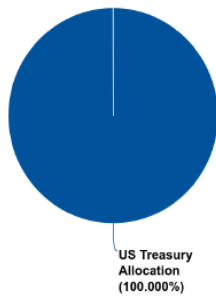


Chart calculated by: Base Market Value

Currency

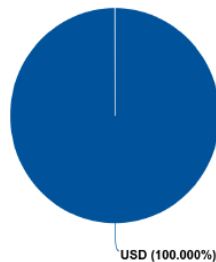


Chart calculated by: Base Market Value + Accrued

Country

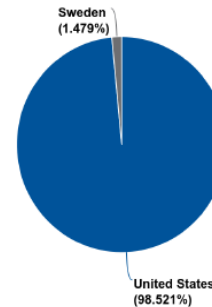


Chart calculated by: Base Market Value + Accrued

clearwater

Report: Master BS by lot - group by Security type
Account: SAM TR Reimbursement Fund (136225)
As of: 10/31/2020
Base Currency: USD

MMFUND

<u>Security Type</u>	<u>Identifier</u>	<u>Description</u>	<u>PAR</u>	<u>Settle Date</u> <u>Maturity Date</u>	<u>Original Cost</u>	<u>Accrued Interest</u>	<u>Market Value</u>	<u>Base Market Value + Accrued</u>
MMFUND	31846V534	FIRST AMER:US TRS MM Y	8,440,745.17	--- 10/31/2020	8,440,745.17	0.00	8,440,745.17	8,440,745.17
MMFUND			8,440,745.17		8,440,745.17	0.00	8,440,745.17	8,440,745.17

- * Grouped by: Security Type
- * Groups Sorted by: Security Type
- * Weighted by: Base Market Value + Accrued
- * Holdings Displayed by: Lot

clearwater

Report: Master BS by lot - group by Security type
 Account: SAM TR Reserve Fund (136226)
 As of: 10/31/2020
 Base Currency: USD

ABS (ASSET-BACKED SECURITY)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
ABS	02004VAC7	ALLYA 2018-2 A3	282,049.44	04/30/2018	11/15/2022	281,998.22	366.04	284,720.78	285,086.82
ABS	09661RAD3	BMWOT 2020-A A3	315,000.00	07/15/2020	10/25/2024	314,976.22	21.00	315,768.59	315,789.59
ABS	14041NFU0	COMET 2019-2 A	1,660,000.00	09/05/2019	09/15/2022	1,659,582.01	1,268.98	1,702,946.82	1,704,215.80
ABS	14313FAD1	CARMX 2018-3 A3	319,765.47	07/25/2018	06/15/2023	319,721.88	444.83	325,593.92	326,038.75
ABS	14315FAD9	CARMX 2020-3 A3	450,000.00	07/22/2020	03/17/2025	449,922.87	124.00	451,975.54	452,099.54
ABS	14316HAC6	CARMX 2020-4 A3	425,000.00	10/21/2020	08/15/2025	424,906.46	60.09	424,763.58	424,823.67
ABS	36255JAD6	GMCAR 2018-3 A3	264,830.99	07/18/2018	05/16/2023	264,769.23	333.25	268,796.83	269,130.08
ABS	362569AD7	GMALT 2020-3 A4	300,000.00	09/29/2020	10/21/2024	299,958.00	46.75	299,857.85	299,904.60
ABS	362590AC5	GMCAR 2020-3 A3	700,000.00	08/19/2020	04/16/2025	699,839.84	131.25	701,299.02	701,430.27
ABS	36260KAC8	GMCAR 2020-4 A3	400,000.00	10/14/2020	08/18/2025	399,914.52	71.78	400,050.47	400,122.25
ABS	43814PAC4	HAROT 2017-3 A3	21,008.20	09/29/2017	09/18/2021	21,005.92	13.58	21,031.97	21,045.55
ABS	44891RAC4	HART 2020-C A3	1,250,000.00	10/28/2020	05/15/2025	1,249,712.13	39.58	1,249,434.60	1,249,474.19
ABS	47787NAC3	JDOT 2020-B A3	250,000.00	07/22/2020	11/15/2024	249,961.90	56.67	250,361.08	250,417.75
ABS	47788BAD6	JDOT 2017-B A3	1,021.01	07/18/2017	10/15/2021	1,020.94	0.83	1,021.04	1,021.86
ABS	47788CAC6	JDOT 2018 A3	69,086.65	02/28/2018	04/18/2022	69,081.68	81.68	69,415.95	69,497.63
ABS	65479CAD0	NAROT 2020-B A3	400,000.00	06/30/2020	07/15/2024	399,989.04	97.78	400,197.10	400,294.88
ABS	89237VAB5	TAOT 2020-C A3	940,000.00	07/27/2020	10/15/2024	939,927.62	183.82	941,569.48	941,753.30
ABS	89238BAD4	TAOT 2018-A A3	154,694.83	01/31/2018	05/16/2022	154,693.05	161.57	155,593.96	155,755.54
ABS	92290BAA9	VZOT 2020-B A	1,030,000.00	08/12/2020	02/20/2025	1,029,783.70	147.92	1,030,968.54	1,031,116.46
ABS	92348TAA2	VZOT 2020-A A1A	475,000.00	01/29/2020	07/22/2024	474,944.38	268.51	486,626.95	486,895.46
ABS			9,707,456.58			9,705,709.61	3,919.89	9,781,994.09	9,785,913.98

AGCY BOND (FEDERAL AGENCY BOND/NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
AGCY BOND	3130A8Q55	FEDERAL HOME LOAN BANKS	2,700,000.00	07/15/2016	07/14/2021	2,683,581.30	9,028.13	2,718,786.60	2,727,814.73
AGCY BOND	3130AJHU6	FEDERAL HOME LOAN BANKS	1,000,000.00	04/16/2020	04/14/2025	995,040.00	236.11	1,002,658.00	1,002,894.11
AGCY BOND	3130AK5E2	FEDERAL HOME LOAN BANKS	550,000.00	09/11/2020	09/04/2025	548,350.00	286.46	547,513.45	547,799.91
AGCY BOND	3134GVJ66	FEDERAL HOME LOAN MORTGAGE CORP	11,000,000.00	07/23/2020	06/08/2022	11,004,400.00	10,923.61	11,014,311.00	11,025,234.61
AGCY BOND	3135G03U5	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000,000.00	04/24/2020	04/22/2025	997,940.00	156.25	1,008,201.00	1,008,357.25
AGCY BOND	3135G04Z3	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,000,000.00	06/19/2020	06/17/2025	997,930.00	1,833.33	1,000,474.00	1,002,307.33
AGCY BOND	3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,300,000.00	08/27/2020	08/25/2025	1,293,916.00	866.67	1,291,072.90	1,291,939.57
AGCY BOND	3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,525,000.00	08/19/2016	08/17/2021	1,518,823.75	3,918.40	1,538,508.45	1,542,426.85
AGCY BOND	3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	475,000.00	08/19/2016	08/17/2021	473,375.03	1,220.49	479,207.55	480,428.04
AGCY BOND	3135G0U92	FEDERAL NATIONAL MORTGAGE ASSOCIATION	900,000.00	01/11/2019	01/11/2022	899,352.00	7,218.75	926,525.70	933,744.45
AGCY BOND	3137EAER6	FEDERAL HOME LOAN MORTGAGE CORP	950,000.00	05/07/2020	05/05/2023	949,601.00	1,721.88	953,584.35	955,306.23
AGCY BOND	3137EAES4	FEDERAL HOME LOAN MORTGAGE CORP	1,000,000.00	06/26/2020	06/26/2023	997,080.00	868.06	1,000,420.00	1,001,288.06
AGCY BOND	3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP	1,600,000.00	07/23/2020	07/21/2025	1,592,032.00	1,633.33	1,590,712.00	1,592,345.33
AGCY BOND	3137EAUV7	FEDERAL HOME LOAN MORTGAGE CORP	2,500,000.00	08/21/2020	08/24/2023	2,497,450.00	1,215.28	2,500,415.00	2,501,630.28
AGCY BOND	3137EAUV5	FEDERAL HOME LOAN MORTGAGE CORP	1,100,000.00	09/04/2020	09/08/2023	1,100,200.87	435.42	1,100,184.80	1,100,620.22
AGCY BOND	3137EAUV5	FEDERAL HOME LOAN MORTGAGE CORP	1,500,000.00	09/04/2020	09/08/2023	1,499,505.00	593.75	1,500,252.00	1,500,845.75
AGCY BOND	3137EAUV3	FEDERAL HOME LOAN MORTGAGE CORP	1,300,000.00	09/25/2020	09/23/2025	1,296,087.00	487.50	1,290,931.20	1,291,418.70
AGCY BOND	3137EAUV1	FEDERAL HOME LOAN MORTGAGE CORP	1,200,000.00	10/16/2020	10/16/2023	1,195,524.00	62.50	1,195,442.40	1,195,504.90
AGCY BOND			32,600,000.00			32,540,187.95	42,705.90	32,659,200.40	32,701,906.30

CASH

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
CASH	CCYUSD	PAYABLE	(550,000.00)	---	10/31/2020	(550,000.00)	0.00	(550,000.00)	(550,000.00)
CASH	CCYUSD	RECEIVABLE	88,618.75	---	10/31/2020	88,618.75	0.00	88,618.75	88,618.75
CASH			(461,381.25)			(461,381.25)	0.00	(461,381.25)	(461,381.25)

CD (CERTIFICATE OF DEPOSIT)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
CD	22535CDV0	CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, NEW	900,000.00	04/04/2019	04/01/2022	900,000.00	14,786.75	900,000.00	914,786.75
CD	22549L6F7	CREDIT SUISSE AG, NEW YORK BRANCH	950,000.00	08/07/2020	02/01/2022	950,000.00	1,180.11	950,000.00	951,180.11
CD	23341VZT1	DNB BANK ASA, NEW YORK BRANCH	950,000.00	12/06/2019	12/02/2022	950,000.00	8,182.67	950,000.00	958,182.67
CD	65558TLL7	NORDEA BANK ABP, NEW YORK BRANCH	950,000.00	08/29/2019	08/26/2022	950,000.00	3,270.90	950,000.00	953,270.90
CD	78012UEE1	ROYAL BANK OF CANADA NEW YORK BRANCH	1,500,000.00	06/08/2018	06/07/2021	1,500,000.00	19,440.00	1,502,147.46	1,521,587.46
CD	83050PDR7	SKANDINAVISKA ENSKILDA BANKEN AB (PUBL.)	950,000.00	09/03/2019	08/26/2022	950,000.00	3,288.58	950,000.00	953,288.58
CD	86565CKU2	SUMITOMO MITSUI BANKING CORPORATION, NEW YORK BRA	900,000.00	07/14/2020	07/08/2022	900,000.00	1,925.00	900,000.00	901,925.00
CD	87019U6D6	SWEDBANK AB (PUBL)	1,800,000.00	11/17/2017	11/16/2020	1,800,000.00	19,068.00	1,799,351.25	1,818,419.25
CD			8,900,000.00			8,900,000.00	71,142.01	8,901,498.72	8,972,640.73

CORP (COPORATE NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
CORP	002824BE9	ABBOTT LABORATORIES	900,000.00	07/21/2020	11/30/2023	983,772.00	12,835.00	975,595.50	988,430.50
CORP	025816BU2	AMERICAN EXPRESS CO	900,000.00	05/17/2018	05/17/2021	899,847.00	13,837.50	912,519.00	926,356.50
CORP	02665WCZ2	AMERICAN HONDA FINANCE CORP	900,000.00	06/28/2019	06/27/2024	898,776.00	7,440.00	950,846.40	958,286.40
CORP	037833DT4	APPLE INC	1,000,000.00	05/13/2020	05/11/2025	1,002,010.00	5,312.50	1,019,248.00	1,024,560.50
CORP	037833DT4	APPLE INC	1,000,000.00	07/17/2020	05/11/2025	1,026,120.00	5,312.50	1,019,248.00	1,024,560.50
CORP	05531FBH5	TRUIST FINANCIAL CORP	900,000.00	08/05/2019	08/01/2024	901,494.00	5,625.00	957,492.00	963,117.00
CORP	06051GFW4	BANK OF AMERICA CORP	100,000.00	11/03/2017	04/19/2021	100,776.00	87.50	100,993.70	101,081.20
CORP	06051GHH5	BANK OF AMERICA CORP	250,000.00	05/17/2018	05/17/2022	250,000.00	3,984.97	253,748.75	257,733.72
CORP	06406FAD5	BANK OF NEW YORK MELLON CORP	1,400,000.00	07/21/2020	08/16/2023	1,467,256.00	6,416.67	1,467,509.40	1,473,926.07
CORP	06406RAL1	BANK OF NEW YORK MELLON CORP	375,000.00	01/28/2020	10/24/2024	376,650.00	153.13	393,780.38	393,933.50
CORP	14913R2D8	CATERPILLAR FINANCIAL SERVICES CORP	725,000.00	07/08/2020	07/07/2023	724,594.00	1,479.20	728,002.95	729,482.15
CORP	14913R2F3	CATERPILLAR FINANCIAL SERVICES CORP	225,000.00	09/14/2020	09/14/2023	224,847.00	132.19	224,802.90	224,935.09
CORP	166764BW9	CHEVRON CORP	900,000.00	07/17/2020	05/11/2025	934,353.00	6,604.50	928,471.50	935,076.00
CORP	20030NBL4	COMCAST CORP	850,000.00	07/17/2020	02/15/2025	946,611.00	6,056.25	938,808.00	944,864.25
CORP	24422ETL3	JOHN DEERE CAPITAL CORP	450,000.00	03/15/2017	01/06/2022	448,015.50	3,809.38	462,281.40	466,090.78
CORP	24422EUQ0	JOHN DEERE CAPITAL CORP	175,000.00	01/10/2019	01/10/2022	174,832.00	1,726.67	180,944.23	182,670.89
CORP	254687FK7	WALT DISNEY CO	950,000.00	09/06/2019	08/30/2024	946,124.00	2,817.01	985,508.15	988,325.16
CORP	30231GBC5	EXXON MOBIL CORP	900,000.00	07/20/2020	08/16/2024	945,567.00	3,785.63	941,422.50	945,208.13
CORP	38141EC23	GOLDMAN SACHS GROUP INC	900,000.00	07/11/2019	07/08/2024	941,922.00	10,876.25	981,860.40	992,736.65
CORP	427866BA5	HERSHEY CO	360,000.00	05/10/2018	05/15/2021	359,751.60	5,146.00	365,291.64	370,437.64
CORP	44932HAG8	IBM CREDIT LLC	900,000.00	02/06/2018	02/05/2021	899,559.00	5,697.50	905,608.80	911,306.30
CORP	46647PAP1	JPMORGAN CHASE & CO	900,000.00	07/21/2020	04/23/2024	967,887.00	711.80	965,085.30	965,797.10
CORP	46647PBB1	JPMORGAN CHASE & CO	900,000.00	03/22/2019	04/01/2023	900,000.00	2,405.25	935,046.90	937,452.15
CORP	63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	375,000.00	02/26/2018	03/15/2021	374,583.75	1,389.58	378,682.13	380,071.71
CORP	63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	515,000.00	04/19/2018	03/15/2021	512,821.55	1,908.36	520,056.79	521,965.15
CORP	693475AV7	PNC FINANCIAL SERVICES GROUP INC	900,000.00	02/15/2019	01/23/2024	906,408.00	8,575.00	978,986.70	987,561.70
CORP	69371RP75	PACCAR FINANCIAL CORP	325,000.00	03/01/2019	03/01/2022	324,714.00	1,543.75	335,726.63	337,270.38
CORP	69371RQ90	PACCAR FINANCIAL CORP	395,000.00	08/11/2020	08/11/2023	394,482.55	307.22	394,520.47	394,827.69
CORP	713448DX3	PEPSICO INC	600,000.00	10/10/2017	04/15/2021	599,880.00	533.33	604,044.60	604,577.93
CORP	808513AW5	CHARLES SCHWAB CORP	570,000.00	05/22/2018	05/21/2021	569,982.90	8,233.33	577,807.29	586,040.62
CORP	89236TGT6	TOYOTA MOTOR CREDIT CORP	450,000.00	05/26/2020	02/13/2025	454,396.50	1,755.00	469,011.60	470,766.60
CORP	89236TGT6	TOYOTA MOTOR CREDIT CORP	140,000.00	05/26/2020	02/13/2025	141,367.80	546.00	145,914.72	146,460.72
CORP	89236TGT6	TOYOTA MOTOR CREDIT CORP	135,000.00	05/26/2020	02/13/2025	136,879.20	526.50	140,703.48	141,229.98
CORP	904764AZ0	UNILEVER CAPITAL CORP	725,000.00	03/22/2018	03/22/2021	721,295.25	2,159.90	731,962.90	734,122.80
CORP	91159HHX1	U.S. BANCORP	1,800,000.00	07/20/2020	07/30/2024	1,920,420.00	10,920.00	1,907,605.80	1,918,525.80
CORP	931142EA7	WALMART INC	900,000.00	10/20/2017	12/15/2020	898,695.00	6,460.00	901,785.60	908,245.60
CORP			24,690,000.00			25,276,690.60	157,110.36	25,680,924.49	25,838,034.85

FHLMC (FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
FHLMC	3137BGK24	FHMS K-043 A2	650,000.00	03/25/2020	12/25/2024	682,195.31	1,658.58	712,270.00	713,928.58
FHLMC	3137BM6P6	FHMS K-721 A2	450,000.00	04/09/2018	08/25/2022	453,832.03	1,158.75	465,318.00	466,476.75
FHLMC	3137F62S5	FHMS K-J31 A1	530,000.00	10/29/2020	05/25/2026	529,989.40	251.31	530,116.60	530,367.91
FHLMC	3137FKK39	FHMS K-P05 A	121,176.40	12/17/2018	07/25/2023	121,176.04	323.44	125,366.68	125,690.12
FHLMC	3137FQ3V3	FHMS K-J27 A1	285,256.54	11/26/2019	07/25/2024	285,249.70	497.30	295,055.11	295,552.40
FHLMC			2,036,432.95			2,072,442.48	3,889.38	2,128,126.39	2,132,015.77

FNMA (FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
FNMA	3136AJ7G5	FNA 2014-M6 A2	543,904.20	12/15/2016	05/25/2021	554,909.76	1,214.04	548,173.85	549,387.89
FNMA	3136B1XP4	FNA 2018-M5 A2	245,139.67	04/30/2018	09/25/2021	250,015.74	727.25	247,456.24	248,183.48
FNMA			789,043.87			804,925.50	1,941.29	795,630.08	797,571.38

MMFUND

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
MMFUND	31846V534	FIRST AMER:US TRS MM Y	3,459,201.92	---	10/31/2020	3,459,201.92	0.00	3,459,201.92	3,459,201.92
MMFUND			3,459,201.92			3,459,201.92	0.00	3,459,201.92	3,459,201.92

MUNI (MUNICIPAL BOND/NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
MUNI	157411TK5	CHAFFEY CALIF JT UN HIGH SCH DIST	230,000.00	12/05/2019	08/01/2024	230,000.00	1,208.08	241,111.30	242,319.38
MUNI	341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV	350,000.00	09/16/2020	07/01/2025	352,320.50	550.38	353,780.00	354,330.38
MUNI	341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV	650,000.00	09/16/2020	07/01/2025	650,000.00	1,022.13	657,020.00	658,042.13
MUNI	341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV	250,000.00	09/16/2020	07/01/2025	251,767.50	393.13	252,700.00	253,093.13
MUNI	54438CYK2	LOS ANGELES CALIF CMNTY COLLEGE DIST	550,000.00	11/10/2020	08/01/2025	550,000.00	0.00	550,000.00	550,000.00
MUNI	574193TQ1	MARYLAND ST	750,000.00	08/05/2020	08/01/2024	749,790.00	913.75	748,942.50	749,856.25
MUNI	60412AVJ9	MINNESOTA ST	405,000.00	08/25/2020	08/01/2025	405,000.00	467.78	405,319.95	405,787.73
MUNI	798306WN2	SAN JUAN CALIF UNI SCH DIST	575,000.00	10/29/2020	08/01/2024	575,000.00	22.43	572,797.75	572,820.18
MUNI			3,760,000.00			3,763,878.00	4,577.65	3,781,671.50	3,786,249.15

US GOV (U.S. TREASURY BOND/NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
US GOV	912828N30	UNITED STATES TREASURY	2,275,000.00	12/13/2018	12/31/2022	2,218,658.21	16,289.74	2,370,976.56	2,387,266.30
US GOV	912828N30	UNITED STATES TREASURY	5,900,000.00	01/10/2019	12/31/2022	5,814,957.03	42,245.92	6,148,906.25	6,191,152.17
US GOV	912828N30	UNITED STATES TREASURY	3,000,000.00	01/31/2019	12/31/2022	2,952,421.87	21,480.98	3,126,562.50	3,148,043.48
US GOV	912828Q78	UNITED STATES TREASURY	1,640,000.00	01/05/2017	04/30/2021	1,607,456.25	62.29	1,650,250.00	1,650,312.29
US GOV	912828R69	UNITED STATES TREASURY	2,900,000.00	03/06/2019	05/31/2023	2,794,761.72	19,828.55	3,007,843.75	3,027,672.30
US GOV	912828R69	UNITED STATES TREASURY	950,000.00	04/05/2019	05/31/2023	924,134.77	6,495.56	985,328.13	991,823.69
US GOV	912828R69	UNITED STATES TREASURY	1,700,000.00	05/03/2019	05/31/2023	1,659,093.75	11,623.63	1,763,218.75	1,774,842.38
US GOV	912828R77	UNITED STATES TREASURY	350,000.00	03/17/2017	05/31/2021	340,908.21	2,024.93	352,515.63	354,540.56
US GOV	912828T91	UNITED STATES TREASURY	2,950,000.00	07/08/2019	10/31/2023	2,924,417.97	132.42	3,075,835.94	3,075,968.36
US GOV	912828T91	UNITED STATES TREASURY	2,300,000.00	10/04/2019	10/31/2023	2,313,207.03	103.25	2,398,109.38	2,398,212.62
US GOV	912828TJ9	UNITED STATES TREASURY	2,500,000.00	09/07/2018	08/15/2022	2,395,117.19	8,610.73	2,565,625.00	2,574,235.73
US GOV	912828X47	UNITED STATES TREASURY	3,700,000.00	05/07/2018	04/30/2022	3,581,773.44	191.64	3,795,390.63	3,795,582.27
US GOV	912828XX3	UNITED STATES TREASURY	5,000,000.00	11/06/2019	06/30/2024	5,101,171.88	33,695.65	5,317,968.75	5,351,664.40
US GOV	912828XX3	UNITED STATES TREASURY	1,475,000.00	12/05/2019	06/30/2024	1,497,125.00	9,940.22	1,568,800.78	1,578,741.00
US GOV	912828XX3	UNITED STATES TREASURY	650,000.00	01/07/2020	06/30/2024	659,572.27	4,380.43	691,335.94	695,716.37
US GOV	912828XX3	UNITED STATES TREASURY	450,000.00	02/07/2020	06/30/2024	462,216.80	3,032.61	478,617.19	481,649.80
US GOV	912828XX3	UNITED STATES TREASURY	1,350,000.00	03/06/2020	06/30/2024	1,415,759.77	9,097.83	1,435,851.56	1,444,949.39
US GOV	912828YY0	UNITED STATES TREASURY	850,000.00	08/07/2020	12/31/2024	908,503.91	5,012.23	900,867.19	905,879.42
US GOV			39,940,000.00			39,571,257.06	194,248.63	41,634,003.91	41,828,252.54

SUMMARY

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
--	--	--	125,420,754.07	--	05/26/2023	125,632,911.87	479,535.11	128,360,870.24	128,840,405.35

* Grouped by: Security Type
* Groups Sorted by: Security Type
* Weighted by: Base Market Value + Accrued
* Holdings Displayed by: Lot

clearwater

Report: Master BS by lot - group by Security type
 Account: SAM Paratransit Fund (136227)
 As of: 10/31/2020
 Base Currency: USD

ABS (ASSET-BACKED SECURITY)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
ABS	02004VAC7	ALLYA 2018-2 A3	80,275.61	04/30/2018	11/15/2022	80,261.03	104.18	81,035.91	81,140.09
ABS	09661RAD3	BMWOT 2020-A A3	90,000.00	07/15/2020	10/25/2024	89,993.21	6.00	90,219.60	90,225.60
ABS	14041NFU0	COMET 2019-2 A	475,000.00	09/05/2019	09/15/2022	474,880.40	363.11	487,289.00	487,652.11
ABS	14313FAD1	CARMX 2018-3 A3	83,748.10	07/25/2018	06/15/2023	83,736.69	116.50	85,274.60	85,391.10
ABS	14315FAD9	CARMX 2020-3 A3	130,000.00	07/22/2020	03/17/2025	129,977.72	35.82	130,570.71	130,606.53
ABS	14316HAC6	CARMX 2020-4 A3	100,000.00	10/21/2020	08/15/2025	99,977.99	14.14	99,944.37	99,958.51
ABS	36255JAD6	GMCAR 2018-3 A3	79,449.30	07/18/2018	05/16/2023	79,430.77	99.97	80,639.05	80,739.02
ABS	362569AD7	GMALT 2020-3 A4	65,000.00	09/29/2020	10/21/2024	64,990.90	10.13	64,969.20	64,979.33
ABS	36260KAC8	GMCAR 2020-4 A3	85,000.00	10/14/2020	08/18/2025	84,981.84	15.25	85,010.72	85,025.98
ABS	43814PAC4	HAROT 2017-3 A3	6,366.12	09/29/2017	09/18/2021	6,365.43	4.12	6,373.33	6,377.44
ABS	44891RAC4	HART 2020-C A3	275,000.00	10/28/2020	05/15/2025	274,936.67	8.71	274,875.61	274,884.32
ABS	47787NAC3	JDOT 2020-B A3	60,000.00	07/22/2020	11/15/2024	59,990.86	13.60	60,086.66	60,100.26
ABS	47788BAD6	JDOT 2017-B A3	289.29	07/18/2017	10/15/2021	289.27	0.23	289.29	289.53
ABS	47788CAC6	JDOT 2018 A3	19,392.74	02/28/2018	04/18/2022	19,391.35	22.93	19,485.18	19,508.11
ABS	65479CAD0	NAROT 2020-B A3	110,000.00	06/30/2020	07/15/2024	109,996.99	26.89	110,054.20	110,081.09
ABS	89237VAB5	TAOT 2020-C A3	100,000.00	07/27/2020	10/15/2024	99,992.30	19.56	100,166.97	100,186.52
ABS	89238BAD4	TAOT 2018-A A3	42,970.79	01/31/2018	05/16/2022	42,970.29	44.88	43,220.55	43,265.43
ABS	92290BAA9	VZOT 2020-B A	150,000.00	08/12/2020	02/20/2025	149,968.50	21.54	150,141.05	150,162.59
ABS	92348TAA2	VZOT 2020-A A1A	125,000.00	01/29/2020	07/22/2024	124,985.36	70.66	128,059.72	128,130.38
ABS			2,077,491.94			2,077,117.57	998.22	2,097,705.73	2,098,703.95

AGCY BOND (FEDERAL AGENCY BOND/NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
AGCY BOND	3130A8QS5	FEDERAL HOME LOAN BANKS	520,000.00	07/15/2016	07/14/2021	516,837.88	1,738.75	523,618.16	525,356.91
AGCY BOND	3130AJHU6	FEDERAL HOME LOAN BANKS	275,000.00	04/16/2020	04/14/2025	273,636.00	64.93	275,730.95	275,795.88
AGCY BOND	3130AK5E2	FEDERAL HOME LOAN BANKS	115,000.00	09/11/2020	09/04/2025	114,655.00	59.90	114,480.09	114,539.98
AGCY BOND	3135G03U5	FEDERAL NATIONAL MORTGAGE ASSOCIATION	275,000.00	04/24/2020	04/22/2025	274,433.50	42.97	277,255.28	277,298.24
AGCY BOND	3135G04Z3	FEDERAL NATIONAL MORTGAGE ASSOCIATION	275,000.00	06/19/2020	06/17/2025	274,430.75	504.17	275,130.35	275,634.52
AGCY BOND	3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION	275,000.00	08/27/2020	08/25/2025	273,713.00	183.33	273,111.58	273,294.91
AGCY BOND	3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	140,000.00	08/19/2016	08/17/2021	139,521.06	359.72	141,240.12	141,599.84
AGCY BOND	3135G0N82	FEDERAL NATIONAL MORTGAGE ASSOCIATION	460,000.00	08/19/2016	08/17/2021	458,137.00	1,181.94	464,074.68	465,256.62
AGCY BOND	3135G0U92	FEDERAL NATIONAL MORTGAGE ASSOCIATION	250,000.00	01/11/2019	01/11/2022	249,820.00	2,005.21	257,368.25	259,373.46
AGCY BOND	3137EAER6	FEDERAL HOME LOAN MORTGAGE CORP	275,000.00	05/07/2020	05/05/2023	274,884.50	498.44	276,037.58	276,536.01
AGCY BOND	3137EAES4	FEDERAL HOME LOAN MORTGAGE CORP	275,000.00	06/26/2020	06/26/2023	274,197.00	238.72	275,115.50	275,354.22
AGCY BOND	3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP	350,000.00	07/23/2020	07/21/2025	348,257.00	357.29	347,968.25	348,325.54
AGCY BOND	3137EAUV7	FEDERAL HOME LOAN MORTGAGE CORP	800,000.00	08/21/2020	08/24/2023	799,184.00	388.89	800,132.80	800,521.69
AGCY BOND	3137EAUV5	FEDERAL HOME LOAN MORTGAGE CORP	340,000.00	09/04/2020	09/08/2023	340,062.09	134.58	340,057.12	340,191.70
AGCY BOND	3137EAUV5	FEDERAL HOME LOAN MORTGAGE CORP	460,000.00	09/04/2020	09/08/2023	459,848.20	182.08	460,077.28	460,259.36
AGCY BOND	3137EAUV3	FEDERAL HOME LOAN MORTGAGE CORP	550,000.00	09/25/2020	09/23/2025	548,344.50	206.25	546,163.20	546,369.45
AGCY BOND	3137EAUV1	FEDERAL HOME LOAN MORTGAGE CORP	260,000.00	10/16/2020	10/16/2023	259,030.20	13.54	259,012.52	259,026.06
AGCY BOND			5,895,000.00			5,878,991.68	8,160.71	5,906,573.69	5,914,734.40

CASH									
Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
CASH	CCYUSD	PAYABLE	(115,000.00)	---	10/31/2020	(115,000.00)	0.00	(115,000.00)	(115,000.00)
CASH	CCYUSD	RECEIVABLE	25,443.76	---	10/31/2020	25,443.76	0.00	25,443.76	25,443.76
CASH			(89,556.24)			(89,556.24)	0.00	(89,556.24)	(89,556.24)

CD (CERTIFICATE OF DEPOSIT)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
CD	22535CDV0	CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, I	250,000.00	04/04/2019	04/01/2022	250,000.00	4,107.43	250,000.00	254,107.43
CD	22549L6F7	CREDIT SUISSE AG, NEW YORK BRANCH	200,000.00	08/07/2020	02/01/2022	200,000.00	248.44	200,000.00	200,248.44
CD	23341VZT1	DNB BANK ASA, NEW YORK BRANCH	275,000.00	12/06/2019	12/02/2022	275,000.00	2,368.67	275,000.00	277,368.67
CD	65558TLL7	NORDEA BANK ABP, NEW YORK BRANCH	275,000.00	08/29/2019	08/26/2022	275,000.00	946.84	275,000.00	275,946.84
CD	78012UEE1	ROYAL BANK OF CANADA NEW YORK BRANCH	425,000.00	06/08/2018	06/07/2021	425,000.00	5,508.00	425,608.45	431,116.45
CD	83050PDR7	SKANDINAVISKA ENSKILDA BANKEN AB (PUBL.)	275,000.00	09/03/2019	08/26/2022	275,000.00	951.96	275,000.00	275,951.96
CD	86565CKU2	SUMITOMO MITSUI BANKING CORPORATION, NEW YORK I	250,000.00	07/14/2020	07/08/2022	250,000.00	534.72	250,000.00	250,534.72
CD	87019U6D6	SWEDBANK AB (PUBL)	500,000.00	11/17/2017	11/16/2020	500,000.00	5,296.67	499,819.79	505,116.46
CD			2,450,000.00			2,450,000.00	19,962.73	2,450,428.24	2,470,390.97

CORP (COPORATE NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
CORP	025816BU2	AMERICAN EXPRESS CO	250,000.00	05/17/2018	05/17/2021	249,957.50	3,843.75	253,477.50	257,321.25
CORP	02665WCZ2	AMERICAN HONDA FINANCE CORP	250,000.00	06/28/2019	06/27/2024	249,660.00	2,066.67	264,124.00	266,190.67
CORP	037833DT4	APPLE INC	275,000.00	05/13/2020	05/11/2025	275,552.75	1,460.94	280,293.20	281,754.14
CORP	05531FBH5	TRUIST FINANCIAL CORP	250,000.00	08/05/2019	08/01/2024	250,415.00	1,562.50	265,970.00	267,532.50
CORP	06051GFW4	BANK OF AMERICA CORP	25,000.00	11/03/2017	04/19/2021	25,194.00	21.88	25,248.43	25,270.30
CORP	06051GHH5	BANK OF AMERICA CORP	75,000.00	05/17/2018	05/17/2022	75,000.00	1,195.49	76,124.63	77,320.12
CORP	06406RAL1	BANK OF NEW YORK MELLON CORP	100,000.00	01/28/2020	10/24/2024	100,440.00	40.83	105,008.10	105,048.93
CORP	14913R2D8	CATERPILLAR FINANCIAL SERVICES CORP	200,000.00	07/08/2020	07/07/2023	199,888.00	408.06	200,828.40	201,236.46
CORP	24422ETL3	JOHN DEERE CAPITAL CORP	115,000.00	03/15/2017	01/06/2022	114,492.85	973.51	118,138.58	119,112.09
CORP	24422EUQ0	JOHN DEERE CAPITAL CORP	50,000.00	01/10/2019	01/10/2022	49,952.00	493.33	51,698.35	52,191.68
CORP	254687FK7	WALT DISNEY CO	270,000.00	09/06/2019	08/30/2024	268,898.40	800.63	280,091.79	280,892.42
CORP	38141EC23	GOLDMAN SACHS GROUP INC	250,000.00	07/11/2019	07/08/2024	261,645.00	3,021.18	272,739.00	275,760.18
CORP	427866BA5	HERSHEY CO	100,000.00	05/10/2018	05/15/2021	99,931.00	1,429.44	101,469.90	102,899.34
CORP	44932HAG8	IBM CREDIT LLC	250,000.00	02/06/2018	02/05/2021	249,877.50	1,582.64	251,558.00	253,140.64
CORP	46647PBB1	JPMORGAN CHASE & CO	250,000.00	03/22/2019	04/01/2023	250,000.00	668.13	259,735.25	260,403.38
CORP	46647PBS4	JPMORGAN CHASE & CO	100,000.00	09/16/2020	09/16/2024	100,000.00	81.63	99,902.20	99,983.83
CORP	63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	100,000.00	02/26/2018	03/15/2021	99,889.00	370.56	100,981.90	101,352.46
CORP	63743HER9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	150,000.00	04/19/2018	03/15/2021	149,365.50	555.83	151,472.85	152,028.68
CORP	693475AV7	PNC FINANCIAL SERVICES GROUP INC	250,000.00	02/15/2019	01/23/2024	251,780.00	2,381.94	271,940.75	274,322.69
CORP	69371RP75	PACCAR FINANCIAL CORP	100,000.00	03/01/2019	03/01/2022	99,912.00	475.00	103,300.50	103,775.50
CORP	713448DX3	PEPSICO INC	165,000.00	10/10/2017	04/15/2021	164,967.00	146.67	166,112.27	166,258.93
CORP	808513AW5	CHARLES SCHWAB CORP	160,000.00	05/22/2018	05/21/2021	159,995.20	2,311.11	162,191.52	164,502.63
CORP	89236TGT6	TOYOTA MOTOR CREDIT CORP	125,000.00	05/26/2020	02/13/2025	126,221.25	487.50	130,281.00	130,768.50
CORP	89236TGT6	TOYOTA MOTOR CREDIT CORP	50,000.00	05/26/2020	02/13/2025	50,488.50	195.00	52,112.40	52,307.40
CORP	89236TGT6	TOYOTA MOTOR CREDIT CORP	25,000.00	05/26/2020	02/13/2025	25,348.00	97.50	26,056.20	26,153.70
CORP	904764AZ0	UNILEVER CAPITAL CORP	200,000.00	03/22/2018	03/22/2021	198,978.00	595.83	201,920.80	202,516.63
CORP	931142EA7	WALMART INC	250,000.00	10/20/2017	12/15/2020	249,637.50	1,794.44	250,496.00	252,290.44
CORP			4,385,000.00			4,397,485.95	29,061.98	4,523,273.51	4,552,335.48

FHLMC (FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
FHLMC	3137BGK24	FHMS K-043 A2	175,000.00	03/25/2020	12/25/2024	183,667.97	446.54	191,765.00	192,211.54
FHLMC	3137BM6P6	FHMS K-721 A2	130,000.00	04/09/2018	08/25/2022	131,107.03	334.75	134,425.20	134,759.95
FHLMC	3137F62S5	FHMS K-J31 A1	125,000.00	10/29/2020	05/25/2026	124,997.50	59.27	125,027.50	125,086.77
FHLMC	3137FKK39	FHMS K-P05 A	34,425.11	12/17/2018	07/25/2023	34,425.01	91.89	35,615.53	35,707.42
FHLMC	3137FQ3V3	FHMS K-J27 A1	74,092.61	11/26/2019	07/25/2024	74,090.83	129.17	76,637.69	76,766.86
FHLMC			538,517.72			548,288.34	1,061.62	563,470.92	564,532.54

FNMA (FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
FNMA	3136AJ7G5	FNA 2014-M6 A2	149,573.66	12/15/2016	05/25/2021	152,600.18	333.86	150,747.81	151,081.67
FNMA	3136B1XP4	FNA 2018-M5 A2	67,413.41	04/30/2018	09/25/2021	68,754.33	199.99	68,050.46	68,250.46
FNMA			216,987.06			221,354.51	533.86	218,798.27	219,332.13

MMFUND

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
MMFUND	31846V534	FIRST AMER:US TRS MM Y	880,246.87	---	10/31/2020	880,246.87	0.00	880,246.87	880,246.87
MMFUND			880,246.87			880,246.87	0.00	880,246.87	880,246.87

MUNI (MUNICIPAL BOND/NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
MUNI	157411TK5	CHAFFEY CALIF JT UN HIGH SCH DIST	60,000.00	12/05/2019	08/01/2024	60,000.00	315.15	62,898.60	63,213.75
MUNI	341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV	55,000.00	09/16/2020	07/01/2025	55,388.85	86.49	55,594.00	55,680.49
MUNI	341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV	75,000.00	09/16/2020	07/01/2025	75,497.25	117.94	75,810.00	75,927.94
MUNI	341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV	130,000.00	09/16/2020	07/01/2025	130,000.00	204.43	131,404.00	131,608.43
MUNI	54438CYK2	LOS ANGELES CALIF CMNTY COLLEGE DIST	115,000.00	11/10/2020	08/01/2025	115,000.00	0.00	115,000.00	115,000.00
MUNI	60412AVJ9	MINNESOTA ST	85,000.00	08/25/2020	08/01/2025	85,000.00	98.18	85,067.15	85,165.33
MUNI	798306WN2	SAN JUAN CALIF UNI SCH DIST	125,000.00	10/29/2020	08/01/2024	125,000.00	4.88	124,521.25	124,526.13
MUNI			645,000.00			645,886.10	827.05	650,295.00	651,122.05

US GOV (U.S. TREASURY BOND/NOTE)

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
US GOV	912828B90	UNITED STATES TREASURY	175,000.00	10/05/2016	02/28/2021	181,323.24	599.45	176,066.41	176,665.85
US GOV	912828N30	UNITED STATES TREASURY	700,000.00	12/13/2018	12/31/2022	682,664.06	5,012.23	729,531.25	734,543.48
US GOV	912828N30	UNITED STATES TREASURY	1,600,000.00	01/10/2019	12/31/2022	1,576,937.50	11,456.52	1,667,500.00	1,678,956.52
US GOV	912828N30	UNITED STATES TREASURY	850,000.00	01/31/2019	12/31/2022	836,519.53	6,086.28	885,859.38	891,945.65
US GOV	912828Q78	UNITED STATES TREASURY	185,000.00	01/05/2017	04/30/2021	181,328.91	7.03	186,156.25	186,163.28
US GOV	912828R69	UNITED STATES TREASURY	200,000.00	04/05/2019	05/31/2023	194,554.69	1,367.49	207,437.50	208,804.99
US GOV	912828R69	UNITED STATES TREASURY	550,000.00	05/03/2019	05/31/2023	536,765.62	3,760.59	570,453.13	574,213.71
US GOV	912828T91	UNITED STATES TREASURY	850,000.00	07/08/2019	10/31/2023	842,628.91	38.16	886,257.81	886,295.97
US GOV	912828T91	UNITED STATES TREASURY	625,000.00	10/04/2019	10/31/2023	628,588.87	28.06	651,660.16	651,688.21

US GOV	912828TJ9	UNITED STATES TREASURY	700,000.00	09/07/2018	08/15/2022	670,632.81	2,411.01	718,375.00	720,786.01
US GOV	912828X47	UNITED STATES TREASURY	1,300,000.00	05/07/2018	04/30/2022	1,258,460.94	67.33	1,333,515.63	1,333,582.96
US GOV	912828XX3	UNITED STATES TREASURY	1,050,000.00	11/06/2019	06/30/2024	1,071,246.10	7,076.09	1,116,773.44	1,123,849.52
US GOV	912828XX3	UNITED STATES TREASURY	425,000.00	12/05/2019	06/30/2024	431,375.00	2,864.13	452,027.34	454,891.47
US GOV	912828XX3	UNITED STATES TREASURY	125,000.00	01/07/2020	06/30/2024	126,840.82	842.39	132,949.22	133,791.61
US GOV	912828XX3	UNITED STATES TREASURY	175,000.00	02/07/2020	06/30/2024	179,750.98	1,179.35	186,128.91	187,308.25
US GOV	912828XX3	UNITED STATES TREASURY	450,000.00	03/06/2020	06/30/2024	471,919.92	3,032.61	478,617.19	481,649.80
US GOV	912828Y0	UNITED STATES TREASURY	250,000.00	08/07/2020	12/31/2024	267,207.03	1,474.18	264,960.94	266,435.12
US GOV			10,210,000.00			10,138,744.92	47,302.88	10,644,269.53	10,691,572.41

SUMMARY

Security Type	Identifier	Description	PAR	Settle Date	Maturity Date	Original Cost	Accrued Interest	Market Value	Base Market Value + Accrued
---	---	---	27,208,687.36	---	05/07/2023	27,148,559.70	107,909.04	27,845,505.52	27,953,414.56

* Grouped by: Security Type
 * Groups Sorted by: Security Type
 * Weighted by: Base Market Value + Accrued
 * Holdings Displayed by: Lot

clearwater

Report: Trade Activity
 Account: SAM Transit District Agg (136232)
 Date: 10/01/2020 - 10/31/2020
 Base Currency: USD

* Does not Lock Down

Identifier	Description	Base Current Units	Coupon Rate	Transaction Type	Trade Date	Settle Date	Final Maturity	Base Principal	Base Accrued Interest	Base Amount
31846V534	FIRST AMER:US TRS MM Y	5,281,433.79	0.000	Buy	---	---	10/31/2020	5,281,433.79	0.00	(5,281,433.79)
31846V534	FIRST AMER:US TRS MM Y	(4,361,522.47)	0.000	Sell	---	---	10/31/2020	(4,361,522.47)	0.00	4,361,522.47
31846V534	FIRST AMER:US TRS MM Y	1,197,919.46	0.000	Buy	---	---	10/31/2020	1,197,919.46	0.00	(1,197,919.46)
31846V534	FIRST AMER:US TRS MM Y	(964,864.81)	0.000	Sell	---	---	10/31/2020	(964,864.81)	0.00	964,864.81
62479LK61	MUFG Bank Ltd. (New York Branch)	(1,000,000.00)	0.000	Maturity	10/06/2020	10/06/2020	10/06/2020	(1,000,000.00)	0.00	1,000,000.00
63873JK90	NATIXIS, NEW YORK BRANCH	(2,500,000.00)	0.000	Maturity	10/09/2020	10/09/2020	10/09/2020	(2,500,000.00)	0.00	2,500,000.00
63873JK90	NATIXIS, NEW YORK BRANCH	(700,000.00)	0.000	Maturity	10/09/2020	10/09/2020	10/09/2020	(700,000.00)	0.00	700,000.00
3137EAEY1	FEDERAL HOME LOAN MORTGAGE CORP	1,200,000.00	0.125	Buy	10/14/2020	10/16/2020	10/16/2023	1,195,524.00	0.00	(1,195,524.00)
3137EAEY1	FEDERAL HOME LOAN MORTGAGE CORP	260,000.00	0.125	Buy	10/14/2020	10/16/2020	10/16/2023	259,030.20	0.00	(259,030.20)
36260KAC8	GMCAR 2020-4 A3	400,000.00	0.380	Buy	10/06/2020	10/14/2020	08/18/2025	399,914.52	0.00	(399,914.52)
44891RAC4	HART 2020-C A3	1,250,000.00	0.380	Buy	10/20/2020	10/28/2020	05/15/2025	1,249,712.13	0.00	(1,249,712.13)
36260KAC8	GMCAR 2020-4 A3	85,000.00	0.380	Buy	10/06/2020	10/14/2020	08/18/2025	84,981.84	0.00	(84,981.84)
44891RAC4	HART 2020-C A3	275,000.00	0.380	Buy	10/20/2020	10/28/2020	05/15/2025	274,936.67	0.00	(274,936.67)
14316HAC6	CARMX 2020-4 A3	425,000.00	0.509	Buy	10/14/2020	10/21/2020	08/15/2025	424,906.46	0.00	(424,906.46)
14316HAC6	CARMX 2020-4 A3	100,000.00	0.509	Buy	10/14/2020	10/21/2020	08/15/2025	99,977.99	0.00	(99,977.99)
3137F62S5	FHMS K-J31 A1	530,000.00	0.569	Buy	10/20/2020	10/29/2020	05/25/2026	529,989.40	234.55	(530,223.95)
3137F62S5	FHMS K-J31 A1	125,000.00	0.569	Buy	10/20/2020	10/29/2020	05/25/2026	124,997.50	55.32	(125,052.82)
798306WN2	SAN JUAN CALIF UNI SCH DIST	575,000.00	0.702	Buy	10/16/2020	10/29/2020	08/01/2024	575,000.00	0.00	(575,000.00)
798306WN2	SAN JUAN CALIF UNI SCH DIST	125,000.00	0.702	Buy	10/16/2020	10/29/2020	08/01/2024	125,000.00	0.00	(125,000.00)
54438CYK2	LOS ANGELES CALIF CMNTY COLLEGE DIST	550,000.00	0.773	Buy	10/30/2020	11/10/2020	08/01/2025	550,000.00	0.00	(550,000.00)
54438CYK2	LOS ANGELES CALIF CMNTY COLLEGE DIST	115,000.00	0.773	Buy	10/30/2020	11/10/2020	08/01/2025	115,000.00	0.00	(115,000.00)
89190BAD0	TAOT 2017-B A3	(12,365.65)	1.760	Principal Paydown	10/15/2020	10/15/2020	07/15/2021	(12,365.68)	0.00	12,365.68
89190BAD0	TAOT 2017-B A3	(3,434.90)	1.760	Principal Paydown	10/15/2020	10/15/2020	07/15/2021	(3,434.85)	0.00	3,434.85
43814PAC4	HAROT 2017-3 A3	(13,262.53)	1.790	Principal Paydown	10/18/2020	10/18/2020	09/18/2021	(13,262.53)	0.00	13,262.53
43814PAC4	HAROT 2017-3 A3	(4,018.95)	1.790	Principal Paydown	10/18/2020	10/18/2020	09/18/2021	(4,018.95)	0.00	4,018.95
47788BAD6	JDOT 2017-B A3	(16,134.74)	1.820	Principal Paydown	10/15/2020	10/15/2020	10/15/2021	(16,134.74)	0.00	16,134.74
47788BAD6	JDOT 2017-B A3	(4,571.51)	1.820	Principal Paydown	10/15/2020	10/15/2020	10/15/2021	(4,571.51)	0.00	4,571.51
3137FQ3V3	FHMS K-J27 A1	(564.81)	2.092	Principal Paydown	10/01/2020	10/01/2020	07/25/2024	(564.81)	0.00	564.81
3137FQ3V3	FHMS K-J27 A1	(146.70)	2.092	Principal Paydown	10/01/2020	10/01/2020	07/25/2024	(146.70)	0.00	146.70
06051GGS2	BANK OF AMERICA CORP	(550,000.00)	2.328	Call Redemption	10/01/2020	10/01/2020	10/01/2021	(550,000.00)	0.00	550,000.00
06051GGS2	BANK OF AMERICA CORP	(160,000.00)	2.328	Call Redemption	10/01/2020	10/01/2020	10/01/2021	(160,000.00)	0.00	160,000.00
89238BAD4	TAOT 2018-A A3	(24,434.88)	2.350	Principal Paydown	10/15/2020	10/15/2020	05/16/2022	(24,434.88)	0.00	24,434.88
89238BAD4	TAOT 2018-A A3	(6,787.47)	2.350	Principal Paydown	10/15/2020	10/15/2020	05/16/2022	(6,787.47)	0.00	6,787.47
17305EGK5	CCCIT 2018-A1 A1	(900,000.00)	2.490	Sell	10/05/2020	10/07/2020	01/20/2021	(905,906.25)	(4,793.25)	910,699.50
17305EGK5	CCCIT 2018-A1 A1	(250,000.00)	2.490	Sell	10/05/2020	10/07/2020	01/20/2021	(251,640.63)	(1,331.46)	252,972.09
47788CAC6	JDOT 2018 A3	(14,216.98)	2.660	Principal Paydown	10/15/2020	10/15/2020	04/18/2022	(14,216.98)	0.00	14,216.98
47788CAC6	JDOT 2018 A3	(3,990.73)	2.660	Principal Paydown	10/15/2020	10/15/2020	04/18/2022	(3,990.73)	0.00	3,990.73
3136AJ7G5	FNA 2014-M6 A2	(94,187.48)	2.679	Principal Paydown	10/01/2020	10/01/2020	05/25/2021	(94,187.48)	0.00	94,187.48
3136AJ7G5	FNA 2014-M6 A2	(25,901.56)	2.679	Principal Paydown	10/01/2020	10/01/2020	05/25/2021	(25,901.56)	0.00	25,901.56

02004VAC7	ALLYA 2018-2 A3	(34,214.18)	2.920	Principal Paydown	10/15/2020	10/15/2020	11/15/2022	(34,214.17)	0.00	34,214.17
02004VAC7	ALLYA 2018-2 A3	(9,737.88)	2.920	Principal Paydown	10/15/2020	10/15/2020	11/15/2022	(9,737.88)	0.00	9,737.88
36255JAD6	GMCAR 2018-3 A3	(21,824.76)	3.020	Principal Paydown	10/16/2020	10/16/2020	05/16/2023	(21,824.76)	0.00	21,824.76
36255JAD6	GMCAR 2018-3 A3	(6,547.43)	3.020	Principal Paydown	10/16/2020	10/16/2020	05/16/2023	(6,547.43)	0.00	6,547.43
14313FAD1	CARMX 2018-3 A3	(22,911.62)	3.130	Principal Paydown	10/15/2020	10/15/2020	06/15/2023	(22,911.63)	0.00	22,911.63
14313FAD1	CARMX 2018-3 A3	(6,000.66)	3.130	Principal Paydown	10/15/2020	10/15/2020	06/15/2023	(6,000.66)	0.00	6,000.66
3137FKK39	FHMS K-P05 A	(214.57)	3.203	Principal Paydown	10/01/2020	10/01/2020	07/25/2023	(214.57)	0.00	214.57
3137FKK39	FHMS K-P05 A	(60.96)	3.203	Principal Paydown	10/01/2020	10/01/2020	07/25/2023	(60.96)	0.00	60.96
3136B1XP4	FNA 2018-M5 A2	(13,868.29)	3.560	Principal Paydown	10/01/2020	10/01/2020	09/25/2021	(13,868.29)	0.00	13,868.29
3136B1XP4	FNA 2018-M5 A2	(3,813.78)	3.560	Principal Paydown	10/01/2020	10/01/2020	09/25/2021	(3,813.78)	0.00	3,813.78
---	---	764,752.96						751,176.80	(5,834.84)	(745,341.96)

* Weighted by: Absolute Value of Base Principal

* MMF transactions are collapsed

* The Transaction Detail/Trading Activity reports provide our most up-to-date transactional details. As such, these reports are subject to change even after the other reports on the website have been locked down. While these reports can be useful tools in

Glossary of Terms

- Accrued Interest** - The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date.
Accrued interest occurs as a result of the difference in timing of cash flows and the measurement of these cash flows.
- Amortized Cost** - The amount at which an investment is acquired, adjusted for accretion, amortization, and collection of cash.
- Book Yield** - The measure of a bond's recurring realized investment income that combines both the bond's coupon return plus its amortization.
- Average Credit Rating** - The average credit worthiness of a portfolio, weighted in proportion to the dollar amount that is invested in the portfolio.
- Convexity** - The relationship between bond prices and bond yields that demonstrates how the duration of a bond changes as the interest rate changes.
- Credit Rating** - An assessment of the credit worthiness of an entity with respect to a particular financial obligation. The credit rating is inversely related to the possibility of debt default.
- Duration** - A measure of the exposure to interest rate risk and sensitivity to price fluctuation of fixed-income investments.
Duration is expressed as a number of years.
- Income Return** - The percentage of the total return generated by the income from interest or dividends.
- Original Cost** - The original cost of an asset takes into consideration all of the costs that can be attributed to its purchase and to putting the asset to use.
- Par Value** - The face value of a bond. Par value is important for a bond or fixed-income instrument because it determines its maturity value as well as the dollar value of coupon payments.
- Price Return** - The percentage of the total return generated by capital appreciation due to changes in the market price of an asset.
- Short-Term Portfolio** - The city's investment portfolio whose securities' average maturity is between 1 and 5 years.
- Targeted-Maturities Portfolio** - The city's investment portfolio whose securities' average maturity is between 0 and 3 years.
- Total Return** - The actual rate of return of an investment over a given evaluation period. Total return is the combination of income and price return.
- Unrealized Gains/(Loss)** - A profitable/(losing) position that has yet to be cashed in. The actual gain/(loss) is not realized until the position is closed.
A position with an unrealized gain may eventually turn into a position with an unrealized loss, as the market fluctuates and vice versa.
- Weighted Average Life (WAL)** - The average number of years for which each dollar of unpaid principal on an investment remains outstanding, weighted by the size of each principal payout.
- Yield** - The income return on an investment. This refers to the interest or dividends received from a security and is expressed as a percentage based on the investment's cost and its current market value.
- Yield to Maturity at Cost (YTM @ Cost)** - The internal rate of return of a security given the amortized price as of the report date and future expected cash flows.
- Yield to Maturity at Market (YTM @ Market)** - The internal rate of return of a security given the market price as of the report date and future expected cash flows.
- Years to Effective Maturity** - The average time it takes for securities in a portfolio to mature, taking into account the possibility that any of the bonds might be called back to the issuer.
- Years to Final Maturity** - The average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio.
Weighted average maturity measures the sensitivity of fixed-income portfolios to interest rate changes.

SAN MATEO COUNTY TRANSIT DISTRICT
SUMMARY OF BUDGET ACTIVITY FOR OCTOBER 2020

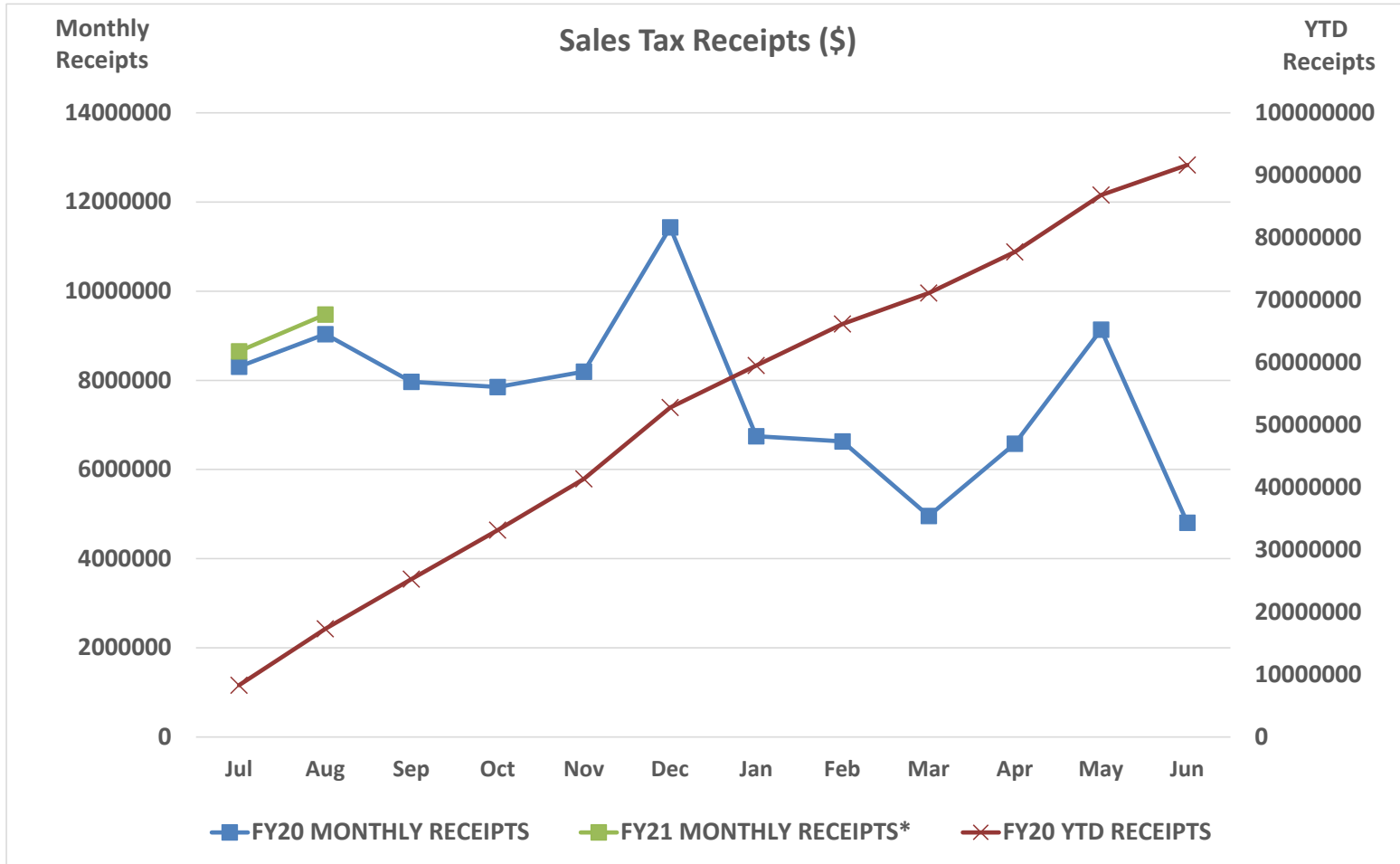
BUDGET AMENDMENTS

	Amount	Line Item		Description
Oct-20			Line	
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

BUDGET REVISIONS

	Amount	Line Item		Description
Oct-20				No Budget Revisions for October 2020
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

**SAN MATEO COUNTY TRANSIT DISTRICT
FY2021
Measure A Sales Tax**



* Sales tax receipts are received and reconciled two months in arrears with a quarterly true up by the State of California also two months in arrears

San Mateo County Transit District
 Monthly Sales Tax Receipts
 FY2021
 October 2020

	FY20 MONTHLY RECEIPTS	FY21 MONTHLY RECEIPTS	MONTHLY % Change	FY20 YTD RECEIPTS	FY21 YTD RECEIPTS	YTD % Change
Jul	\$8,304,089	8,652,560	4.2%	\$8,304,089	8,652,560	4.2%
Aug	9,033,753	9,475,233	4.9%	17,337,842	18,127,793	4.6%
Sep	7,968,941		(100.0%)	25,306,783		(100.0%)
Oct	7,849,372		(100.0%)	33,156,155		(100.0%)
Nov	8,194,769		(100.0%)	41,350,924		(100.0%)
Dec	11,430,057		(100.0%)	52,780,982		(100.0%)
Jan	6,746,535		(100.0%)	59,527,516		(100.0%)
Feb	6,631,567		(100.0%)	66,159,083		(100.0%)
Mar	4,960,039		(100.0%)	71,119,122		(100.0%)
Apr	6,579,611		(100.0%)	77,698,734		(100.0%)
May	9,136,069		(100.0%)	86,834,803		(100.0%)
Jun	4,806,110		(100.0%)	91,640,913		(100.0%)
Total	<u>\$91,640,913</u>	<u>18,127,793</u>				

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
Executive Director

FROM: David Olmeda
Chief Operating Officer, Bus

SUBJECT: **CAPITAL PROJECTS QUARTERLY STATUS REPORT – 1ST QUARTER
FISCAL YEAR 2021**

ACTION

The [Capital Projects Quarterly Status Report](#) is submitted to the Board for information only.

SIGNIFICANCE

The Capital Projects Quarterly Status Report is submitted to keep the Board advised as to the scope, budget and progress of current ongoing capital projects.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff prepares the Capital Projects Quarterly Status Report for the Board on a quarterly basis. The report is a summary of the scope, budget and progress of capital projects. It is being presented to the Board for informational purposes and is intended to better inform the Board of the capital project status.

Prepared by: Gordon Hail, Cost Engineer

650-508-7795



Capital Projects

Quarterly Status Report

1st Quarter FY2021: July 01 – September 30, 2020

Prepared for the December 02, 2020 SamTrans Board Meeting



San Mateo County Transit District



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100460 - FY2020 Purchase 14 Revenue Para Transit Vehicles (Vans)	8
100461 - FY2020 13 Paratransit (Cutaway) Revenue Vehicles	9
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SamTrans - Capital Program - Budget Status Summary

1st Quarter FY2021 - July 01, 2020 to September 30, 2020

All Costs in \$1,000's

Programs					
	FY2017	FY2018	FY2019	FY2020	FY2021
1. Revenue Vehicles Replacement	\$7,725	\$0	\$0	\$0	\$0
2. Revenue & Non Revenue Vehicle Support	\$1,451	\$5,321	\$2,625	\$3,546	\$1,068
3. Information Technology	\$2,627	\$2,878	\$3,100	\$500	\$3,529
4. Development	\$1,942	\$1,552	\$750	\$250	\$0
5. Facilities/Construction	\$2,835	\$7,282	\$1,730	\$10,612	\$7,052
6. Safety and Security	\$1,451	\$0	\$0	\$150	\$0
7. Contingency	\$250	\$250	\$200	\$250	\$250
Total Board Approved Budget by FY ⁽¹⁾	\$18,281	\$17,283	\$8,405	\$15,308	\$11,899

Some of the major projects completed or in progress include, but are not limited to the following:

Active Projects

- Bus Stop Improvement Program
- Central Roof Replacement Project
- Non-Revenue Service Support Vehicles Project
- North Base Bus Washer Replacement
- Procurement of 10 Electric Buses Project
- Purchase a New Bus Simulator
- Replace & Upgrade Servers & Out of Warranty Equipment Project
- Replace Paratransit Vehicles
- South Base Natural Gas Line Replacement
- Traffic Signal Priority Project
- Wi-Fi at Bases for Video Review Project

Projects Completed Within the Last Three Years

- Central Office Sanitary Sewer Pump Replacement Project
- Facilities Smaller Projects - FY2012
- Lighting Upgrade at North Base and South Bases Project
- Linda Mar Park-n-Ride Lot Repaving Project
- Major Bus Components - FY2012
- Non-Revenue Service Support Vehicles Project
- North and South Base Industrial Waste Line Replacement Project
- Redi-Wheels (3) Expansion Vehicles Project
- Replace 50 2003 Gillig low-floor buses Project
- Replacement of 55 - 2002 NABI Buses Project
- San Carlos Transit Center Project

Note:

(1) The "Total Board Approved Budget by FY" reflects the annual budget approved by the SamTrans Board of Directors for each fiscal year. This authorizes the amount that can be spent on projects. Unspent budget in a fiscal year may be carried forward to subsequent budget years.

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SamTrans Quarterly Report
TRAFFIC LIGHT REPORT

The following projects represent a sub-set of the total Capital Program and have been selected for inclusion into the Quarterly Report due to project value, operational significance, and/or impact on customers.

	SCOPE		BUDGET		SCHEDULE		FUNDING		Page	
	Q4 FY20	Q1 FY21	Q4 FY20	Q1 FY21	Q4 FY20	Q1 FY21	Q4 FY20	Q1 FY21		
<u>Vehicle Replacement Projects:</u>										
021502 - Major Bus Components Project										5
100113 - Procurement of 10 Electric Buses Project										6
100354 - MB-2000 Bus Simulator System										7
100460 - FY2020 Purchase 14 Revenue Para Transit Vehicles (Vans)										8
100461 - FY2020 13 Paratransit (Cutaway) Revenue Vehicles										9
<u>Information Technology Projects:</u>										
021505 - Replace & Upgrade Servers & Out of Warranty Equipment Project										11
100016 - Wi-Fi at Bases for Video Review Project										12
100247 - FY2018 Tech Refresh										13
100348 - Upgrade Current District Website										14
<u>Facilities / Construction Projects:</u>										
100058 - Facility Smaller Projects										15
100252 - Central Roof Replacement										16
100255 - Traffic Signal Priority Project										17
100469 - North Base Bus Washer Replacement										18
100470 - N & S Bases IW Line to Brake Pit Replacement										18
100474 - South Base Bus Washer Walls Rehab										19
100511 - South Base Natural Gas Line Replacement										19



= Project On-Hold



= No Issues



= Notable Issues



= Significant Issues

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SamTrans - Major Capital Project - Quarterly Report - Q1 FY2021 July 01, 2020 to September 30, 2020

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (e) + (f)	(h)	(i) = (j) - (h)	(j)	(k) = (g) - (i)	(l) = (h) / (i)	(m)	(n)	(o)
Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish

VEHICLE REPLACEMENT/MAINTENANCE PROJECTS:

021502	Major Bus Components PM - David Harbour	<p>Scope: The objective of this project is to maintain a state of good repair for bus transit. Well maintained capital bus components are essential to keep our revenue equipment in service, reliable, and safe for bus patrons.</p> <p>This project provides funding for new parts, rebuilt parts, and major bus components, not accounted for in the operating budget, that exceed \$1,000 in accordance and compliance with FTA guidelines. Parts and major bus components include; engines, transmissions, differentials, ECU (electronic control unit), HVAC units (heating, ventilation and air conditioning) radiator, muffler, air compressor, Digital Video Recorders (DVRs), Automatic Mobile Data Terminals (AMDTs), etc.</p> <p>Issues: None.</p> <p>Key Activities:</p> <p>This Quarter: (1) Purchased major bus components and replacement parts.</p> <p>Next Quarter: (1) Continue to purchase major bus components and replacement parts, as needed.</p> <p>Note: \$720K of additional funding approved by the Board for FY2021 has been added the project. Scheduled was rebaselined this quarter.</p>	\$7,327,336	\$7,327,336	\$0	\$7,327,336	\$5,999,015	\$1,328,321	\$7,327,336	\$0	81.9%	81.9%	07/01/15 / 07/01/15A	12/31/21 / 12/31/21
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SamTrans - Major Capital Project - Quarterly Report - Q1 FY2021 July 01, 2020 to September 30, 2020

(a)	(b)	(c)	(d)	(e)	(f)	(g) = (e) + (f)	(h)	(i) = (j) - (h)	(j)	(k) = (g) - (i)	(l) = (h) / (i)	(m)	(n)	(o)
Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish
100113	Procurement of 10 Electric Buses PM - David Harbour	<p>Scope: Procure 10 battery-electric Zero Emissions Buses (ZEBs) to replace 10 of the 2003 Gillig diesel buses and install six charging stations in support of the electric buses. This project will support California Air Resources Board (CARB)'s goal of 100% ZEB transit fleet by 2040. These electric buses will be placed in a pilot service program at North Base.</p> <p>Issues: None.</p> <p>Key Activities</p> <p>This Quarter: (1) Continued weekly meeting with Proterra's engineering team regarding bus defects and Lot 2 (remaining eight buses). (2) Continued corresponding with Resident Inspector about production in 2020. (3) Worked on managing production delays. (4) Due to door defects, District requested Proterra to pick up all delivered six buses in July 2020 (Lot 2) from District facility and move to their location for further testing, analysis, and resolution. (5) Proterra re-delivered one bus (#727) for acceptance and in-service testing. (6) Buses previously received as part of Lot 1 (first two buses) were taken out of service due to technical issues.</p> <p>Next Quarter: (1) Continue weekly meeting with Proterra's engineering team regarding bus defects and Lot 2 (remaining eight buses). (2) Continue corresponding with Resident Inspector about production in 2020. (3) Continue in-service testing of bus # 727 only. (4) Re-delivery of remaining buses.</p> <p>Note: Schedule has been delayed due to Covid-19 impact and technical issues with the buses. Percentage complete changed as six buses (Lot 2) were removed in August 2020 due door defects. Schedule is currently under review.</p>	\$10,926,668	\$10,926,668	\$0	\$10,926,668	\$3,207,405	\$7,719,263	\$10,926,668	\$0	29.4%	61.5%	02/01/18 / 02/01/18A	11/30/20 / 03/31/21

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Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish
100354	MB-2000 Bus Simulator System PM - David Harbour	<p>Scope: The replacement of the outdated MB-2000 Bus Simulator aquired in 2005. SamTrans has benefited in training awareness from the MB-2000 Bus Simulator technology but is at the end of its life span and can no longer be upgraded. The older Simulator lacks the ability to adapt to the changing advances as a multi functioning training tool. A new simulator gives us the flexibility to manage larger classes in the training room environment and frees up buses in service. Also a primary reason for the simulator is to reduce preventable collisions and incidents. Reducing Risk in a hazards environments. The Simulator has shown positive results in the preventing preventable and at fault collisions.</p> <p>Issues: None.</p> <p>Key Activities:</p> <p>This Quarter: (1) Simulator system scheduled to be delivered in November 2020.</p> <p>Next Quarter: (1) Receive simulator system.</p>	\$310,000	\$310,000	\$165,320	\$475,320	\$3,183	\$472,137	\$475,320	\$0	0.7%	0.7%	12/01/19 / 12/01/19A	12/31/20 / 12/31/20

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Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish
100460	FY2020 - Purchase 14 Revenue Para Transit Vehicles (Vans) PM - David Harbour	<p>Scope: The project scope is to procure and replace fourteen revenue Para Transit vans which have exceeded their useful service life. This procurement will also continue to insure the reliability, dependability and cost-effectiveness of the District's revenue vehicle fleets and will improve customer service and will help to minimize repair and maintenance costs. A three year 36,000 mile warranty on the chassis, and one year bumper to bumper warranty from El Dorado will mitigate overall repair costs. In 2016 the EPA and NHTSA initiated phase 2 of the emission regulation standards to improve overall carbon footprint and better fuel economy standards. The new replacement vehicles will be part of the phase 2 standards and will lessen the overall carbon footprint and day to day fuel cost in the replacement sub-fleet.</p> <p>Issues: None.</p> <p>Key Activities: This Quarter: (1) Obtained Board authorization for purchase of minivans. Obtained a quote for Pre-Award Buy America audit from FMS. (2) Received SV model fare boxes for new paratransit minivans. (3) Obtained Pre-Award Buy America audit report by FMS. (4) Completed solicitation for Inspection Services/Post Delivery Buy America audit services and awarded to VTC. (5) Scheduled Kickoff meeting with VTC Inspection group. (6) Issued PO to Creative Bus Sales for order of 14 Braun Entervan minivans. (7) Confirmed production schedule for Braun Entervan minivans.</p> <p>Next Quarter: (1) Complete Kickoff meeting with VTC inspection group. (2) Minivans offline at Braun's plant. (3) Coordinate with VTC for production documents and Post-Delivery Buy America audit. (4) Creative Bus Sales take delivery of minivans for PDI. (5) Creative Bus Sales send minivans to Classic Graphics for painting. (6) Obtain technical specifications and quotes for camera system for post-delivery installation. (7) Issue PO to AngelTrax for cameras/install procurement.</p>	\$942,034	\$942,034	\$0	\$942,034	\$19,640	\$922,394	\$942,034	\$0	2.1%	25.0%	03/05/20 / 03/05/20A	12/31/20 / 12/31/20

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100461	FY2020 - 13 Para Transit (Cutaway) Revenue Vehicles PM - David Harbour	<p>Scope: The project scope is to procure and replace 13 Para Transit (cutaway) revenue vehicles that have exceeded useful service life. This will continue to insure the reliability, dependability and cost-effectiveness of the District's revenue vehicle fleets which in turn will improve customer service, and will help to minimize repair and maintenance costs. A three year 36,000 mile warranty on the chassis, and one year bumper to bumper warranty from El dorado will also mitigate overall repair costs for that period. In 2016 the EPA and NHTSA initiated phase 2 of the emission regulation standards to improve overall carbon footprint and better fuel economy standards. These new replacement vehicles will be part of the phase 2 standards and help to decrease the overall carbon footprint and day to day fuel costs associated with this sub-fleet.</p> <p>Issues: Retrofit requirement and parts shortage delaying delivery. Pushed completed timeline back until end of calendar year.</p> <p>Key Activities: This Quarter: (1) Production completed at the plant in Salina, Kansas. Inspector has completed reports and released vehicles for delivery. Creative Bus Sales took delivery of the vehicles at their shop in Sacramento for PDI. District received buses 280 and 281 at South Base for acceptance. (2) Creative Bus completed the retrofit of seats/panels and re-delivered vehicles. (3) Received 12 cutaways out of 13 vehicles at the bases. (4) Accepted and placed in-service 4 cutaways. (5) Coordinated with Creative Bus regarding the Apollo installation of Cradlepoint routers, antennas, and external microphones. (6) Received Post Delivery Buy America audit report from VTC.</p> <p>Next Quarter: (1) Expecting last vehicle for delivery. (2) Coordinate for post-delivery acceptance. *Note: Cradlepoint router and antenna missing for wifi connectivity; external microphone for audio recording (3) Coordinate with Creative Bus Sales regarding remaining bus and Apollo to come out for router, antenna, and external microphone installation. (4) Continue to go through acceptance and put vehicles into service. (5) Work on any defective items on vehicles.</p>	\$1,755,886	\$1,755,886	\$0	\$1,755,886	\$21,561	\$1,734,325	\$1,755,886	\$0	1.2%	30.0%	02/07/20 / 02/07/20A	08/31/20 / 12/31/20

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Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish

INFORMATION TECHNOLOGY PROJECTS:

021505	Replace & Upgrade Servers & Out of Warranty Equipment Project PM - Ed Kelly	<p>Scope: This project will replace District's servers and data storage, copiers/printers, routers and switches, AC, UPS and other appliances that are at the end of their expected service life and soon to be out of warranty. The project will procure new equipment to replace old and out of warranty equipment in Central's Data Center, North Base, and South Base as well as professional services for setup and configuration.</p> <p>Issues: Project Schedule has been updated and re-baselined as per the Project Manager. The percentage complete were revised this quarter per the updated schedule.</p> <p>Key Activities This Quarter: (1) Procured additional servers, network routers and switches to replace the out of warranty equipment.</p> <p>Next Quarter: (1) Procure additional servers, network routers and switches to replace the out of warranty equipment.</p>	\$7,079,000	\$995,000	\$6,084,000	\$7,079,000	\$4,764,687	\$2,314,313	\$7,079,000	\$0	67%	65%	07/01/14 / 07/01/14A	12/31/21 / 12/31/21
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Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish
100016	WiFi at Bases for Video Review PM - Karambir Cheema	<p>Scope: The project scope will primarily be as follows:</p> <ol style="list-style-type: none"> 1. Install and test WiFi equipment at North Base and South Base. 2. Specify software configuration based on stakeholder consensus. 3. Install, configure, and test servers, including: <ol style="list-style-type: none"> a. Application server, which serves as the back end for client computers allowing users to request video, initiates communication with buses when they enter the yard, and uploads Digital Video Recorders (DVRs) health data as well as any requested video. b. Database server, which runs Microsoft SQL server and houses data for the server application. 4. Install and configure client application on specified computers. 5. Configure all new WiFi equipped DVRs to communicate with the application server. <p>Issues: None.</p> <p>Key Activities: This Quarter: (1) Purchase order was issued to Luminator for software/vehicle licenses and onsite support. (2) IT completed deployment of the wireless network at North and South Base. (3) IT received the server and workstation hardware. (4) IT worked with Dell to install and setup the servers.</p> <p>Next Quarter: (1) C&P will issue a PO to the vendor. (2) IT/Dell will complete server installs and setup. (3) IT and Luminator will complete server walkthroughs in preparation of application installs. (4) IT will deploy two workstations at North Base and South Base for testing.</p>	\$690,499	\$690,499	\$0	\$690,499	\$300,696	\$389,803	\$690,499	\$0	43.5%	43.5%	03/26/18 / 03/26/18A	06/30/20 / 12/31/20

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Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish
100247	FY2018 Tech Refresh PM - Ed Kelly	<p>Scope: To facilitate the adoption of new technology to meet changing needs and mitigate the risk of obsolescence of existing technology. Included is the periodic replacement of District system's servers and storage, copiers/printers, network equipment such as routers and switches, AC, UPS and other appliances that are at the end of its expected service life and will be out of warranty. This proposal will cover procurement as well as professional services for installation, setup and configuration.</p> <p>Issues: Project Schedule has been updated and re-baselined as per the Project Manager.</p> <p>Key Activities:</p> <p>This Quarter: (1) Continued replacement of District's IT equipment on an as needed basis.</p> <p>Next Quarter: (1) Continue replacement of District's IT equipment on an as needed basis.</p>	\$1,303,476	\$1,303,476	\$0	\$1,303,476	\$567,436	\$736,040	\$1,303,476	\$0	43.5%	43.5%	07/01/18 / 07/01/18A	12/31/21 / 12/31/21

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100348	Upgrade Current District Website PM - J.Lipps	<p>Scope: To complete a website re-design and development that include, design and development; hosting maintenance and support. The District intends to enter into a Professional Services Agreement with the most qualified Consultant, to be the service provider.</p> <p>Issues: None.</p> <p>Key Activities:</p> <p>This Quarter: (1) Met with Vendor and Contractor. (2) Recruited passengers to participate in user experience interviews. (3) Began the reserach process of building websites.</p> <p>Next Quarter: (1) TBD.</p>	\$600,000	\$600,000	\$0	\$600,000	\$67,585	\$532,415	\$600,000	\$0	11.3%	11.3%	06/01/19 / 06/01/19	03/31/21 / 06/30/21

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FACILITIES / CONSTRUCTION PROJECTS:

100058	Facility Smaller Projects PM - Greg Moyer	<p>Scope: This project will maintain a state of good repair (SOGR) for the District's infrastructure, shops and facilities. This project will maintain continuity of services and sustainability of a pleasant work environment, inclusive of routine maintenance or replacement, e.g. carpets.</p> <p>Issues: None.</p> <p>Key Activities:</p> <p>This Quarter: (1) Performed maintenance or repairs work, as needed.</p> <p>Next Quarter: (1) Continue with maintenance and repairs work, as needed.</p> <p>Note: \$1.4M of additional funding approved by the Board for FY2021 has been added the project. Scheduled was rebaselined this quarter.</p>	\$2,540,000	\$2,540,000	\$0	\$2,540,000	\$793,934	\$1,746,066	\$2,540,000	\$0	31.3%	31.3%	07/01/19 / 07/01/19A	12/31/21 / 12/31/21
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Project No.	Project Name	Scope / Issues / Key Activities	Approved Funding	Original Budget	Approved Changes	Current Budget	Expended + Accrual To Date	Estimate to Complete	Estimate at Completion	Variance at Completion	% Expended of EAC	Est. Physical % Complete	Current Baseline / Current Start	Current Baseline / Current Finish
100252	Central Roof Replacement PM - Greg Moyer	<p>Scope: Involves the rehabilitation of the Central office roof, from the east end of the tennis courts to the east side of the building. The roof is a 20+ years old "foam roof", which needs extensive rehabilitation. The current roof allows leaks into the 4th floor of the building, which are contained by garbage cans in heavy rains. The most cost effective approach to rehab the roof will be determined during the design phase. The cost estimate for this project is based on the assumption that this part of the roof will be replaced with a new foam roof. It is also assumed that walkways for foot traffic will also be added to extend the life of the new roof. This proposal does not include rehab of the tennis courts nor the facilities west of the tennis courts. This project would promote the District's goal of a reliable system in a state of good repair.</p> <p>Issues: None.</p> <p>This Quarter: (1) Conducted field meeting with roofing sub-consultant for site investigation. (2) Continued working with GEC to create design build specifications for procurement.</p> <p>Next Quarter: (1) Project team to work with C&P to onboard roofing sub-consultant. (2) Continue working with GEC to create design build specifications for procurement.</p> <p>Note: The schedule completion is currently TBD and will be revised when the roofing sub-contractor is selected.</p>	\$1,275,000	\$1,275,000	\$0	\$1,275,000	\$6,985	\$1,268,015	\$1,275,000	\$0	0.5%	0.5%	09/01/19 / 09/01/19A	12/31/20 / TBD

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100255	Traffic Signal Priority Project PM - Robert Tam	<p>Scope: This project will implement Traffic Signal Priority (TSP) technology for SamTrans buses traveling on El Camino Real in San Mateo County (State Highway 82). This will improve transit speed along the corridor by either giving buses early green lights or extending green lights at traffic intersections. SamTrans will build on the existing El Camino Real Smart Corridor Project, implemented by Caltrans and the City/County Association of Governments of San Mateo County (C/CAG), and deploy wayside antennas at intersections and transponders aboard buses as the primary TSP detection technology to provide maximum communication precision.</p> <p>Issues: None.</p> <p>Key Activities:</p> <p>This Quarter:</p> <ol style="list-style-type: none"> (1) Completed the bus base TSP installations at North Base and MV San Francisco. (2) Tested the test signals at the bus bases. (3) Continue to develop the timing and detection zones for the corridor. (4) Caltrans upgraded the traffic controllers in Menlo Park and fixed two traffic controllers with electrical issues. There is still one intersection in Menlo Park that has an issue with the controller slot which will require a special installation kit. (5) Developing the training material for the different classes. <p>Next Quarter:</p> <ol style="list-style-type: none"> (1) Begin testing. Notify the cities of the testing on El Camino Real. (2) Submit the training plan and material for the training classes. 	\$3,907,000	\$3,907,000	\$0	\$3,907,000	\$1,724,736	\$2,182,264	\$3,907,000	\$0	44.1%	72.0%	01/01/18 / 01/01/18A	09/30/21 / 09/30/21

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100469	North Base Bus Washer Replacement PM - Alvin Piano	<p>Scope: The scope of this project is to replace the existing North Base bus washer, which was installed in 1995 and has reached the end of its useful life. The existing bus washer will be demolished and removed and the new replacement unit will include: new controls, new motors and pumps, new piping, new brushes and supports, new spray arches and supports, new water recycling equipment. District will reuse select components as best possible – drainage/collection pits, water storage tanks and utility connections within the existing structure. The new unit will use less water, use less soap/chemicals and to recover more gray water and better interface with District's height/width requirements, 3-bike rack capacity and extended mirror assemblies.</p> <p>Issues: None</p> <p>Key Activities: This Quarter: (1) Coordinated with Facilities Staff and Bus Maintenance Divisions to review of summary of work specifications. (2) Identifying Contract specifications continued.</p> <p>Next Quarter: (1) Prepare General Conditions and Division 01 Specifications. (2) Prepare Technical Specifications.</p> <p>Note: The schedule has been rebaselined.</p>	\$540,000	\$540,000	\$0	\$540,000	\$1,500	\$538,500	\$540,000	\$0	0.3%	0.3%	08/01/19 / 01/01/20A	12/31/21 / 12/31/21
100470	N & S Base IW Line to Brake Pit Replacement PM - Alvin Piano	<p>Scope: This project will replace the North Base industrial waste (IW) line, which drains the brake pit and fuel island areas of North Base. The IW line is approximately 650 feet in length and discharges into an underground separator tank, which connects to an off-site municipal sewer line. The IW line is currently 4-inch ductile iron pipe and will be replaced with a 6-inch PVC (plastic) pipe. The soil surrounding this pipe will be removed and replaced due to the potential contamination by the fluids carried in the existing pipe.</p> <p>Issues: None</p> <p>Key Activities: This Quarter: (1) Conducted pre-bid site inspection survey with C&P and potential bidders. (2) Prepared staff reports and board resolutions for November 2020 Board award. (3) Coordinated with C&P for procurement activities.</p> <p>Next Quarter: (1) Obtain Notice of Award from November 2020 Board Meeting. (2) Prepare preconstruction documents to onboard Contractor .</p>	\$780,000	\$780,000	\$0	\$780,000	\$43,628	\$736,372	\$780,000	\$0	5.6%	5.6%	07/01/19 / 12/01/19A	03/31/21 / 05/31/21

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100474	South Base Bus Washer Walls Rehab PM - Alvin Piano	<p>Scope: This project will replace the structural walls of the South Base bus washer. Extensive water damage have caused the walls to become unstable and require replacement. Significant sections of the walls will be reconstructed. Also a waterproof membrane will be installed in the walls during reconstruction.</p> <p>Issues: None</p> <p>Key Activities: This Quarter: (1) Site coordination with the design team continued. (2) Preparation of work directive deliverables for future design work continued.</p> <p>Next Quarter: (1) Coordinate with Facilities team for scoping session. (2) Coordinate with C&P to issue work directive proposal request for Design work.</p>	\$350,000	\$350,000	\$0	\$350,000	\$1,500	\$348,500	\$350,000	\$0	0.4%	0.4%	07/01/19 / 08/01/20	12/31/21 / 12/31/21
100511	South Base Natural Gas Line Replacement PM - Alvin Piano	<p>Scope: This project will replace the existing natural gas distribution system at South Base. The existing gas distribution system has been leaking and localized repairs have been completed but the gas system is to a point where total replacement is necessary to fully operate the South Base Bus Maintenance Building. The project includes on-call General Engineering Contractors (GEC's) to provide 35%, 65%, 95%, and 100% plans, specifications, and drawings (PS&E), bid support and design support during construction and construction.</p> <p>Issues: None</p> <p>Key Activities: This Quarter: (1) Testing and commissioning of the new gas line system completed. (2) Contractor completed punch list items. (3) Proceed with close out procedures . (4) Prepared final acceptance documents.</p> <p>Next Quarter: (1) Follow up with County Recorder's Office for recorded notice. (2) Prepare final payment for release of retention .</p>	\$1,070,000	\$1,070,000	\$0	\$1,070,000	\$431,224	\$638,776	\$1,070,000	\$0	40.3%	40.3%	11/01/19 / 05/26/20A	11/22/20 / 11/22/20

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San Mateo County Transit District
Fiscal Year 2019 Capital Budget - Amendment 2

Budget Item	Project No.	Description	Current Years Budget	Previous Budget	Total Project Budget
<u>Revenue Vehicle Support</u>					
1.1	021502	Major bus components (FY18 & FY19)	1,173,200	4,841,436	6,014,636
1.2	100354	MB-2000 bus simulator system	310,000	-	310,000
1.3	100352	ADA self evaluation plan	200,000		200,000
1.4	100353	Maintenance support equipment	94,185		94,185
S/T			1,777,385	4,841,436	6,618,821
<u>Non-Revenue Vehicle Support</u>					
2.1	100360	Purchase 4 non-revenue support vehicles	847,311		847,311
S/T			847,311	-	847,311
<u>Information Technology</u>					
3.1	021505	Tech Refresh (FY 15, 16, 17, 19)	2,500,000	4,579,000	7,079,000
3.2	100348	Upgrade current District website	600,000	-	600,000
S/T			3,100,000	4,579,000	7,679,000
<u>Planning/Development</u>					
4.1		Capital program & project development	250,000	234,430	484,430
4.2		Capital program management	250,000	75,000	325,000
4.3		US 101 mobility action plan	250,000		250,000
S/T			750,000	309,430	1,059,430
<u>Facilities/Construction</u>					
5.1	021507	Facilities smaller projects (FY17, FY18 & FY19)	570,000	695,264	1,265,264
5.2	100349	Facilities engineering smaller projects	530,000	-	530,000
5.3	100350	Central Office Sanitary Sewer Pumps Replacement	350,000		350,000
5.4	100351	Central Boiler Replacement	80,000		80,000
5.5	100253	Linda park-n-ride repaving - COMPLETE	200,000	700,000	900,000
S/T			1,730,000	1,395,264	3,125,264
<u>Other</u>					
6.1		Contingency	200,000	-	200,000
S/T			200,000	-	200,000
Total FY2019 Budget			8,404,696	11,125,130	19,529,826

Fiscal Year 2020 Capital Budget - Amendment 1

Budget Item	Project No.	Description	Current Years Budget	Previous Budget	Total Project Budget
<u>Revenue Vehicle Support</u>					
1.1	021502	Major Bus Components (FY18, FY19 & FY20)	592,000	6,014,636	6,606,636
1.2	100460	Replacement of (14) Revenue Paratransit Vans	956,480		956,480
1.3	100461	Replacement of (13) Revenue Paratransit Cutaway	1,732,640		1,732,640
1.4	100353	Maintenance support equipment	100,835	94,185	195,020
		S/T	3,381,955	6,108,821	9,490,776
<u>Non-Revenue Vehicle Support</u>					
2.1	100462	Replacement Non-Rev Service Support Vehicles	164,000	-	164,000
		S/T	164,000	-	164,000
<u>Information Technology</u>					
3.1	100463	Spear System Improvements	150,000	-	150,000
3.2	100477	Intranet Solution Replacement	350,000	-	350,000
		S/T	500,000	-	500,000
<u>Planning/Development</u>					
4.1	100464	Capital Program and Project Development	250,000	-	250,000
		S/T	250,000	-	250,000
<u>Safety and Security</u>					
5.1	100465	CCTV Network Improvement	150,000	-	150,000
		S/T	150,000	-	150,000

Fiscal Year 2020 Capital Budget (Cont)

Budget Item	Project No.	Description	Current Years Budget	Previous Budget	Total Project Budget
<u>Facilities/Construction</u>					
6.1	100058	Facilities Smaller Projects	1,110,000		1,110,000
6.2	100252	Central Building Roof Replacement (FY18 & FY20)	800,000	475,000	1,275,000
6.3	100466	North and South Base Employee Areas	520,000		520,000
6.4	100467	North and South Base Bus Parking Area Restriping	258,000		258,000
6.5	100468	North and South Base Vacuum Replacement Design	150,000		150,000
6.6	100469	North Base Bus Washer Replacement	540,000		540,000
6.7	100470	North & South Base IW Line to Brake Pit Replacement	780,000		780,000
6.8	100474	South Base Bus Washer Walls Rehab	350,000		350,000
6.9	100471	60' Aerial Lift Apparatus	70,000		70,000
6.10	100475	ADA Study & Phase 1 Retrofits	1,225,000		1,225,000
6.11	100476	North and South Base Exterior Painting	1,140,000		1,140,000
6.12	100472	Central Building	750,000		750,000
6.13	100473	Central Building Refresh	1,849,200		1,849,200
6.14	100511	South Base Natural Gas Line Replacement	1,070,000		1,070,000
		S/T	10,612,200	475,000	11,087,200
<u>Other</u>					
7.1	021214	Contingency	250,000	-	250,000
		S/T	250,000	-	250,000
Total FY2020 Budget			15,308,155	6,583,821	21,891,976

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San Mateo County Transit District
Fiscal Year 2021 Capital Budget - Amendment 1

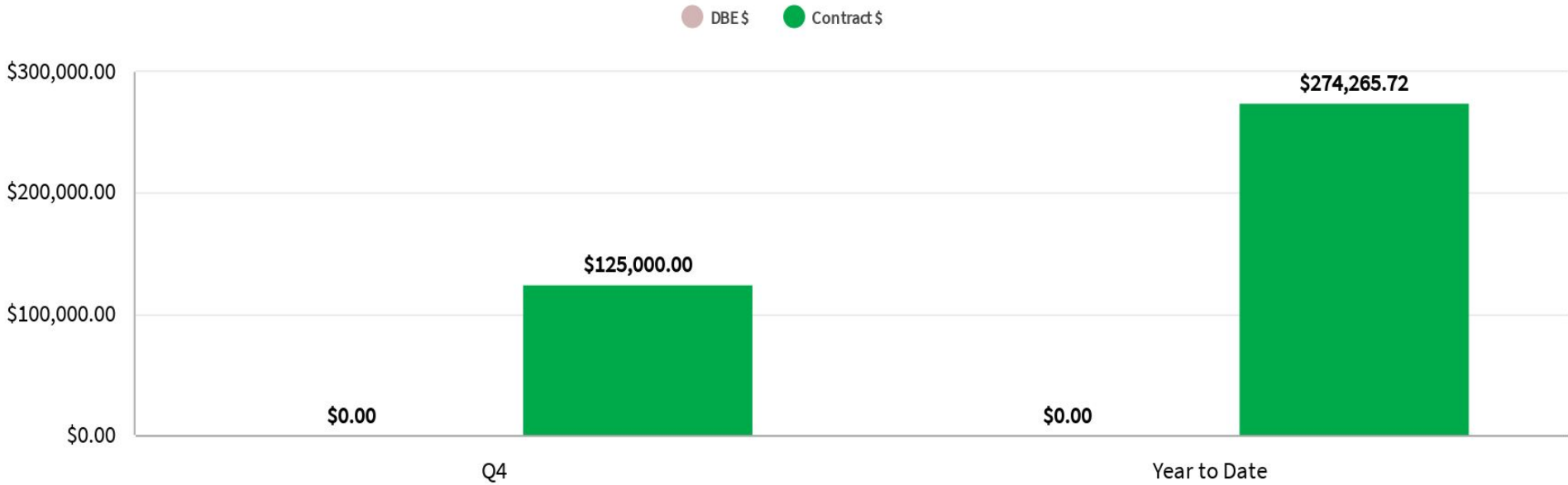
Budget Item	Project No.	Description	Current Years Budget	Previous Years Budget	Total Project Budget
<u>Revenue Vehicle Support</u>					
1.1	021502	Major Bus Components (FY18, FY19, FY20 & FY21)	720,700	6,606,636	7,327,336
1.4	100353	Maintenance support equipment	230,800	195,020	425,820
		S/T	951,500	6,801,656	7,753,156
<u>Non-Revenue Vehicle Support</u>					
2.1	100549	Replace Non-Rev Service Support Vehicles	116,500	-	116,500
		S/T	116,500	-	116,500
<u>Information Technology</u>					
3.1	100546	Automating Daily Dispatching, Bid, Scheduling & Hastus in the Cloud	1,750,424	-	1,750,424
3.2	100537	ITS PADS signs upgrade project from 3G to 4G Technology	75,000	-	75,000
3.3	100534	Onboard Wi-Fi equipment retrofit for 225 buses	1,572,180	-	1,572,180
3.4	100477	Intranet Solution Replacement	131,000	350,000	481,000
		S/T	3,528,604	350,000	3,878,604
<u>Planning/Development</u>					
4.1	100058	Facilities Smaller Projects	1,430,000	1,110,000	2,540,000
4.2	100547	South Base Switchgear Replacement	1,000,000	-	1,000,000
4.3	100469	North Base Bus Washer Replacement	395,000	540,000	935,000
4.4	100538	North and South Base Front Entrance Modifications	165,000	-	165,000
4.5	100548	North Base 200 Operations Building Replacement	1,000,000	-	1,000,000
4.6	100539	South Base Pico Blvd Property	3,061,918	-	3,061,918
		S/T	7,051,918	1,650,000	8,701,918
<u>Safety and Security</u>					
5.1		Contingency	250,000	-	250,000
		S/T	250,000	-	250,000
Total FY2021 Budget			11,898,522	8,801,656	20,700,178

SamTrans : Disadvantaged Business Enterprise (DBE)

Quarterly Status Report:

- The SamTrans overall DBE goal is 3%.
- There were zero federal awards for the first or third quarters of the fiscal year.
- SamTrans had zero percent (0%) DBE utilization for the year to date.

FFY20 Q4: July 01, 2020 to September 30, 2020 | 2020 Federal Fiscal Year to Date



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Definition of Terms

Approved Changes – Changes to the original budget and/or transfers of budget from one segment code to another that have been approved by management and/or by the SamTrans Board of Directors.

Approved Funding – The amount of funding that has been approved by the SMCTD Board for the execution of the project.

Current Budget – The current budget reflects the original budget plus approved changes or internal budget transfers which has been approved by the program manager and/or the project manager.

Expended % of EAC – This is the % of Money Spent (Not Physical Progress) as compare to the EAC.

Estimate at Completion (EAC) – The forecasted final cost of the project.

Estimate to Complete – Forecast of the cost to complete the remaining work, including anticipated and pending changes.

Estimated Physical % Complete – An estimation of the physical work completed as compared to the budgeted work expressed in %.

Expended + Accrual to Date – The cumulative project costs that have been recorded through the current reporting period in PeopleSoft + accrual cost of the work performed that has not been recorded in PeopleSoft.

Issues – Exceptions / concerns as identified for information or further actions.

Key Activities - Identifies key activities being undertaken for the project for the current month and identifies the work anticipated for the next month.

Original Budget – Budget as originally approved by senior management for execution of the approved scope of work.

Original Start / Current Start – The original planned start date and the current or actual start date of the project.

Original Finish / Current Finish – The original planned completion date and the current forecasted completion date of the project.

Scope - A concise description of the work elements to be performed and delivered by the project.

Variance at Completion (VAC) – Difference between the Current Budget and the Estimate at Completion. A positive value reflects potential underrun, whereas a negative amount indicates possible overrun.



Performance Status (Traffic Light) Criteria

SECTIONS	On Target (GREEN)	Moderate Risk (YELLOW)	High Risk (RED)
1. SCOPE	<p>(a) Scope is consistent with Budget or Funding.</p> <p>(b) Scope is consistent with other projects.</p> <p>(c) Scope change has been mitigated.</p>	<p>(a) Scope is NOT consistent with Budget or Funding.</p> <p>(b) Scope appears to be in conflict with another project.</p> <p>(c) Scope changes have been proposed.</p> <p>(d) Current Budget forecast exceeds the current approved budget by 5% to 10%.</p>	<p>(a) Significant scope changes / significant deviations from the original plan.</p> <p>(b) Current Budget forecast exceeds current approved budget by more than 10%.</p>
2. BUDGET	<p>(a) Estimate at Completion forecast is within plus /minus 5% of the Current Approved Budget.</p>	<p>(a) Estimate at Completion forecast exceeds Current Approved Budget between 5% to 10%.</p>	<p>(a) Estimate at Completion forecast exceeds Current Approved Budget by more than 10%.</p>
3. SCHEDULE	<p>(a) Project milestones / critical path are within plus/minus four months of the current baseline schedule.</p> <p>(b) Physical progress during the report period is consistent with incurred expenditures.</p> <p>(c) Schedule has been defined.</p>	<p>(a) Project milestones / critical path show slippage. Project is more than four to six months behind the current baseline schedule.</p> <p>(b) No physical progress during the report period, but expenditures have been incurred.</p> <p>(c) Detailed baseline schedule NOT finalized.</p>	<p>(a) Forecast project completion date is later than the current baseline scheduled completion date by more than six months.</p>
4. FUNDING	<p>(a) Expenditure is consistent with Available Funding.</p> <p>(b) All funding has been secured or available for scheduled work.</p>	<p>(a) Expenditure reaches 80% of <u>Available Funding</u>, where remaining funding is NOT yet available.</p> <p>(b) NOT all funding is secured or available for scheduled work.</p>	<p>(a) Expenditure reaches 90% of <u>Available Funding</u>, where remaining funding is NOT yet available.</p> <p>(b) No funding is secured or available for scheduled work.</p>

Note: Schedule variance for (a) Purchase of maintenance equipment; (b) Purchase of major bus components; (c) Maintenance of facilities; and (d) Upgrading of computer systems will not be monitored, as schedules for these types of projects are only a reflection of the year that funding has been allocated.

Safe Harbor Shelter clients are provided a Day Pass that allows them unlimited rides on SamTrans local buses.

Safe Harbor Shelter is a 90-bed emergency homeless shelter operated by Samaritan House. The shelter was created to help fill the gap in short-term emergency housing options available in the County. Homeless County residents aged 18 years and older are permitted to enter the shelter on a first-come, first-served basis. The shelter is operated in collaboration with the County's Human Services Agency.

STRATEGIC INITIATIVE

- Priority 1: Expand Mobility Options
 - Goal 1: Increase weekday fixed-route ridership by 15 percent

Prepared By: Christiane Kwok, Manager, Fare Programs
Operations

650-508-7926

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
General Manager/CEO

FROM: David Olmeda
Chief Operating Officer, Bus

Juliet Nogales-DeGuzman
Director, Human Resources

SUBJECT: **APPROVING THE ONE YEAR EXTENSION OF THE COLLECTIVE BARGAINING AGREEMENTS WITH TEAMSTERS UNION, LOCAL 856**

ACTION

Staff proposes that the Board approve the one year extension of the Collective Bargaining Agreements with Teamsters Union, Local 856.

SIGNIFICANCE

The San Mateo County Transit (District) and Teamsters Union Local 856 (Union) are parties to collective bargaining agreements governing the following units: the Bus Transportation Supervisors, Dispatchers and Radio Controller; the Utility and Maintenance Supervisors and Maintenance Instructors; the Bus Contract Inspectors; the Transit Instructors; and the Facility Technicians. The collective bargaining agreements have expired on September 30, 2020.

The Union and District representatives have engaged in negotiations and agreed to extend for one year, until September 30, 2021, the existing collective bargaining agreements with no wage increases or enhancements to the existing employee benefit programs.

The parties have also entered into several side letter agreements to address non-economic issues affecting some of the above-referenced bargaining units.

The employees in each of the Union-represented bargaining units have voted to extend the collective bargaining agreements for one year, until September 30, 2021.

BUDGET IMPACT

There is no budget impact for this one year extension.

STRATEGIC INITIATIVE

Priority 3: Become a More Effective Organization

Goal 1: Improve organization performance

3-6: Standardize interdepartmental procedures for efficiency and performance

3-9: Promote sustainability and corporate responsibility.

Prepared by: Juliet Nogales-DeGuzman, Director, Human Resources

650-508-6236

RESOLUTION NO. 2020 -

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

* * *

**APPROVING THE ONE YEAR EXTENSION OF THE COLLECTIVE BARGAINING AGREEMENTS
WITH TEAMSTERS UNION, LOCAL 856**

WHEREAS, Teamsters Union, Local 856 ("Union"), has been recognized by the San Mateo County Transit District ("District") as the sole and exclusive bargaining agent of employees of the District in the following bargaining units: the Bus Transportation Supervisors, Dispatchers and Radio Controller; the Utility and Maintenance Supervisors; the Bus Contract Inspectors; the Transit Instructors; the Facility Technicians and the Maintenance Instructors; and

WHEREAS, the District and the Union are parties to collective bargaining agreements governing each of the above-referenced bargaining units that expired on September 30, 2020; and

WHEREAS, Union and District representatives have engaged in negotiations in an effort to reach an agreement to extend for one year, until September 30, 2021, the existing collective bargaining agreements with no wage increases or enhancements to the existing employee benefit programs; and

WHEREAS, the parties have also entered into or will enter into several side letter agreements to address non-economic issues affecting some of the above-referenced bargaining units; and

WHEREAS, negotiations recently have been completed and, as a result thereof, the General Manager/CEO has recommended that the Board of Directors approve the

agreement to extend the existing collective bargaining agreements for a period of one year, until September 30, 2021; and

WHEREAS, the employees in each of the Teamsters represented bargaining units have voted to extend the collective bargaining agreements for one year, until September 30, 2021; and

WHEREAS, the Board of Directors has reviewed the terms of said agreements and has found them to be consistent with the District's overall policies, goals and economic standards.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Mateo County Transit District that the agreement to extend the existing collective bargaining agreements governing the above-referenced bargaining units represented by the Teamsters Union, Local 856 ("Extension Agreements"), will hereby be approved and accepted; and

BE IT FURTHER RESOLVED that the General Manager/CEO is hereby authorized to execute the aforementioned Extension Agreements.

Regularly passed and adopted this 2nd day of December, 2020, by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Carter Mau Deputy CEO/GM
Juliet Nogales-DeGuzman Director, Human Resources

SUBJECT: **AUTHORIZE THREE-YEAR RENEWAL OF DELTA DENTAL INSURANCE
CONTRACT FOR AN ESTIMATED ANNUAL COST OF \$1.2 MILLION**

ACTION

Staff recommends the Board authorize the renewal of the contract with Delta Dental Plan of California for continued provision of dental insurance coverage for the next three calendar years. The annual cost for coverage is estimated at \$1.2 million for the first year of this three-year period.

SIGNIFICANCE

The San Mateo County Transit (District) contracts with Delta Dental Plan of California for dental insurance coverage for employees and members of the Board of Directors. The District's standard plan requires the employee to pay 20 percent of the cost of basic and major dental services, with the deductibles for diagnostic and preventive services being waived; 100% coverage for preventive and diagnostic services (exams, cleanings, x-rays); \$3,000 annual benefit, and a \$2,000 lifetime orthodontia benefit.

BUDGET IMPACT

The administrative fee will have a slight increase from \$15.04 to \$15.45 per employee per month for the three-year renewal period.

After the estimated first-year cost of \$1.2 million, second and third year costs will be calculated and adjusted annually based on usage of the benefit by employees and the changing costs of dental care.

No increase to the current budget will be necessary as anticipated annual increases were included in the approved Fiscal Year 2021 Operating Budget.

BACKGROUND

Delta Dental is the preferred carrier because continuing with Delta Dental will not "effect a reduction in the dental benefits" in accordance with the District's collective bargaining agreements with the Amalgamated Transit Union and International Brotherhood of Teamsters Union. Ninety-seven percent of District employees' claims are provided by in-network Delta Dental providers.

Project Manager: Juliet Nogales-DeGuzman
Director, Human Resources

650-508-6236

RESOLUTION NO. 2020-

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

* * *

**AUTHORIZING A THREE-YEAR RENEWAL OF THE AGREEMENT WITH
DELTA DENTAL PLAN OF CALIFORNIA FOR FURNISHING DENTAL INSURANCE
COVERAGE FOR AN ESTIMATED ANNUAL COST OF \$1.2 MILLION**

WHEREAS, beginning in 2012, pursuant to Resolution 2011-57, the San Mateo County Transit District (District) has provided dental insurance coverage for employees and Board members through Delta Dental Plan of California's (Delta Dental) Passive Dental Plan Organization (a dental PPO); and

WHEREAS, the District's contract with Delta Dental was renewed most recently pursuant to Resolution No. 2017-87, dated December 6, 2017, for three years; and

WHEREAS, given the continued success of the program and the proposed modifications to the fee structure of the plan contract, including administrative fees of \$15.45 per employee per month, the District's General Manager/CEO recommends that the self-funded dental insurance plan with the Delta Dental be extended for the next three calendar years until December 31, 2023, with the Passive Dental Plan Organization option available for plan participants, for an estimated annual cost of \$1.2 million.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the San Mateo County Transit District authorizes renewal of the contract with Delta

Dental Plan of California for furnishing self-funded dental insurance for the next three calendar years until December 31, 2023, for an estimated annual cost of \$1.2 million, with the Passive Dental Plan Organization option available for plan participants.

Regularly passed and adopted this 2nd day of December, 2020, by the following votes:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary



BOARD OF DIRECTORS 2020

KARYL MATSUMOTO, CHAIR
PETER RATTO, VICE CHAIR
RON COLLINS
MARINA FRASER
CAROLE GROOM
ROSE GUILBAULT
DAVE PINE
JOSH POWELL
CHARLES STONE

JIM HARTNETT
GENERAL MANAGER/CEO

MEMORANDUM

**BOD ITEM #8
December 2, 2020**

Date: November 20, 2020
To: SamTrans Board of Directors
From: Jim Hartnett, General Manager/CEO
Subject: General Manager/CEO Report

4-months Ending October 2020 Summary

Overall ridership continues an upward trend. Ridership nearly doubled from a low of 201,730 monthly trips in April 2020 to 398,250 trips in October 2020. The passage of Measure RR will provide much needed stability to the Caltrain rail service. Having financial certainty enables SamTrans Staff to focus on the COVID-19 recovery efforts and future transportation services.

Staff continues to monitor San Mateo County's rating on the California Coronavirus Watch List and changes in business activities. Staff met with the San Mateo County Office of Education to discuss school reopening plans for January; schools are in communication with SamTrans staff regarding plans. Due to the recent uptick in Coronavirus infections and hospitalizations, the San Mateo County schools are likely to remain closed until the spring of 2021. SamTrans Bus Operations is poised to adjust resources to accommodate changing service requirements as more certainty is obtained.

Since the beginning of the pandemic, RediCoast ADA Paratransit services has made roughly 6,500 trips with zero (0) complaints in eight consecutive months. The last complaint received from a coastal passenger was in February; moreover, four compliments were received in recent months, a testament of a grateful community and phenomenal Customer Service.

Two external articles are provided with this report; the first provides an overview of zero emission technology infrastructure requirements and the challenges ahead to expand zero emission transportation services, including bus fleet electrification. The second article is about Philadelphia's transportation agency, SEPTA. It illustrates some of the grim realities and subsequent challenges many transportation agencies across the country must address as a result of the pandemic.

Regional Fare Coordination and Integration Study

The Regional Fare Coordination and Integration Study (Study) was launched in late 2019 by the Bay Area's transit operators and MTC to identify changes to the Bay Area's transit fare policies as a way to improve the passenger experience and grow transit ridership. The Study is co-managed by BART and MTC, with a team of representatives from the majority of the Bay Area transit operators who provide input on study tasks and deliverables.

The Clipper Executive Board has established a Fare Integration Task Force consisting of the members of the Clipper Executive Board as well as the Chair and Vice Chair of the Bay Area County Transportation Agencies (BACTA) group. The Fare Integration Task Force has project oversight responsibilities and is chaired by Caltrain/SamTrans CEO Jim Hartnett, AC Transit's General Manager, Michael Hursh, is the Vice Chair.

Key objectives of the Regional Fare Coordination and Integration study include developing goals for the regional fare system that will support an improved user experience, increased transit ridership and build on robust public outreach; identifying fare barriers that impede ridership growth; improving regional coordination and integration strategies; and developing a detailed implementation plan that includes funding for the recommended improvements.

The Study includes documentation of the existing fares throughout Bay Area as well as a best practices/peer review of national and international examples of fare integration. Consultants are evaluating regional trip patterns in the region to understand where, when, and how people travel, and are looking at Clipper data to understand current inter-operator transfer activities. Additionally, there is robust user research included in the Study designed to understand how people perceive fares and fare policies, and how fares impact decisions to use transit.

The Study will produce three to five different fare coordination and integration strategies that will be evaluated and modeled for impacts on revenue and ridership. The final recommendation will be crafted into a comprehensive business case that represents the most promising fare coordination and integration strategies for further development, inclusive of a path towards implementation and funding requirements. The Study is projected to be complete by the end of 2021.

Mobile App Update

During the first quarter of FY2021, there were about 1,500 app downloads, which was a 10 percent increase over the fourth quarter of FY 2020 and a 70 percent decrease compared to the same period last year. More than 1,100 new accounts opened during the quarter, which was approximately a 180 percent above the fourth quarter of FY 2020; however, the volume of new accounts remains 75 percent below the same period last year.

After resuming fare collection on August 16th, there were about 8,700 tickets sold on the app during the remaining six weeks of the quarter, which was a 71 percent decrease compared with the first quarter of FY 2020. About \$21,000 in fare revenues was collected during the quarter, a 67 percent decrease compared to the same period last year.

Bus Ridership/Performance

The 398,250 trips in October is 43.0 percent of the pre-COVID level of 926,908 trips.

	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>Sept.</u>	<u>Oct.</u>
Total Trips	201,730	247,860	298,250	336,120	332,260	360,730	398,250

Ridership	<u>October 2020</u>	<u>YTD FY 2021</u>	<u>YTD FY 2020</u>
• AWR	14,020	12,710	37,190
• Total Trips	398,250	1,427,350	3,826,300

On-time Performance goal is 85.0%:

• Directly operated service	87.6%	87.8%	82.1%
• Contracted bus service	84.1%	84.0%	73.3%
• Coastside service	79.5%	81.3%	72.7%
• Combined service	86.3%	86.6%	79.6%
Trips that Did Not Operate (DNO)	7	19	967

There were zero (0) DNOs in May, 1 DNO in June, 3 DNOs in July, 3 DNOs in August, 6 DNOs in September, and 7 DNOs in October. The combined service OTP has exceeded the goal of 85.0 percent for eight consecutive months from March through October.

ADA Paratransit Ridership/Performance

The 10,400 trips in October is 37.9 percent of the pre-COVID level of 27,461 trips. The Day Care Centers remain closed.

	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>Sept.</u>	<u>Oct.</u>
Total Paratransit Trips	5,940	7,120	8,950	10,500	9,650	9,880	10,400

Ridership	<u>Oct. 2020</u>	<u>YTD FY 2021</u>	<u>YTD FY 2020</u>
• Paratransit AWR	400	390	1,150
• Paratransit Total Trips	10,400	40,420	115,630

On-time Performance goal is 90.0%

• Redi-Wheels	97.9%	97.1%	91.8%
• RediCoast	95.1%	95.5%	96.6%
Complaints per 1,000 trips			
• Redi-Wheels	0.42	0.55	0.75
• RediCoast	0.00	0.00	1.36

There were 7,237 registrants as of October 2020, a 9.9 percent decrease or 794 fewer registrants compared to October 2019.

Human Capital Investment

	<u>Oct. 2020</u>		<u>YTD FY 2021</u>		<u>YTD FY 2020</u>	
	<u>Hours</u>	<u>Days</u>	<u>Hours</u>	<u>Days</u>	<u>Hours</u>	<u>Days</u>
New Bus Operator Trainees	928	116	3,366	421	6,536	817
New fleet/route orientation	0	0	0	0	247	31
VTT/DMV mandated training	296	37	900	113	866	108
Bus Operator retraining	156	20	1,009	126	800	100
Maintenance training	256	32	1,257	157	2,461	308
CPR/AED/First Aid/Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>244</u>	<u>31</u>
Total Hours	1,636	205	6,532	817	11,154	1,394

Safety Program

The District's Safety Stand Down is in the third phase. The safety message is: "Passenger Fall Prevention" and "Looking at the Big Picture".

This month's efforts included:

- A PowerPoint presentation displaying the safety messages on monitors at both bases.
- Managers and assistant managers met with each operator individually to discuss safety.
- The number of operators attending training sessions was increased.
- Safety brochures and seat drops were provided to operators.
- Radio Control sent daily safety text messages to all District fleet (including MV) via MDTs.

The final event closing the campaign will take place during the second week of December. There will be a raffle at both bases selecting 20 winners from each base who were accident free for the three months of the Safety campaign. Each winner will receive a gift card.

MV Transportation instituted bi-weekly safety stand down campaigns focusing on various fundamental topics; National Drowsy Driving Prevention, Following Distance, Adverse Weather, 3 points of Contacts, and Defensive Driving. MV Supervisors and Managers conducted 105 Road Observations comprising of pre-trip compliance, meet and greet at terminals, and time point observations.

Maintenance Department

The goal of **25,000** average Miles Between Service Calls (MBSC) was achieved YTD for both the motor bus fleet (District maintained vehicles) and the Paratransit fleet.

	<u>October 2020</u>			<u>YTD FY 2021</u>			<u>YTD FY 2020</u>		
	<u>Miles</u>	<u># Calls</u>	<u>MBSC</u>	<u>Miles</u>	<u># Calls</u>	<u>MBSC</u>	<u>Miles</u>	<u># Calls</u>	<u>MBSC</u>
Motor Bus	437,219	12	36,435	1,676,670	51	32,876	2,179,831	69	31,592
Paratransit	93,900	4	23,475	339,971	11	30,906	438,812	10	43,881

SamTrans Digital Communications (Social & Web)

	<u>Oct. 2020</u>	<u>YTD FY 2021</u>	<u>YTD FY 2020</u>
Impressions*	46,970	399,324	3,668,187
Interactions*	1,379	15,842	49,073
Website Sessions	54,061**	216,507	630,320

* Facebook, Twitter, Instagram, LinkedIn, Nextdoor.

** Website Sessions down significantly, below 100K for eighth month in a row. Oct 2019 Sessions: 151K.

There were 11,060 total followers as of October 2020, up from 9,847 in October 2019.

Attention Mayors: Is Your City Ready For Your Electric Bus Proposals?

Nov 10, 2020, 11:45am EST Heather Wishart-Smith Contributor



FILE - In this May 1, 2013, file photo, an electric bus produced by China's BYD Co., is parked at ... [+] ASSOCIATED PRESS

Federal and local governments around the world are **introducing new legislation** to limit the sale of internal combustion engines and spur electric vehicle (EV) adoption, but the real flash point for governmental support of EVs is occurring in the world's bus fleets. Today, there are roughly 425,000 electric busses operating worldwide – the **vast majority** of them in China, but U.S. cities are rapidly jumping on the bandwagon. California has **mandated** that by 2040 all busses purchased by its mass transit agencies be zero-emission, and under **current pledges** by states, cities and transit agencies, nearly one-third of U.S. public transit buses will be all electric by 2045.

Busses are a unique use case in the EV narrative because they are big, consume a huge amount of energy, and – because transit agencies are easy for lawmakers to influence – they are becoming the canaries in the coalmine for the future of EV adoption.

With these aggressive moves to electrify municipal transportation fleets, however, comes an exponential increase in demand on the existing power grid – one that few utilities are ready to support. What needs to happen before our cities are ready to support the growing demand for electric busses?

The list is long, but some of the biggest and most important obstacles that

need to be overcome quickly are electrical infrastructure (and where to put it), city planning and facilities management, and emergency services contingency planning – all of which will require buy-in and cooperation from a diverse group of stakeholders that do not always play nicely in the same sandbox. If lawmakers are going to hit their aggressive EV targets, they're going to have to start solving some of these issues quickly.

Substations Confront NIMBY

The first and most obvious consideration for any municipal entity contemplating a large-scale conversion to EVs is power demand. When it comes to passenger vehicles, that means having ample charging stations in place and making sure electric utilities are ready for a surge in power demand in traditionally off-peak hours when people are charging their vehicles at home overnight. This will increase demand on the grid, but it will not cripple it because the demand will be distributed over multiple time periods and across a wider geographic footprint.

The bigger issue, however, comes when cities start thinking about transitioning their municipal vehicle fleets to EVs. That means having city busses, sanitation vehicles and emergency services vehicles charging and recharging in central locations during peak hours – every day.

To put that demand in perspective, consider that a single garage for 100 electric busses would require an additional six to eight megawatts per day in electricity consumption when compared to a traditional bus fleet. That's roughly equivalent to the amount of electricity required to power 750 households. That kind of power doesn't just materialize. Simply getting that additional power to an inner-city location would require – at a minimum – the addition of an electrical sub-station nearby that would allow high voltage electricity to be routed close to the garage and stepped-down for charging.

And that's where the not-in-my-backyard (NIMBY) syndrome tends to kick in. Substations are not particularly pretty, and based on recent public backlash to proposals to add substations in [Boston](#), [San Antonio](#), and several [other cities](#), residents have been quick to fight the development projects, citing everything from environmental concerns to health risk.

A New Twist on Logistics

The less obvious – but no less important – considerations government officials championing large scale EV initiatives need to account for are all of the logistics that go into managing municipal EV fleets. Again, using city busses as an example, the window for off-peak charging is going to be relatively small, with the bulk occurring between midnight and 4:00 a.m. But that won't be enough charge time to power the busses all day; they'll also need intra-day charging. Routes, drivers and charging stations will need to be managed accordingly, and peak electricity rates will need to be factored into the equation.

Beyond that, cities will need to incorporate detailed route planning factoring in elevation changes, climate, and frequency of stops when calculating their individual energy demand. In cold climates, for example, 60% of an electric bus's energy will be used for heating when temperatures dip below freezing. Likewise, routes that include several hills, frequent door openings and closings and varied traffic patterns could experience wildly different energy demand than warm, flat routes with few stops.

Perhaps most importantly, cities will also need to think about contingency planning in the event of power failure or emergency. Most major city emergency preparedness and evacuation plans involve the use of city busses in adverse weather conditions. Back-ups will need to be contemplated to address these kinds of challenges to an all-electric fleet, whether through emergency generators or reserve vehicles. Add the impact of growing fleets of on-demand delivery service vehicles from the likes of Amazon, FedEx and UPS, which are also [in the process of converting to EVs](#), and the city recharging infrastructure requirements become even more significant.

Putting the Pieces Together

Success or failure in a city and state-level electric bus initiative will be determined not by the boldness of the proclamation or the nobility of the intent. It will be driven by detailed planning, rigorous modeling of real world scenarios, and close collaboration between multidisciplinary teams that include elected officials, transportation authorities, neighborhood associations, private companies, and utilities. Today, much of that harmonization still needs to be sorted, and the officials making edicts for clean bus fleets need to fully contemplate the knock-on effects of their plans before true revolution in public transit can take root.

Heather Wishart-Smith is the Senior Vice President, Technology & Innovation for Jacobs.

It's all on the line for SEPTA and its riders, from service cuts to layoffs

by [Patricia Madej](#), Posted: November 17, 2020



TYGER WILLIAMS / STAFF PHOTOGRAPHER

It's a strange sight, an empty SEPTA bus.

Something about the vacant seats and eerie silence feels, well, off. But peer through its windows, and the reality draining SEPTA of [about \\$1 million a day](#) is indefinitely on display.

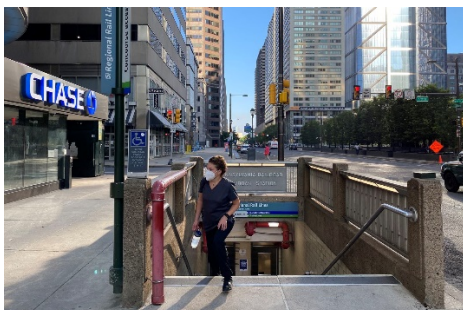
While pandemic-related budget woes have spurred [other transit agencies to sound alarms](#), SEPTA has stayed relatively mute on potential cost-saving steps that would undoubtedly impact Philadelphia's most vulnerable communities.

But make no mistake, SEPTA General Manager Leslie Richards said in an hour-long interview regarding what's on the line for SEPTA and its riders. Without additional federal relief to stem losses from the pandemic as well as long-term funding solutions to ensure SEPTA's longevity, extreme measures, including service cuts, layoffs, and fare increases, are on the table.

SEPTA anticipates an operating revenue shortfall of about \$350 million by the end of its fiscal year in June.

"I cannot state clearly enough that every option will be considered," Richards said. "That is both on the cuts side, as well as on how we need to make changes. We simply cannot afford to approach it in any other way."

A 'Band-Aid'



ALEJANDRO A. ALVAREZ / STAFF PHOTOGRAPHER

A lone pedestrian exits from underground at JFK Boulevard and 17th Street in Center City.

Ridership on SEPTA buses, trolleys, Market-Frankford, Broad Street, and Norristown High Speed Lines was down about 70% from pre-pandemic levels in October. Regional Rail is much worse off — running with about 85% fewer riders than usual, with little expectation of figures rebounding any time soon.

White-collar workers will continue to log into virtual meetings in button-ups and sweatpants, and [further restrictions as COVID-19 cases surge](#) will keep many indoors. The [growing preference](#) for private cars, and the [false security](#) they bring, will stave off appetites for public transportation for who knows how long.

The authority has spent nearly \$150 million of the \$644 million it received from the federal CARES Act passed in March “primarily on [its] labor expenses,” said Rich Burnfield, SEPTA’s treasurer and deputy general manager.

Richards joined the chorus of transit experts [earlier this year calling for at least \\$32 billion](#) in additional federal relief funding — “a bridge” to get “to the other side of this pandemic,” said Paul P. Skoutelas, president and CEO of the American Public Transportation Association.

Without it, [more than six in 10 public transit agencies](#) will have to cut service or furlough workers, according to the association.

“If you look at the worst outcomes, I think for some, it could mean dramatic reductions in service,” Skoutelas said. “For some, it may even mean, unless there is additional forthcoming resources, they may even have to shut down.”

[Thousands of layoffs and service cuts](#) — maybe as much as 50% — could come for New York’s Metropolitan Transportation Authority next year. The Massachusetts Bay Transportation Authority last week [released proposed service changes](#) and a nearly eight-minute video from its general manager on “[cost controlling measures](#).” Bay Area Rapid Transit’s board [recently approved a cost-cutting plan](#).

In testimony to lawmakers in August, Richards outlined a bleak future for SEPTA [if Harrisburg doesn’t boost its funding. Maps shared with officials showing possible Regional Rail cuts](#) can’t be found on SEPTA’s website.

The authority’s “[Move Better Together](#)” [COVID-19 recovery plan](#), a handy go-to guide outlining SEPTA’s response to the coronavirus, makes no mention of possible cuts. Asked why SEPTA wasn’t specific on what’s at stake, Richards said it’s because the authority can’t say for sure — “our entire transit picture is still up in the air.” Asked whether riders have an understanding of its financial crisis, Richards said she’s “not sure.”

No SEPTA employees have been laid off as a result of the pandemic, according to the authority, though some temporary and contracted employees have been let go. Overtime benefits, eliminated in the spring, are now awarded “in some areas” while a 10% pay cut to SEPTA executives has been reversed, Richards said. SEPTA’s Cynwyd and Chestnut Hill West Regional Rail Lines remain suspended, while others continue to run on reduced schedules.

“We know that if there is not a funding relief or solution coming our way, our only choices will be to make cuts,” Richards said, who also said relief funds would be a “Band-Aid” as it faces deep-rooted funding issues.

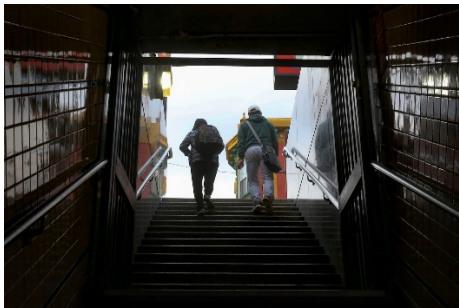
Beth Osborne, director of Transportation for America, believes a federal COVID-19 rescue bill that accounts for transit will come. When, is anyone’s guess, with difficult decisions to be made in the interim.

“Waiting is the same as not getting it,” Osborne said.

SEPTA “needs to step up and inform their riders” of whatever may come, said Yasha Zarrinkelk, who heads [Transit Forward Philadelphia](#), an advocacy coalition.

“You’re looking at essential workers losing access to jobs,” he said. “You’re looking at Black and brown residents losing access to essential services like health care, education, and just ways for them to be able to kind of escape out of poverty.”

‘Hit in all directions’



STEVEN M. FALK / STAFF PHOTOGRAPHER
People leave the Ellsworth stop on South Broad Street.

There are deep implications for whatever transit agencies decide, and public engagement will be critical.

“Once cuts are made, it is not a matter of just snapping back to normal as soon as you put your budget back together again,” said Ben Fried, spokesperson for TransitCenter, a New York City-based foundation that supports improving public transit.

Burnfield pointed to other agencies’ fiscal calendars as a reason that they may be able to say more at this time. The closer they are to presenting budgets, the more precise they can be with planning. SEPTA will share its capital and operating budgets for the upcoming fiscal year later next year.

“I don’t know how to describe it. It’s not a double whammy, but it’s like, we are in this situation where our funding in Pennsylvania is also in the balance,” Richards said. “It’s an awful situation to be in. So that’s why we can’t separate so much the pandemic vs. the long-term funding solutions because we’re being hit in all directions at the same time.”

Since the passage of Act 89 in 2013, the Pennsylvania Turnpike Commission has been obligated to send \$450 million a year to the Pennsylvania Department of Transportation to help support public transit. Of that, SEPTA sees about \$178 million annually.

Fewer drivers during the pandemic plummeted turnpike revenues, causing the commission to delay payments, and thus, SEPTA to slow some projects while it balanced both immediate and long-term uncertainty. The turnpike's obligation drops to \$50 million in 2022.

Turnpike commissioners recently approved a bond issue of up to \$550 million that will cover its two deferred payments and secure funding through the early part of next year. While SEPTA is "grateful," Richards said, "that does not solve [its] long-term issues."

TransitCenter has tried to anticipate [possible COVID-19 fallout on SEPTA](#) and other agencies. A 40% service cut would mean nearly 400,000 people would lose access to frequent transit where they live, [according to a recent study distributed](#) by TransitCenter and Transit Forward Philadelphia in September.

"SEPTA itself needs to be sounding that alarm," Zarrinkelk said. "And it needs to be coming from the management team over at SEPTA ... so that riders are aware of what is coming, and that it's not a surprise. It should never, ever be a surprise."

Posted: November 17, 2020 - 5:00 AM

[Patricia Madej](#) | [@PatriciaMadej](#) | pmadej@inquirer.com



BOARD OF DIRECTORS 2020

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AGENDA

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

WEDNESDAY, DECEMBER 2, 2020 – 2:30 pm

or immediately following Board meeting recess

1. Call to Order

MOTION

2. Approval of Minutes of Community Relations Committee Meeting of November 4, 2020
3. Approval of Appointments to the Measure W Citizens Oversight Committee

INFORMATIONAL

4. Accessible Services Update
5. Paratransit Coordinating Council Update
6. Citizens Advisory Committee Update
7. Quarterly Dashboard Report – July-September 2020
8. Multimodal Ridership Report – October 2020
9. Adjourn

Committee Members: Marina Fraser (Chair), Rose Guilbault, Josh Powell

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 (DISTRICT)
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF COMMUNITY RELATIONS COMMITTEE MEETING /
COMMITTEE OF THE WHOLE
NOVEMBER 4, 2020**

Committee Members Present: M. Fraser (Committee Chair), R. Guilbault, J. Powell

Committee Members Absent: None

Other Board Members Present Constituting Committee of the Whole: R. Collins,
K. Matsumoto, D. Pine, P. Ratto

Other Board Members Absent: C. Groom, C. Stone

Staff Present: J. Hartnett, C. Mau, J. Cassman, D. Olmeda, A. Chan, J. Brook,
D. Seamans

1. CALL TO ORDER

Committee Chair Marina Fraser called the meeting to order at 2:42 pm.

2. APPROVAL OF MINUTES OF COMMITTEE MEETING OF OCTOBER 7, 2020

Motion/Second: Ratto/Powell

Ayes: Collins, Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto

Noes: None

Absent: Groom, Stone

3. ACCESSIBLE SERVICES UPDATE

Tina Dubost, Manager, Accessible Transit Services, said that a telephone customer satisfaction survey was recently conducted and the results would be available in January 2021.

4. PARATRANSIT COORDINATING COUNCIL UPDATE (taken out of order after Item 5 due to technical issues)

Ben McMullan, PCC Chair, said that the PCC was present at the virtual Transition to Independence Fair on October 24 and he noted that they submitted a video highlighting the paratransit service and the PCC.

5. CITIZENS ADVISORY COMMITTEE UPDATE (taken out of order before Item 4)

John Baker, Vice Chair, Citizens Advisory Committee, gave a summary of the October 28 meeting, which included a budget presentation, concern regarding future bus operator recruitment and pay, and said that he was looking forward to ECR Rapid and express buses returning when conditions improve.

6. MULTIMODAL RIDERSHIP REPORT – SEPTEMBER 2020

David Olmeda, Chief Operating Officer/Bus, said the report was in the packet.

Chair Karyl Matsumoto asked which riders were included in the eligible discount category. Mr. Olmeda said during the pandemic, the eligible discount population became larger, and included seniors.

Committee Member Rose Guilbault asked how the District will determine the tax subsidy program's effectiveness at the end of the pilot period. Gwen Buckley, Senior Planner, said they had 120 people enrolled and that they would do a comprehensive evaluation of the program in January, which they would then present to the Board in February.

7. ADJOURN

The meeting adjourned at 2:55 pm.

An audio/video recording of this meeting is available online at www.samtrans.com. Questions may be referred to the District Secretary's office by phone at 650-508-6242 or by email to board@samtrans.com.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **MOTION TO APPOINT MEMBERS TO THE MEASURE W CITIZENS OVERSIGHT
COMMITTEE**

ACTION

Staff proposes that the Committee recommend the Board appoint the following members to the Measure W Citizens Oversight Committee (COC), representing associated stakeholder categories specified in Measure W:

Mary Adler	SamTrans Citizens Advisory Committee(CAC)
Mario Rendon	San Mateo County Transportation Authority (TA) CAC
Adrian Brandt	Caltrain CAC (representing San Mateo County)
Malcolm Robinson	City/County Association of Governments of San Mateo County Bicycle and Pedestrian Advocacy Committee (C/CAG BPAC) (public member)
Lauren Bennett	Private-sector Employers
Julie Lind Rupp	Organized Labor
Jeff Londer	Environmental or Sustainability Related Organization
Alexander Madrid	People with Disabilities
Ethan Mizzi	Youth Transit Riders
Sandra Lang	Senior Community
Liza Normandy	County Supervisorial District One
Rich Hedges	County Supervisorial District Two
Adina Levin	County Supervisorial District Three
Roseanne Foust	County Supervisorial District Four
Eduardo (Lalo) Gonzalez	County Supervisorial District Five

BACKGROUND

Measure W was approved by San Mateo County voters in November 2018. The Measure authorizes the collection of a countywide one-half-cent retail transactions and use tax for a period of 30 years beginning on July 1, 2019.

Proceeds from the tax will be invested according to the Measure W Congestion Relief Plan, which was created through a nearly year-long community engagement process and based on feedback from thousands of county residents and community

stakeholders. The Congestion Relief Plan establishes five investment categories to address multi-modal transportation and mobility needs throughout the county.

Measure W requires that a 15-member COC, comprised of one member or representative of each of the stakeholder groups/communities identified above, be formed to “ensure tax proceeds are invested in a way that is consistent with the Congestion Relief Plan.” The COC will receive an independent auditor’s annual report on the receipt and expenditure of tax proceeds, hold a public hearing and issue a report annually regarding how tax proceeds are being spent.

BUDGET IMPACT

There is no impact on the budget.

SIGNIFICANCE

The Board of Directors adopted a COC appointment process on February 5, 2020 by Resolution 2020-2. Consistent with that process, the COC application period was open between September 30, 2020 and October 31, 2020. Multiple outreach methods were utilized to promote the application process, including: a press release; emails to a list of stakeholders, community based organizations, and elected officials; a posting on the District website; presentations to the SamTrans, Caltrain and TA CACs, C/CAG BPAC, and the San Mateo County Youth Commission; and social media posts (Instagram, Linked, Facebook, Twitter).

Applications could be submitted on the District website or by email or mail. Applicants specified which of the 15 seats they were applying for and their qualifications for the position. Applicants were encouraged to apply for any/all seats they were eligible to fill, ranking their choices if multiple seats were selected. A total of 28 applications were received.

Terms for COC positions will be staggered. The length of each appointee’s initial term will vary, with no term exceeding three years. Five members each will serve initial terms of one year, two-years or three-years. Subsequent terms will be three years for all members.

The following one-, two- and three-year initial terms were selected utilizing an online randomized group selection tool, *Random Team Generator* (<https://www.randomlists.com/team-generator>):

1-Year Initial Terms: Organized Labor, Youth Transit Riders, Private Sector Employers, County Supervisorial District 1, Supervisorial District 2

2-Year Initials Terms: Senior Community, SamTrans CAC, Caltrain CAC, Supervisorial District 4, Supervisorial District 5

3-Year Initial Terms: People with Disabilities, C/CAG BPAC, TA CAC, Environment or Sustainability Organization, Supervisorial District 3

Prepared By: Amy C. Linehan, Public Affairs Specialist

650-418-0095

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: David Olmeda
Chief Operating Officer, Bus

SUBJECT: **ACCESSIBLE SERVICES UPDATE**

ACTION

This item is for information only. No 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 Policy Advocacy and Legislative Committee (PAL-Committee) is the advocacy arm of the PCC.

The PCC and the PAL meet monthly (except for August).

Minutes from the October 2020 PAL and PCC meetings are attached to this report.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

No Additional Information.

Prepared By: Tina Dubost, Accessible Transit Services 650-508-6247
Project Manager: Tina Dubost, Manager, Accessible Transit Services 650-508-6247

SAN MATEO COUNTY
PARATRANSIT COORDINATING COUNCIL (PCC)
Minutes of October 13, 2020 Meeting

ATTENDANCE:

Members:

Susan Capeloto, Dept. of Rehabilitation; Dinae Cruise, Vice Chair, Consumer; Tina Dubost, SamTrans; Nancy Keegan, Sutter Health/Senior Focus; Sandra Lang, Community Member; Mike Levinson, Consumer, PAL Chair; Benjamin McMullan, Chair, CID; Sammi (Wilhelmina) Riley, Consumer; Marie Violet, Dignity Health.
(Member attendance = 9/13, Quorum = Yes)

Guests:

Lynn Spicer, First Transit/Redi-Wheels; Jane Stahl, PCC Staff; Patty Talbott, First Transit/Redi-Wheels; Richard Weiner, Nelson\Nygaard; Alex Madrid, Consumer; David Scarbor, SamTrans

Absentees:

Valerie Campos, Vista Center; Monica Colondres, Community Advocate; Judy Garcia, Consumer; Scott McMullin, CoA

WELCOME/INTRODUCTIONS:

Chair Ben McMullan called the meeting to order at 1:35pm. The meeting was held via Zoom conference call service and a roll call taken.

APPROVAL OF SEPTEMBER MINUTES:

Dinae Cruise moved to approve the September meeting minutes; Sammi Riley seconded the motion; the minutes were approved. No abstentions.

DISCUSSION OF BALLOT PROPOSITIONS

Measure RR

Chair Ben McMullan called for a Special Meeting of the PCC to discuss Measure RR on the November ballot. This measure would impose a 1/8th cent sales tax for 30 years in San Francisco, San Mateo, and Santa Clara counties. The meeting was scheduled for Thursday, October 14th at 3pm via Zoom.

(Note: The Special Meeting was held with a quorum of members. The attendees voted 7 in favor with 1 abstention to vocalize support for Measure RR. Ben subsequently contacted the Friends of Caltrain and advised them of the PCC's support.)

PROPOSITION 22

This proposition would exempt certain app-based companies (like Uber and Lyft) from providing the full employee benefits required under AB5. Richard Weiner provided an overview of the arguments in favor and against the proposition.

Background: AB5 went into effect on 1/1/20 and reclassified independent contractors employed by Uber, Lyft and other companies as employees. This has major implications for benefits, overtime, etc., and several affected companies drafted Proposition 22 to provide an exemption for companies that have app-based drivers. The proposition includes some health coverage and reimbursement of expenses.

- If Proposition 22 passes, the service provided by Uber and Lyft may not change substantively in terms of its impacts on riders, but would negatively impact drivers wages and benefits.

If it fails, the picture is less certain:

- It will cost the companies more money and this will likely be shifted to the customers
- Companies might start training drivers to serve people with disabilities because until now they have been reluctant to train drivers because it could give the impression that they are employees
- They could direct drivers not to serve lower density areas as a way of maintaining profits, and this could result in longer wait times in rural areas
- Ambulatory riders may be more impacted as costs might be shifted to them
- Non-ambulatory riders may not be impacted as drivers are serving agencies that are helping to subsidize the costs
- They may be more willing to invest in partnerships with transit agencies as this is a source of subsidized trips
- They will be forced to pay local wages and this business model may not be viable.

Mike Levinson pointed out that this proposition only applies to drivers not to other job categories in AB5. Some companies are threatening not to continue service if it doesn't pass.

While companies have threatened to leave California if Prop 22 doesn't pass, in Austin, TX Lyft threatened to leave but they did return. It would also equalize service with taxis.

Ben asked how would this affect SB 1376? Richard stated that if Prop 22 fails there might be an impact on the volume of overall TNC trips provided so the amount of funding could go down.

COMMITTEE REPORTS:

Policy/Advocacy/Legislative (PAL) – Mike Levinson, Chair

See page 11.

Grant/Budget Review – Nancy Keegan, Chair

Nancy shared that the Executive Committee had approved Sammi Riley to Chair the Grant and Budget Review Committee.

Sammi had emailed the final budget for 2019-20 and the budget for 2020-21 to PCC members that morning and reviewed it at the meeting. (Note: The spreadsheet is attached to these minutes.)

The budget for Nelson\Nygaard is \$48,000 for 2020 and the balance remaining was \$39,000 at the beginning of October, due to reduced costs associated with meetings. At this rate Richard stated that it is likely that Nelson\Nygaard will be able to finish out the full year of the contract term. Sandra wanted to know where the Nelson\Nygaard amount was included in the budget; Tina thought it was under ADA Related Wages

and Benefits. Nancy Keegan asked where that funding came from and Tina responded that it is from TDA funds from MTC. Mike clarified that the SamTrans Board approves the budget.

Education – Sammi Riley, Chair

Sammi reported that the committee had last met on September 4th. In the interim, they had worked on a video for the Transition to Independence Fair on October 24th from 11am-1pm. The video will remain on the Fair website for a year. Sammie thanked Marie, Mike, Dinae, Ben, Jane and Scott for their assistance and showed the video to the group.

Alex thought the video should be on the SamTrans and PCC websites; the intent is to add it to the PCC website.

The next meeting will be on Friday, November 6th at 1pm.

Executive – Benjamin McMullan, Chair

Ben reported on the October 6th meeting:

- Sammi Riley will now be Chair of the Budget and Grant Review Committee
- Nancy is planning a Membership Committee meeting on October 9th
- The committee sent a letter to Lisa Mancini regarding transportation to COVID testing sites
- Sammi reported on the video made by the Education Committee
- Richard reported on support provided to SRAC (Service Review Advisory Committee) by the transit agencies in the East Bay
- Sandra reported on items from the 9/29 meeting of the Citizens Advisory Council of the Transportation Authority
- The committee discussed the paratransit survey and the number of respondents
- A decision was made to hold a Special Meeting regarding Measure RR

The next meeting is on Tuesday, November 3rd, at 1pm.

Nominations/Membership – Nancy Keegan, Chair

Nancy reported that she had asked Dao Do at Rosener House to join the PCC. A membership application was received from Alex Madrid that will be reviewed at the next Executive Committee meeting.

When the committee met, they came up with ideas to engage new members. They are working on sending out information about the PCC to various agencies and organizations and will be reaching out for assistance from other PCC members. At the same time, they will seek more participants for the Consumer Comments section of the meeting.

CONSUMER COMMENTS

None.

OPERATIONAL REPORTS

This information is covered in the PAL committee meeting.

PERFORMANCE SUMMARY

Tina reported that total ridership for September was down 65% compared with the same period last year which is broadly similar to ridership trends on SamTrans and at other paratransit agencies. Average weekday ridership was estimated at 364 people. Subscription trips declined less than advanced reservation trips, partly because many of these are essential medical trips. There were no agency trips. Ridership has been gradually increasing as more locations open up but August and September numbers were affected by the bad air quality. No shows and cancels are still low. Overall, there are more people riding (but on average they are taking fewer trips), the inter-county transfer trips are up, the on-time performance is excellent, the percentage of taxis is low, and productivity is 1.09 passengers per hour which is low but expected.

Richard commented that the number of riders has doubled since the beginning of the COVID period, which is a positive sign.

COMMENT STATISTICS REPORT

Tina reported on comments received in August. There were again fewer total comments and most were consumer reports vs comment cards. The response time was longer due to staff shortages (17 days vs. the 7-day standard). The most common source of complaints was late trips.

SAFETY REPORT

Patty reported that there were four incidents in September, all on Redi-Wheels and all minor. Two were preventable and two were non-preventable.

LIAISON REPORTS

Agency – Nancy Keegan

Nancy reported they had not held a meeting and that no adult day service centers are due to resume operation any time soon.

ERC – Mike Levinson

No report and no meetings are planned.

Center for Independence (CID) – Ben McMullan

They are still working with the CARES team on how to best serve the community. They are responding to PSPS shutoffs to help people who use durable medical equipment and AT equipment. The PG&E website has information on shutoff areas and schedules.

Commission on Disabilities (CoD) – Ben McMullan

Ben reported that they are discussing a partnership between CID and CoD for advocacy and how to effectively partner. They are forming a committee to look at website accessibility and ensure that CoD's site is fully accessible.

Commission on Aging (CoA) – Scott McMullin

In Scott's absence, Sandra reported that, at the last meeting, Lisa Mancini talked to the group about the Great Plates Delivered program and concerns about isolation.

Coastside Transportation Committee (CTC) – Tina Dubost

Tina reported that they are continuing to offer service on the Coast. There will be a meeting on October 20th via Zoom. Contact Tina if you are interested in attending.

Citizen's Advisory Committee for the San Mateo County Transportation Authority (TA) – Sandra Lang

Sandra reported that the meeting contained information on construction projects, capital expenditures, and reports from member communities. The next meeting will be held on November 3rd.

OTHER BUSINESS

Jane gave the Consumer Corps report for 3Q2020 (the report is on the PCC website). The number of forms submitted was small but showed the following:

- On time performance was higher
- Night before calls and same day reminder calls were down.
- Driver assistance was up.
- Only 50% of riders report seeing Comment Cards on the vehicles. None of the riders on RediCoast reported seeing Comment Cards. Dinae advised that there is no place for the cards; riders have to ask the driver for a card.

Richard commented that the reduced number of submissions could also be attributed to air quality.

The next meeting will be on November 10th at 1:30pm. The meeting adjourned at 3:38pm.

Minutes of Policy/Advocacy/Legislative (PAL) Meeting – Mike Levinson, Chair

The minutes from the September PAL meeting were included in the meeting packet; Ben McMullan moved to approve; Sammi Riley seconded the motion; the minutes were approved.

Legislative Update

Ryan McCauley, SamTrans Government Affairs Specialist, gave a legislative update.

Caltrain ridership is at 5% of normal and they are running 70 trains per day (92 pre COVID). SamTrans ridership is 30% of pre COVID. Fare collection resumed in August.

The SamTrans Board of Directors designated October as Disability Awareness Month.

Federal Government:

There is an impasse on another COVID relief package. Earlier, the House of Representatives passed the \$2.2T package called the Heroes Act; in May the Senate released their Heal Package that was smaller. Speaker Pelosi and Treasury Secretary Munchin were negotiating a package but the President suspended all negotiations to allow the Senate time to confirm a new Supreme Court justice before the November election. He tweeted that a \$1.8T package would be going forward but Senate leader McConnell said that this would not be considered until after the Justice was confirmed. On September 30th a stop-gap funding measure passed keeping the government running through December 11th. Congress is expected to take up this funding after the election. Funding for the Department of Transportation was included in a \$1.3T package and the Fast Act that includes \$13.6B Highway Trust Act was reauthorized.

State Government:

- The legislature returned on July 27th for a month. This was the final time to get bills to the Governor's desk for signature. The Governor signed the 2020-21 budget with modifications. This was meant to address a \$54B budget deficit.
- Approximately 500 bills were sent but the Governor had previously announced that only bills dealing with the COVID crisis would be considered.
- SB288 CEQA exemptions for transportation project was supported by the SamTrans Board of Directors and was signed by the Governor.
- SB1159 provided worker's compensation due to COVID was signed by the Governor.
- SB1351 created the Transportation Improvement Fee Finance Committee was vetoed by the Governor.
- AB107 to allow flexibility to agencies for SB1 funds was signed by the Governor.

Four of the 5 San Mateo County legislators are up for re-election in November.

Ryan thought he would return in February or March to give another update.

Richard asked if Proposition 22 was discussed at the SamTrans Board meeting, but Mike didn't think it was.

Local Advocacy

Alex asked if the PCC Consumer Corps might be suspended as so few people are riding paratransit. Although things have changed, the program is continuing and the data is being tracked with a smaller sample. Committee members expressed significant support for continuing the Consumer Corps, expecting that submissions will go up as ridership starts to increase. Jane reported that there were 61 reports for the 3Q2020 as opposed to hundreds pre-COVID. Lynn Spicer reported that the number of paratransit riders has stayed about even over the past few months.

Policy Issues

Tina reported that the COVID-19 pandemic shows how much people rely on Redi-Wheels and thanked the staff for their efforts during this time.

SamTrans has adopted the Healthy Bay Area Transit Plan that includes frequent vehicle cleaning, drivers and customers wearing masks, social distancing and touchless fares. Flyers are being placed in vehicles and measures for paratransit service include:

- Requiring drivers and passengers to wear masks
- Daily vehicle cleaning with EPA-approved products
- Electrostatic fogging of buses
- Drivers are provided with masks, hand sanitizer and gloves
- Wiping high-touch areas with CDC-approved products on paratransit three times a day
- Managing social distancing

With the lower ridership fewer taxis are being used. Ridership is still down about 65% compared to the same month last year. September was lower because of the air quality. Paratransit is available for any trip purpose.

They are still accepting paper applications for Redi-Wheels eligibility.

Every three years, SamTrans conducts a customer satisfaction survey for Redi-Wheels and RediCoast services. Respondents are randomly selected and surveys will occur between 10/14 and 10/21.

San Mateo County is recruiting members for a Measure W Oversight Committee to review the program. [The application can be found here](#) and the deadline is October 30th.

The Planning Department is coordinating a "Ride Now" subsidized taxi pilot program for seniors and people with disabilities in San Carlos, Redwood City, and North Fair Oaks. Over 100 people have signed up to use the program.

Caltrain is getting new electric train cars and a virtual walk-through [can be viewed here](#).

The SamTrans Board of Directors voted to participate in an MTC program called "Clipper START" for low income adults to ride SamTrans for 50% fare discount. Caltrain and other agencies are participating. However, seniors and persons with a disability

should get a Senior Clipper Card or an RTC card as this gives a 50% discount throughout the greater Bay Area, and some agencies are only giving a 20% discount on the Clipper START program.

In June and July, SamTrans conducted an online survey on how SamTrans passengers are responding to COVID. There were 556 completed surveys that showed that customers had a strong desire to ride but are uncertain about the timing. Only 24% said they are riding the same amount or more as before the pandemic. Others are riding less or not at all. The most important safety measure that people wanted was face coverings. There is a strong appreciation for SamTrans and a strong desire for SamTrans to continue to operate. Of those who are riding "less" or "not at all", 36% changed to driving and 33% are not travelling. 60% of the respondents are using SamTrans to get to work. 56% said they don't know when they will feel comfortable riding SamTrans. When they do come back, 50% said they will ride the same or more. Most riders do plan to return but don't know when.

Alex asked if school had resumed in San Mateo County as this affects ridership. Most of the schools are doing remote schooling and the Planning Department is looking at how to provide service. There's currently a lot of uncertainty about schools reopening. Jane mentioned an article in the *San Mateo Daily Journal* on this.

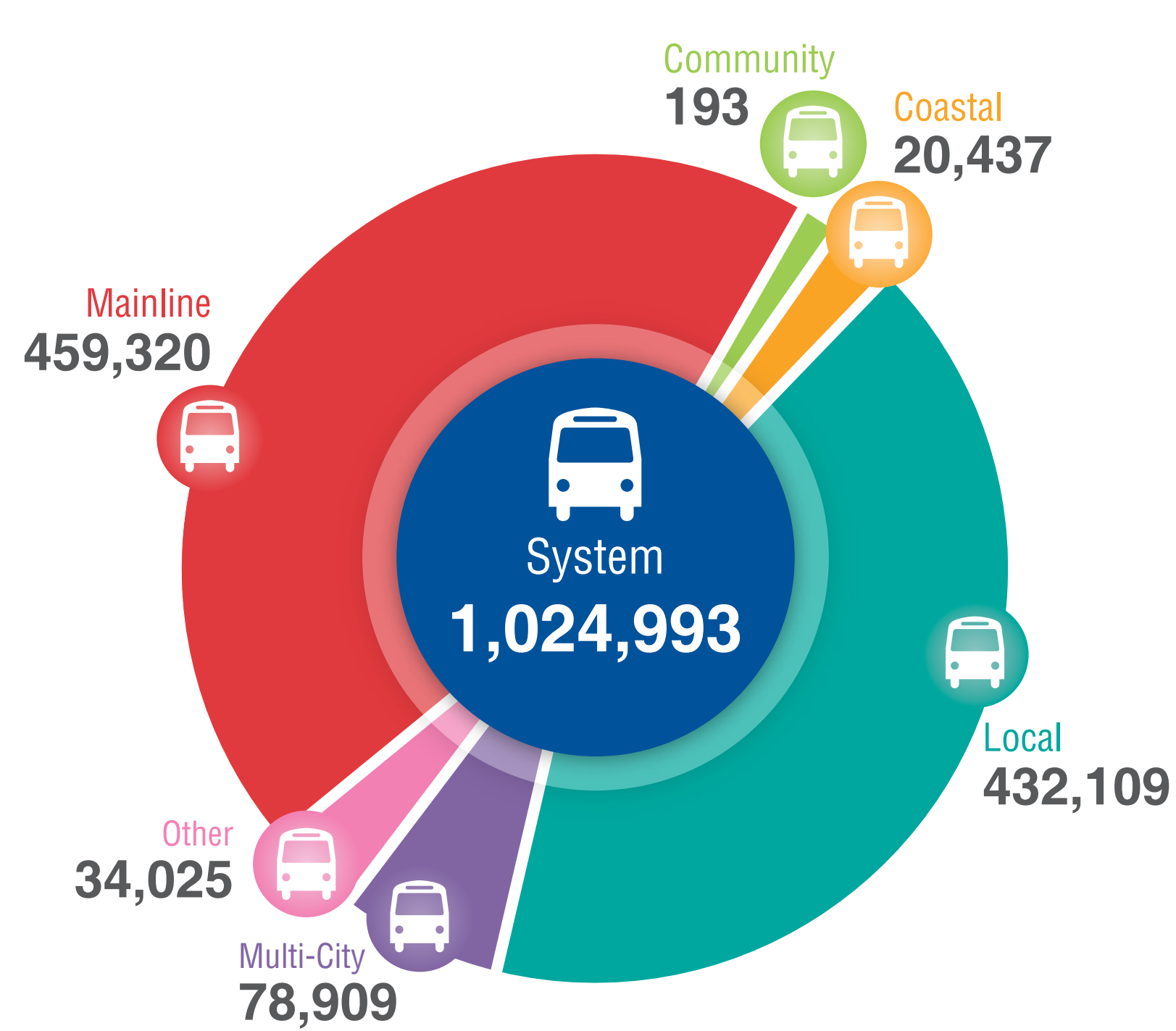
The next PAL meeting will be on November 10th.



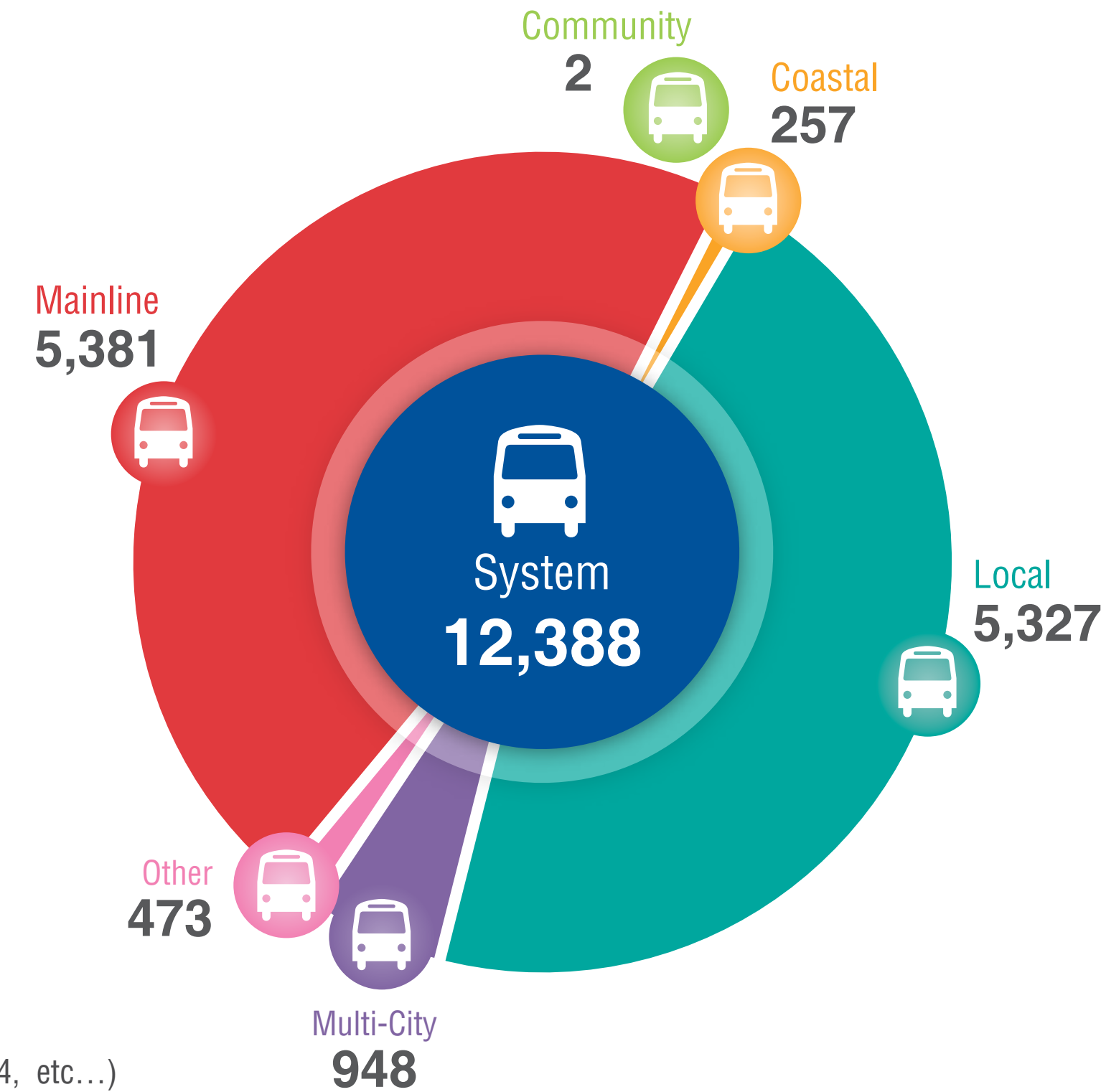
FY21 SamTrans Service Statistics

Quarterly Report (July - Sept)

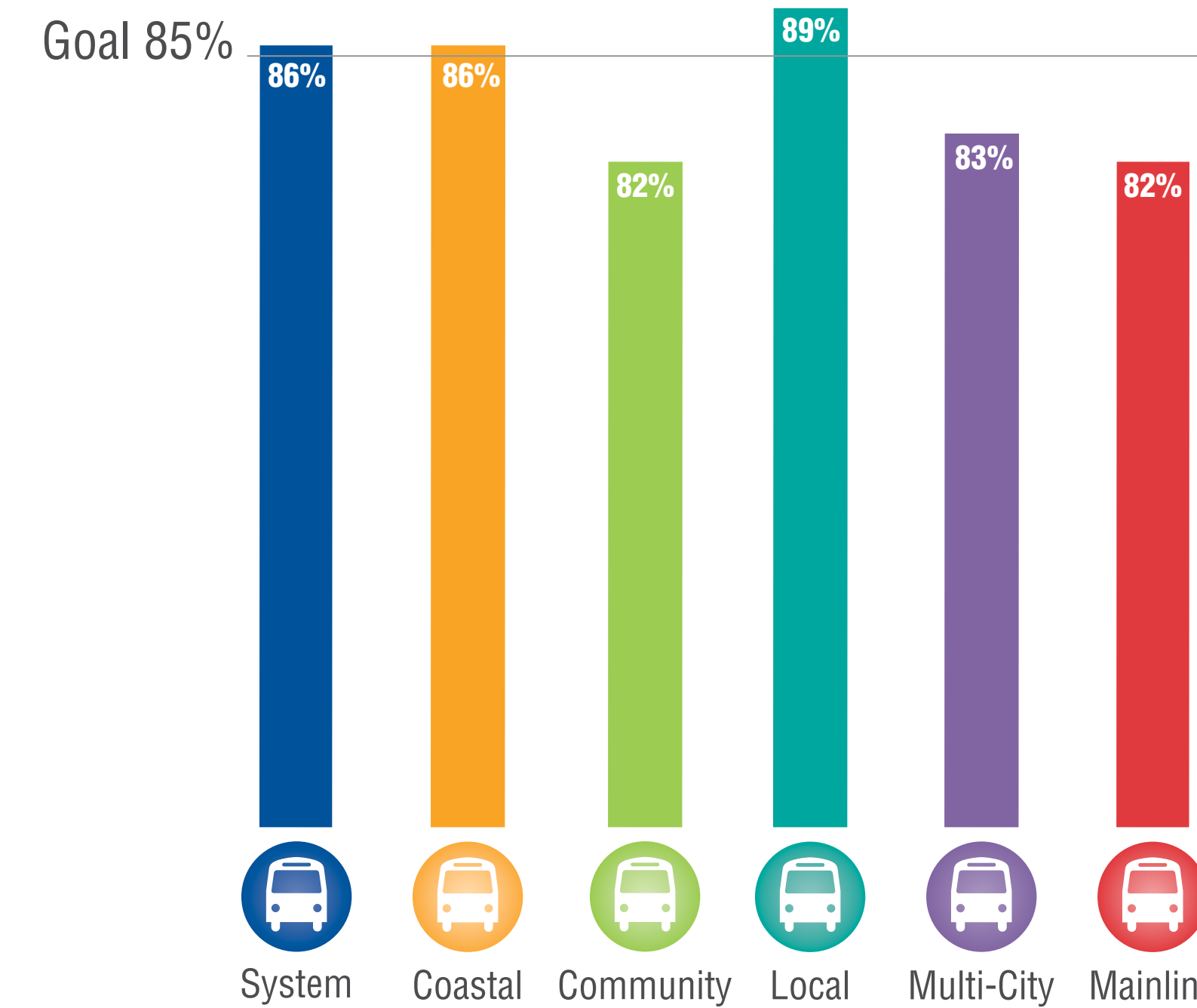
TOTAL PASSENGERS



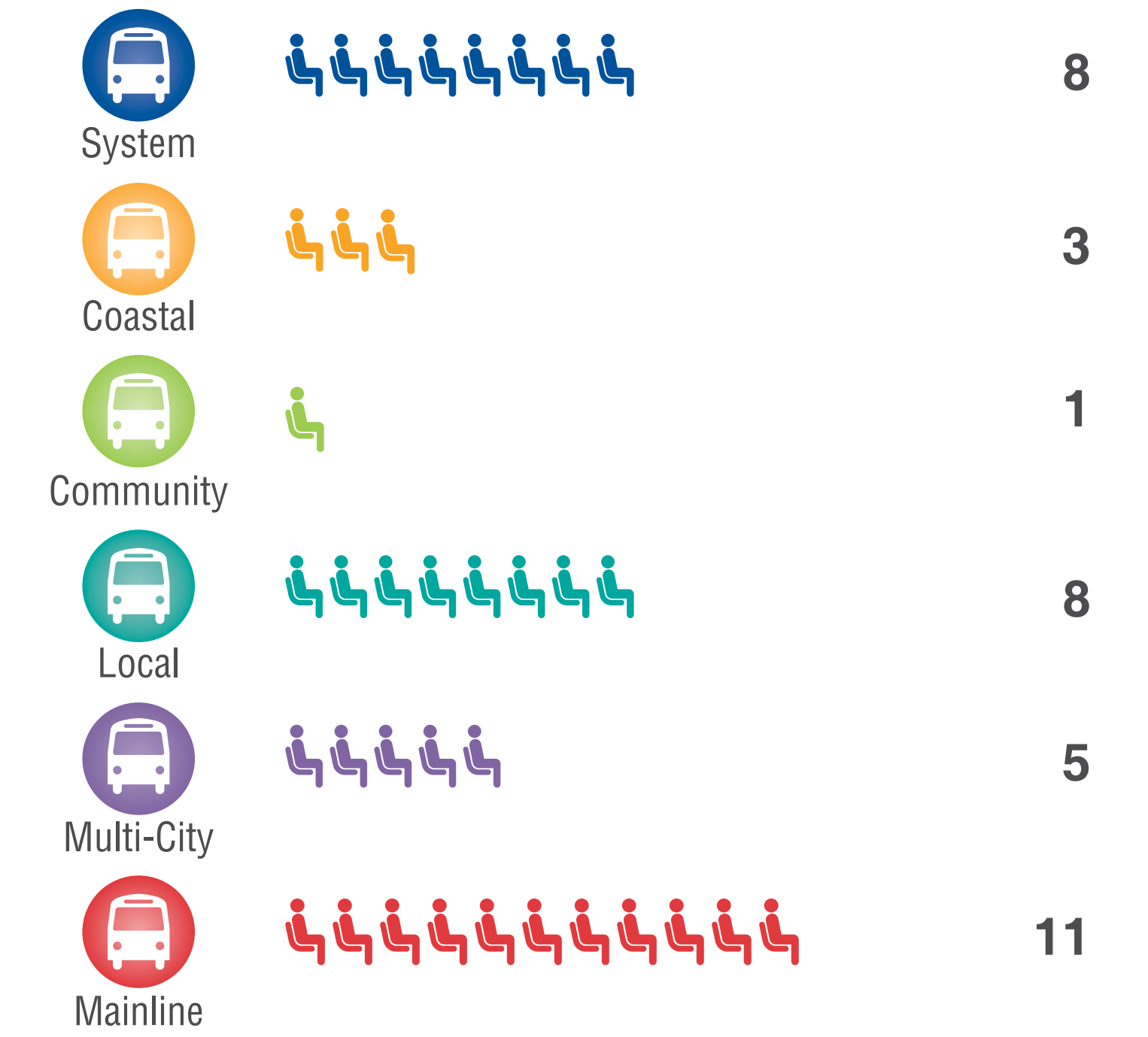
AVERAGE WEEKDAY RIDERSHIP



WEEKDAY ON-TIME PERFORMANCE



WEEKDAY PASSENGERS/VEHICLE REVENUE HOUR



Coastal: Routes serving the coast community – from Half Moon Bay to Pacifica. (Routes 17, 294, etc...)
Community: Infrequent, community-specific routes which do not operate during off-peak hours. (Route 38)
Local: Routes designed to carry passengers between major passenger hubs, employment centers, and residential neighborhoods. (Routes 110, 120, 250, 280, etc...)

Multi-City: Routes serving multiple cities, including some offering express or late-night service. (Routes 295, 398, FCX, etc...)
Mainline: Long-distance routes serving significant portions of the county, generally at higher frequency. (Routes 292 & ECR)
Other: Trippers, standby routes, and bus bridges. OTP and Passengers/VRH are not tracked for this category.

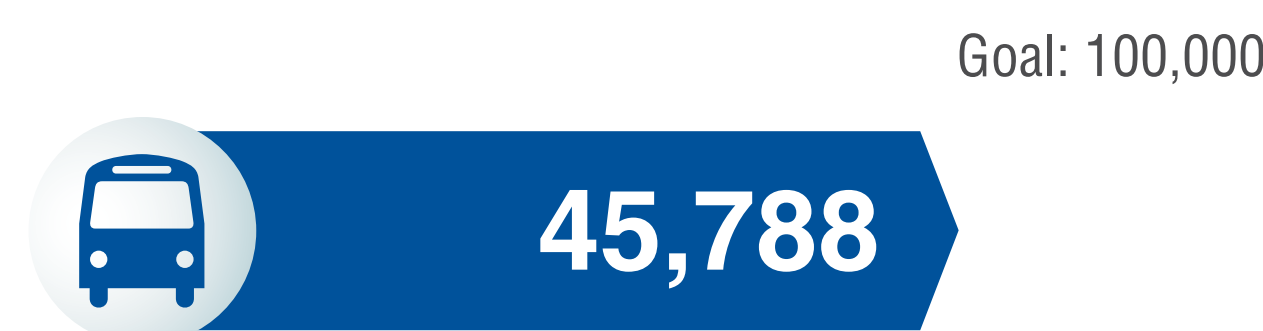
TOTAL MILES TRAVELED



PREVENTABLE ACCIDENTS



MILES BETWEEN PREVENTABLE ACCIDENTS



SERVICE CALLS



MILES BETWEEN SERVICE CALLS



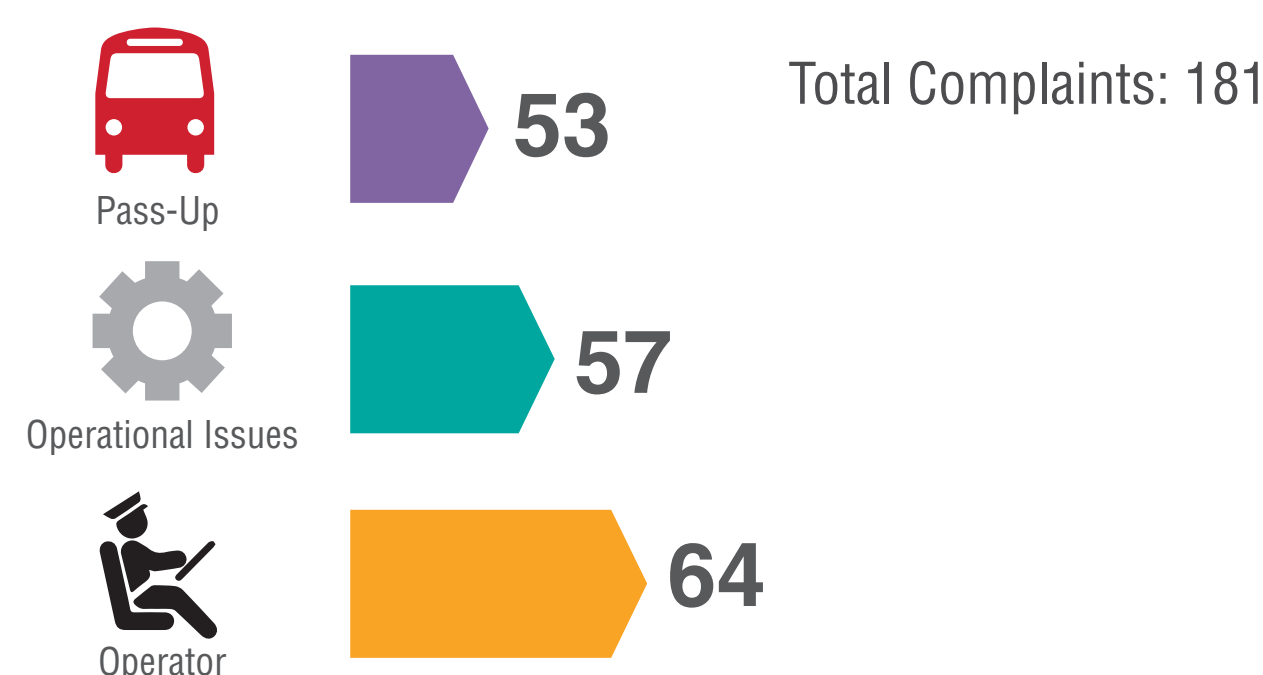
DID NOT OPERATE



DID NOT OPERATE/100,000 Trips



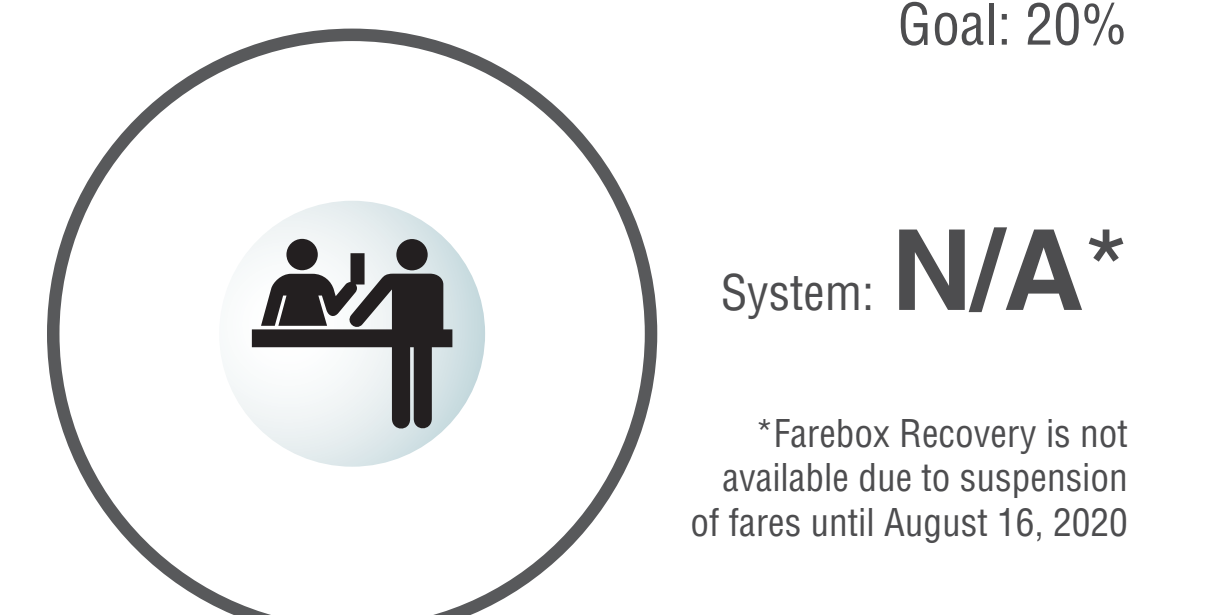
TOP 3 COMPLAINTS



COMPLAINTS/100,000 Boardings



FAREBOX RECOVERY RATIO



**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: David Olmeda April Chan
Chief Operating Officer, Bus Chief Officer, Planning/Grants/TA

SUBJECT: **MULTIMODAL RIDERSHIP REPORT – OCTOBER 2020**

ACTION

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

SIGNIFICANCE

Ridership across all modes remains significantly below historical averages as the pandemic continues to affect our communities. Although ridership has increased since April 2020, it remains stagnant due to limited reopening, and the continuation of distance learning for schools and colleges.

The average weekday ridership across all modes declined by 85.3 percent in the month of October 2020 compared to October 2019. The performance of each mode is as follows: average weekday ridership for Bus (-64.7%), Paratransit (-65.2%), Shuttles (-87.8%), Caltrain (-94.5%), and BART (-88.9%).

The total ridership across all modes for the month of October 2020 declined by 84.2 percent compared to October 2019. The performance of each mode is as follows: total monthly ridership for Bus (-62.3%), Paratransit (-65.2%), Shuttles (-88.2%), Caltrain (-94.0%) and BART (-88.6%).

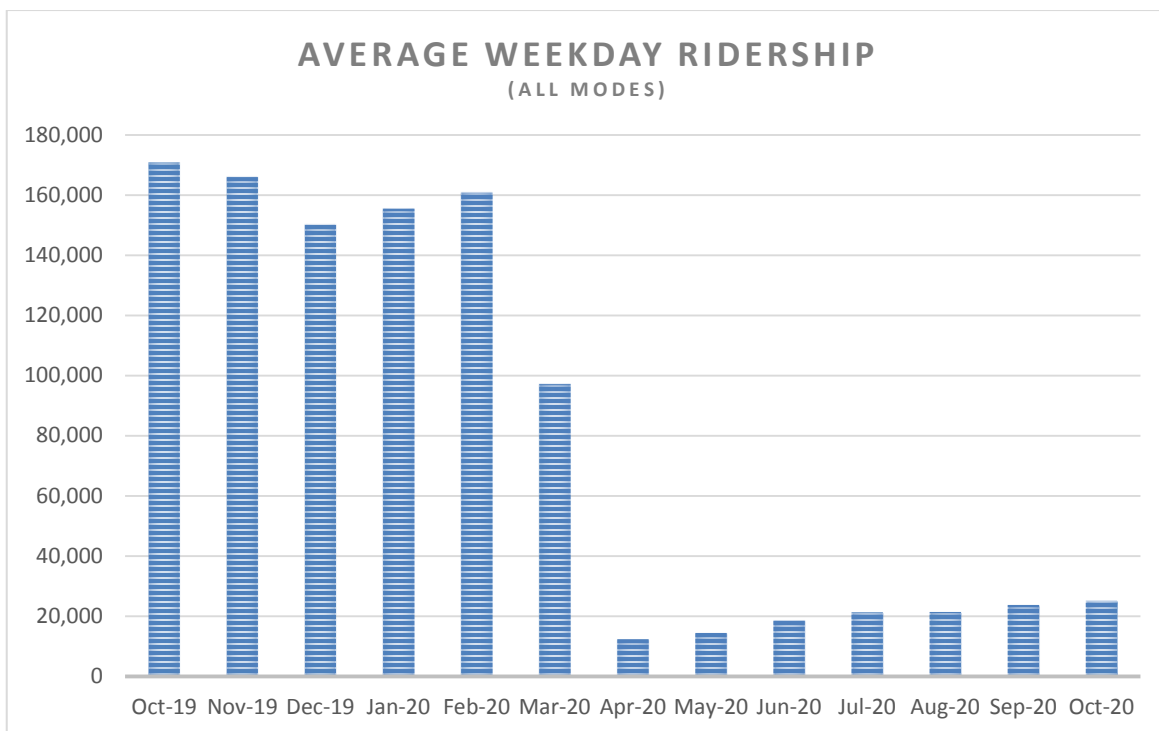
AVERAGE WEEKDAY RIDERSHIP (AWR): October 2020 compared to October 2019

**Table A
Average Weekday Ridership**

October 2020 Average Weekday Ridership				
Mode	FY2019	FY2020	FY2021	Percent Change
Bus	39,120	39,740	14,020	-64.7%
Paratransit	1,210	1,150	400	-65.2%
Shuttles	12,340	12,770	1,560	-87.8%
Caltrain	66,350	70,360	3,870	-94.5%
Subtotal	119,010	124,010	19,850	-84.0%
BART Extension (No Daly City)	48,100	46,810	5,200	-88.9%
Grand Total	167,110	170,820	25,040	-85.3%
Weekdays	23	23	22	

October 2020 Year-to-date				
Mode	FY2019	FY2020	FY2021	Percent Change
Bus	36,520	37,190	12,710	-65.8%
Paratransit	1,210	1,150	390	-66.1%
Shuttles	11,510	12,100	1,530	-87.4%
Caltrain	69,900	71,200	3,620	-94.9%
Subtotal	119,130	121,630	18,250	-85.0%
BART Extension (No Daly City)	48,020	46,900	4,600	-90.2%
Grand Total	167,160	168,530	22,850	-86.4%

Chart A



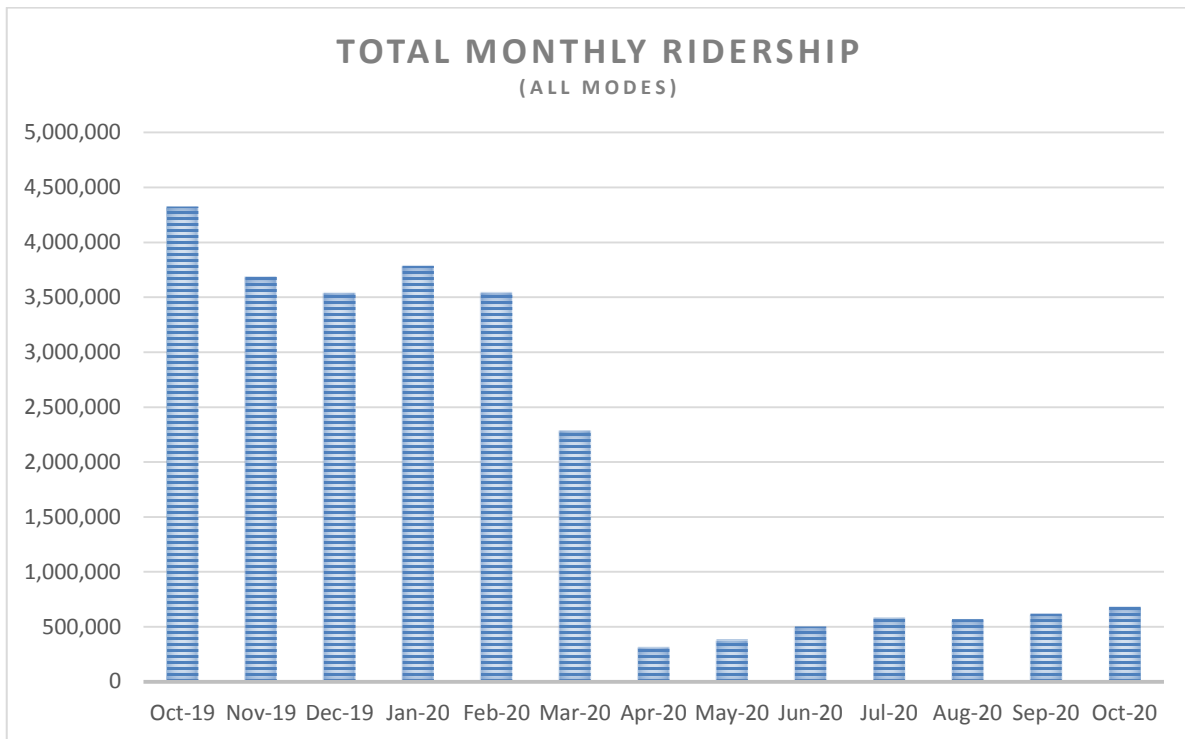
MONTHLY TOTAL RIDERSHIP: October 2020 compared to October 2019

Table B
Total Monthly Ridership

October 2020 Total Monthly Ridership				
Mode	FY2019	FY2020	FY2021	Percent Change
Bus	1,039,590	1,057,470	398,250	-62.3%
Paratransit	31,560	29,910	10,400	-65.2%
Shuttles	283,810	292,880	34,540	-88.2%
Caltrain	1,625,050	1,726,440	103,540	-94.0%
Subtotal	2,980,010	3,106,700	546,720	-82.4%
BART Extension (No Daly City)	1,270,000	1,218,010	138,570	-88.6%
Grand Total	4,250,000	4,324,720	685,290	-84.2%
Weekdays	23	23	22	

October 2020 Year-to-date				
Mode	FY2019	FY2020	FY2021	Percent Change
Bus	3,755,310	3,826,300	1,427,350	-62.7%
Paratransit	119,210	115,630	40,420	-65.0%
Shuttles	1,003,330	1,063,810	132,810	-87.5%
Caltrain	6,498,110	6,687,280	379,610	-94.3%
Subtotal	11,375,960	11,693,010	1,980,190	-83.1%
BART Extension (No Daly City)	4,850,960	4,739,580	481,510	-89.8%
Grand Total	16,226,910	16,432,600	2,461,700	-85.0%

Chart B



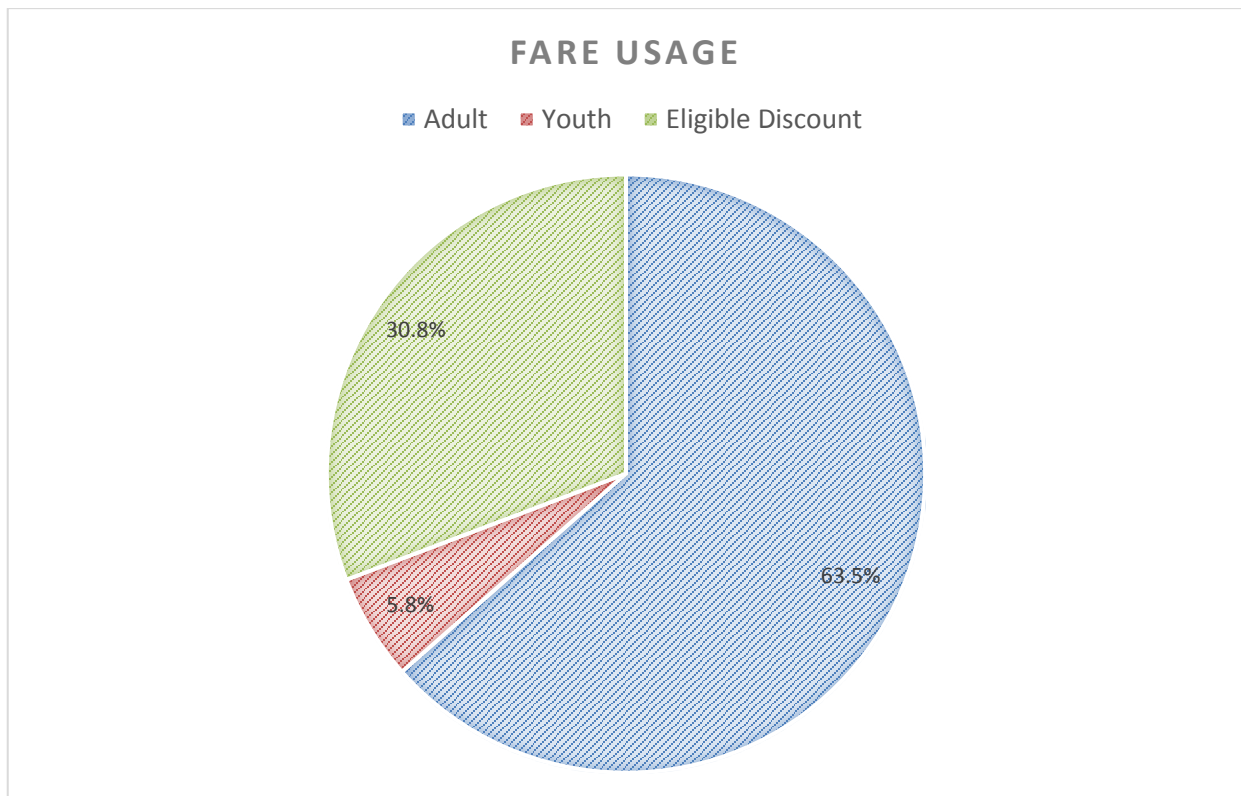
SAMTRANS BUS FARE USAGE: October 2020

Table C illustrates the number of riders by fare category for the month of October 2020, 2019 and 2018. The ridership numbers in this table do not include Dumbarton Express ridership and the rural demand-response service.

Table C
Bus Riders by Fare Category

Fare Category	October 2018	October 2019	October 2020
Adult	510,681	544,817	251,971
Youth	260,075	245,634	22,830
Eligible Discount	265,188	265,986	122,157
Total	1,035,944	1,056,437	396,958

Chart C

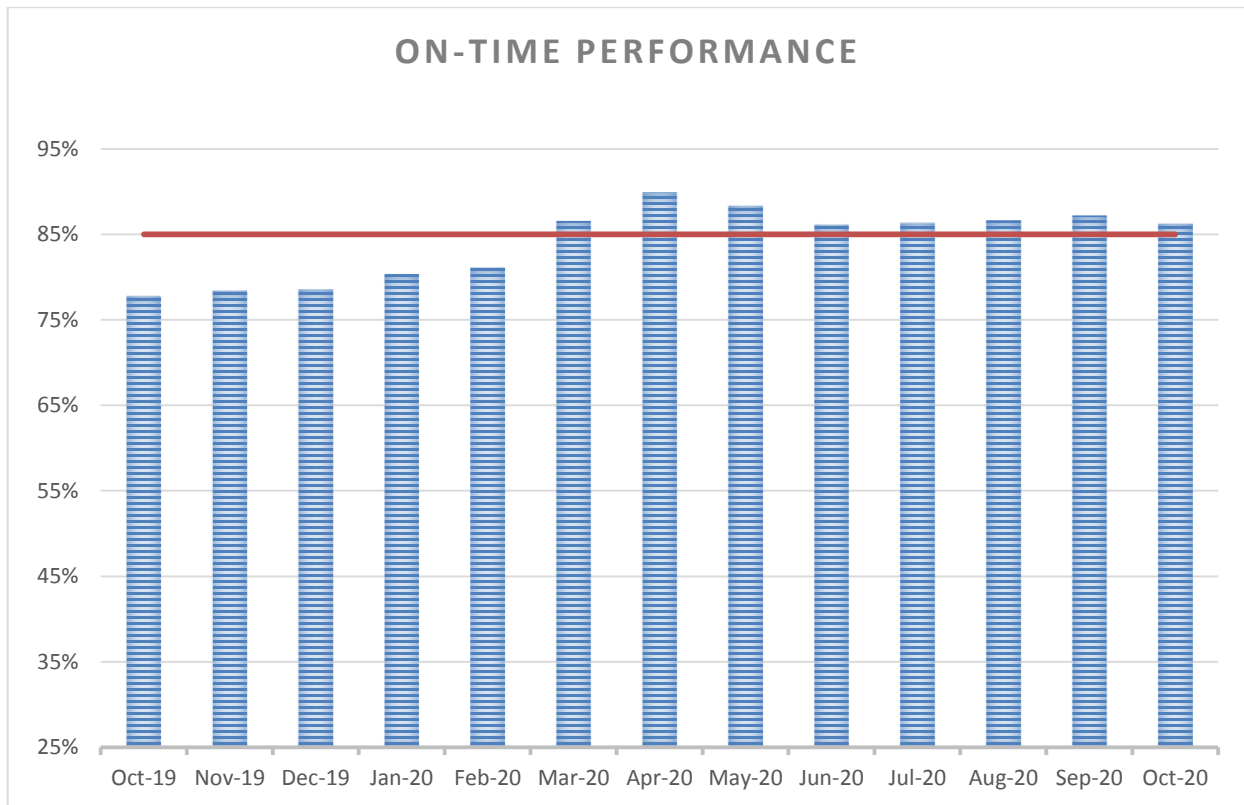


SAMTRANS ON-TIME PERFORMANCE: October 2020

On-Time Performance (OTP) is calculated by evaluating all the time points within the route's schedules across the system for late, early, and on-time arrival and departure. A route is considered *late* if it exceeds 5 minutes. A route is considered *early* if it departs 30 seconds ahead of schedule. SamTrans' OTP goal is 85.0 percent.

The On-Time Performance for October 2020 was **86.3 percent**.

Chart D



SAMTRANS RIDE NOW TAXI SUBSIDY PILOT PROGRAM: October 2020

The Ride Now Taxi Subsidy Pilot Program started on August 1, 2020. The program offers a subsidized taxi service for seniors and people with disabilities, inclusive of existing SamTrans Redi-Wheels customers. Taxi trips subsidized through this program must start and end within San Carlos, Redwood City, and North Fair Oaks.

In the month of October 2020, there were **17 trips** taken with an **average trip length of 2.6 miles**.

Table D
Ride Now Taxi Subsidy Program -- Month-over-Month

Key Performance Indicators	Aug-20	Sep-20	Oct-20
All Rides (One-Way)	13	29	17
Unique Riders	8	13	7
Average Trip Length (miles)	2.4	2.1	2.6
Average Wait Time (minutes)	15.8	10.8	16.5

SamTrans Digital Metrics - Oct 2020



New Followers

+49

Oct 20 - 11,060

Sept 20 - 11,011

Oct 19 - 9,847

Top Tagged Issues

1. COVID (3)

2. START (1)

3. Complaint (1)

4. Media (1)

SamTrans.com Sessions

Oct 20 - 54,061

Sept 20 - 52,272

Oct 19 - 151,072

Social Engagement

Video Views

851 (Sept: 1,896)

Content Impressions

46,970 (Sept: 50K)

Interactions

1,379 (Sept: 2,042)

SamTrans Mobile - Oct

Downloads - 665 (Sept: 550)

Accounts - 483 (Sept: 468)

Orders - 5,414 (Sept: 4,878)

Apple Rting - 2.1 - 26 reviews

Yelp & FB Rating

2.83 (of 5 stars)

(0 Oct reviews)



@SamTrans



@gosamtrans



@samtrans



BOARD OF DIRECTORS 2020

KARYL MATSUMOTO, CHAIR
PETER RATTO, VICE CHAIR
RON COLLINS
MARINA FRASER
CAROLE GROOM
ROSE GUILBAULT
DAVE PINE
JOSH POWELL
CHARLES STONE

JIM HARTNETT
GENERAL MANAGER/CEO

AGENDA

**FINANCE COMMITTEE
COMMITTEE OF THE WHOLE**

WEDNESDAY, DECEMBER 2, 2020 – 2:45 pm

or immediately following Community Relations Committee meeting

1. Call to Order

MOTION

2. Approval of Minutes of Finance Committee Meeting of November 4, 2020
3. Comprehensive Annual Financial Report for the Fiscal Year Ending June 30, 2020
4. Award of Contract for Workers' Compensation Program (WCP) Administration Services
5. Authorize an Amendment to the Contract with Conduent Transport Solutions, Inc. for Advanced Traveler Information System (ATIS) Signs Cellular Wi-Fi Upgrade Services
6. Adjourn

Committee Members: Josh Powell (Chair), Ron Collins, Charles Stone

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 (DISTRICT)
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF FINANCE COMMITTEE MEETING /
COMMITTEE OF THE WHOLE
NOVEMBER 4, 2020**

Committee Members Present: J. Powell (Committee Chair), R. Collins, C. Stone (joined at 3:02 pm)

Committee Members Absent: None

Other Board Members Present Constituting Committee of the Whole: M. Fraser, R. Guilbault, K. Matsumoto, D. Pine, P. Ratto

Other Board Members Absent: C. Groom

Staff Present: J. Hartnett, C. Mau, J. Cassman, D. Olmeda, A. Chan, J. Brook, D. Seamans

1. CALL TO ORDER

Committee Chair Josh Powell called the meeting to order at 2:55 pm.

2. APPROVAL OF MINUTES OF COMMITTEE MEETING OF OCTOBER 7, 2020

Committee Chair Powell said he would take a single motion after all the items were heard.

3. AWARD OF CONTRACT FOR THE REPLACEMENT OF THE NORTH BASE BUS FACILITY BRAKE PIT INDUSTRIAL WASTE LINE

Kevin Yin, Director, Contracts and Procurement, provided the staff report.

4. AMENDMENT OF PUBLIC SAFETY COMMUNICATIONS SERVICES AGREEMENT

Victoria O'Brien, Deputy Director, Safety and Security, provided the staff report to continue 911 dispatching service through Fiscal Year 2025.

5. AMEND THE SAN MATEO COUNTY TRANSIT DISTRICT INVESTMENT POLICY AND THE PARATRANSIT TRUST FUND INVESTMENT POLICY, AND REAUTHORIZE INVESTMENT OF MONIES WITH THE LOCAL AGENCY INVESTMENT FUND

Jayden Sangha, Treasury Manager, provided the staff report on amendments to the policies to align with current State law; these investment policies provide guidelines for the investment of District and Paratransit Trust funds and included delegations of authority to invest funds.

Director Charles Stone joined the meeting at 3:02 pm

The Board made a motion to approve Items 2, 3, 4, and 5 together.

Motion/Second: Ratto/Guilbault

Ayes: Collins, Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto, Stone

Noes: None

Absent: Groom

6. FUEL HEDGING UPDATE

Connie Mobley-Ritter, Director of Treasury, provided the informational presentation.

7. ADJOURN

The meeting adjourned at 3:07 pm.

An audio/video recording of this meeting is available online at www.samtrans.com. Questions may be referred to the District Secretary's office by phone at 650-508-6242 or by email to board@samtrans.com.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR
ENDING JUNE 30, 2020**

ACTION

Staff proposes the committee recommend the Board accept the San Mateo County Transit District's (District) Fiscal Year (FY) 2020 Comprehensive Annual Financial Report (CAFR). On November 16, 2020, the SamTrans Audit Committee met and voted to recommend acceptance of the CAFR to the Samtrans Board

The Fiscal Year 2020 CAFR is attached and also available online at:

http://www.samtrans.com/about/Finance/Comprehensive_Annual_Financial_Reports.html

SIGNIFICANCE

The CAFR is prepared in accordance with the guidelines set forth by the Government Accounting Standards Board and is organized into three sections – Introductory, Financial, and Statistical.

- The **Introductory** section includes a Transmittal Letter and provides general information on the District's structure, personnel, economic outlook and finances.
- The **Financial** section includes audited financial statements which provide detailed financial information as well as comparative financial data. The Management Discussion & Analysis (MD&A) is also found in the Financial section. Along with the Transmittal Letter, the MD&A is of most interest to those looking for a narrative annual review of the District's finances.
- The **Statistical** section provides a broad range of data covering key financial trends including revenue and debt capacity, economic and demographic data, and operating information.

Together, all sections of the CAFR provide the detail as well as the perspective with which to assess the District's financial condition.

BUDGET IMPACT

There is no impact on the Budget.

BACKGROUND

The District contracts with an independent auditor, Eide Bailly LLP, to conduct yearly audits of the financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. The Introductory section and the Statistical section presented in the CAFR are not required by California Government Code to be reported as part of the audited financial statements of the District. These sections are required when producing a CAFR, which the District chooses to do in order to provide detailed information about the financial condition of the District in a format that is understandable to our customers and constituents.

The CAFR is prepared and presented to the Government Finance Officers Association (GFOA) for their review and evaluation, and to apply for the Certificate of Achievement for Excellence in Financial Reporting. The District has received the award for every year that the report has been submitted.

Prepared by: Jennifer Ye, Manager, Financial Reporting & General Ledger 650-622-7890



October 26, 2020

The Board of Directors of the
San Mateo County Transit District
San Carlos, California

We have audited the financial statements of San Mateo County Transit District (District) for the year ended June 30, 2020, and have issued our report thereon dated October 26, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated April 20, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether District complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of District's major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of District's major federal program compliance, is to express an opinion on the compliance for each of District's major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of District's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated October 26, 2020. We will also provide our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are related to District's insurance liabilities.

Management's estimate of the insurance liabilities is based on actuarial valuations performed by management specialists. We evaluated the key factors and assumptions used to develop these liabilities and determined that they were reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting District's financial statements relate to:

District's disclosure of the net pension liabilities and net OPEB liability and related deferred inflows of resources and deferred outflows of resources required by District's reporting of the related information, are particularly sensitive. As disclosed in the notes, a 1% increase or decrease in the rates has a material effect on District's net pension and OPEB liabilities.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected misstatements noted.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated October 26, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as District's auditors.

This report is intended solely for the information and use of the governing board, and management of District and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Sully LLP".

San Mateo, California



INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, THE TRANSPORTATION DEVELOPMENT ACT AND CALIFORNIA GOVERNMENT CODE SECTION 8879.55

To the Board of Directors of the
San Mateo County Transit District
San Carlos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the San Mateo County Transit District (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated October 26, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements including the applicable provisions of section 6667 of Title 21 of California Code of Regulation and California Governmental Code Section 8879.55, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, Section 6667 of Title 21 of the California Regulations or the California Government Code 8879.55 et seq.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

San Mateo, California
October 26, 2020

San Mateo County Transit District
San Carlos, California



Comprehensive Annual Financial Report

Fiscal Years Ended June 30, 2020 and 2019



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San Mateo County
TRANSIT DISTRICT

San Carlos, California

Comprehensive Annual Financial Report

Fiscal Years Ended June 30, 2020 and 2019

Prepared by the Finance Division

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Section I

INTRODUCTORY

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SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL



October 26, 2020

**To the Board of Directors of the
San Mateo County Transit District and the Citizens of San Mateo County
San Carlos, California**

Comprehensive Annual Financial Report Year Ended June 30, 2020

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the San Mateo County Transit District (District) for the Fiscal Year July 1, 2019 through June 30, 2020. This transmittal letter provides a summary of the District's finances, services, achievements and economic prospects for readers without a technical background in accounting or finance. Readers desiring a more detailed discussion of the District's financial results may refer to the Management's Discussion and Analysis in the Financial Section.

Management assumes sole responsibility for all the information contained in this report, including its presentation and the adequacy of its disclosures. To the best of our knowledge, we believe this report to be complete and reliable in all material respects. To provide a reasonable basis for making this representation, we have established a comprehensive system of internal controls designed to protect the District's assets from loss, identify and record transactions accurately, and compile the information necessary to produce financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not exceed the likely benefits, the District's internal control system intends to provide reasonable (but not absolute) assurance that the financial statements are free from material misstatement.

To test the performance of the internal control system, the District contracted for independent auditing services from Eide Bailly LLP, a certified public accounting firm licensed to practice in the State of California. The auditor expressed an opinion that the District's financial statements are fairly stated in all material respects and in compliance with accounting principles generally accepted in the United States of America. This conclusion is the most favorable kind and is commonly known as an "unmodified" or "clean" opinion.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

PROFILE OF THE ORGANIZATION

Basic Information

The District is an independent political subdivision of the State of California, formed by the California State Legislature on August 14, 1974 and approved by San Mateo county voters in the general election that followed. San Mateo County is located on a peninsula south of the City and County of San Francisco, bordered on the west by the Pacific Ocean, on the east by San Francisco Bay and on the south by the counties of Santa Clara and Santa Cruz.

The overall purpose of the District is to plan, develop, finance and operate a modern, coordinated system of transportation that meets local mobility demands and promotes sound growth and economic development for the region. The District provides bus transit services throughout San Mateo County, north into downtown San Francisco, and south to Palo Alto in Santa Clara County. The District also operates a paratransit service and funds shuttles, connecting rail stations to employment centers. The District also is a partner in a three-agency joint powers authority that owns and operates Caltrain, a highly successful commuter rail service between San Francisco and Silicon Valley. In addition, this system works cohesively with other transportation services in the San Francisco Bay Area. No other organization within San Mateo County has a similar scope of responsibility for public transportation.

History

On January 1, 1975, the District began consolidating 11 separate municipal bus systems in San Mateo County and initiated local bus service where none existed. By July 1976, the District had established a viable network of local bus service throughout a 446 square mile service area in the county. In mid-1977, the District added mainline service between Palo Alto and downtown San Francisco through a contract with Greyhound Lines, Inc. and also inaugurated its Redi-Wheels demand response service for the mobility impaired. During its history of operations, the District has provided transportation to special events such as the Democratic National Convention, the Major League Baseball World Series and All Star Games, the National Football League Super Bowl, World Cup Soccer and the American Public Transportation Association's Commuter Rail Conference.

The District has fought throughout its history to preserve passenger rail service along the San Francisco Peninsula and led a successful campaign in 1978 to avoid an impending decision by the Southern Pacific Transportation Company to discontinue the commuter rail service. Two years later, the California Department of Transportation negotiated a purchase of service agreement with the Southern Pacific to continue to operate the commuter rail service under the name "Caltrain" while the local counties determined if they could assume control of the corridor. As a result, the Peninsula Corridor Joint Powers Board (JPB) was formed with the three member agencies: City and County of San Francisco, San Mateo County Transit District and Santa Clara Valley Transportation Authority. The JPB purchased the Southern Pacific right of way from San Francisco to San Jose and selected the District as the Managing Agency for Caltrain passenger service in 1992. Amtrak served as the JPB's operator until May 2012. After that the contract to operate the rail passenger service was awarded to Transit America Services Incorporated (TASI).

Governance

A nine-member Board of Directors governs the District. The publicly-elected County Board of Supervisors appoints two of its own members and an individual with transportation expertise to the District Board. The mayors of the cities throughout the county appoint three elected city officials, bringing the District Board membership to six. These six members then select the remaining three board members from the general public, one of which must be a coastal resident, due to a geographical diversity policy in place for public members. The Board of Directors meets once a month to determine overall policy for the District.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

In addition, the Board has created a 15-member Citizens Advisory Committee (CAC) with the principal objective of articulating the interests and needs of current and future customers.

Administration

The Executive Office is responsible for directing and overseeing all activities and for providing support to the Board of Directors.

The Finance Division is responsible for financial accounting and reporting, capital budgeting, operational budgeting, payroll and vendor disbursements, investments and cash management, debt management, revenue control, purchasing, contract administration, risk management and information technology.

The Bus Division is responsible for SamTrans fixed route bus service, shuttles programs, paratransit services, ADA services pursuant to the requirements of the Americans with Disabilities Act (ADA), quality assurance, facilities maintenance, TVM maintenance and intelligent transportation systems.

The Rail Division is responsible for Caltrain rail service, operations planning, rail capital project engineering and construction.

The Communications Division is responsible for fare media, customer service, marketing, sales, advertising, distribution services, public information, media relations, legislative activities and community outreach.

The Caltrain Modernization Program (CalMod) is responsible for guiding the planning and implementation of electrification and related projects that will upgrade the performance, operating efficiency, capacity, safety and reliability of Caltrain's commuter rail service.

The Planning, Grants and Transportation Authority Division is responsible for oversight of voter-approved Transportation Expenditure Plans, service scheduling, strategic planning and performance, grant administration and property management.

The Administrative Division provides management assistance to executive divisions and is responsible for human resources and safety and security.

Component Units

The District is a legally separate and financially independent entity that is not a component unit of San Mateo County or any other organization. The District administers various activities on behalf of other agencies: the Peninsula Corridor Joint Powers Board (JPB), which operates Caltrain, the San Mateo County Transportation Authority (TA), which administers the Expenditure Plan funded by a half-cent transportation sales tax approved by San Mateo County voters in 2004 which will continue in effect until 2033, and the San Mateo County Express Lanes Joint Powers Authority (JPA). These agencies have their own separate corporate identity and governance, and they are not component units of the District. Therefore, this CAFR and the financial statements contained within represent solely the activities, transactions and status of the District.

Budget

State law requires the District to adopt an annual budget by resolution of the Board of Directors. In the spring preceding the start of each Fiscal Year on July 1, staff presents an annual budget based on established agency goals, objectives and performance measures to the Board of Directors. The presentation may recommend using financial reserves to balance the budget when proposed expenditures exceed projected revenues. The Board of Directors monitors budget-to-actual performance through monthly staff reports.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

The Financial Section of this report includes report includes a supplemental schedule that compares actual results on a budgetary basis of accounting to the final adopted budgets.

Once adopted, the Board of Directors has the authority to amend the budget. While the legal level of budgetary control is at the entity level, the District maintains stricter control at division, departmental and line item levels to serve various needs. Cost center managers monitor budget-to-actual performance on a monthly basis. The Board has delegated the authority to transfer budget amounts between divisions and departments to the General Manager/CEO or their designee. However, any increase to the expenditure budget as a whole requires the approval of the Board. In addition, the District uses the encumbrance system to reduce budget balances by issuing purchase orders to avoid over-commitment of resources.

The District employs the same basis and principles for both budgeted and actual revenues and expenses, except that actual proceeds from the sale of capital assets, unrealized investment gains and losses, and inter fund transfers are not included in the budget.

FINANCIAL AND ECONOMIC OUTLOOK

Local Economy

The Bay Area was California's fastest growing labor market but was hit hard by the unprecedented coronavirus (COVID-19) pandemic. The regional unemployment rate was 2.7% in February. To stem the spread of COVID-19, a shelter-in-place order was implemented in March resulting in the shutdown of many non-essential activities and businesses. This resulted in an unemployment rate that spiked to 13.1% in April. The current economic situation is highly unique in that lost or delayed consumption and business activity are not the result of imbalances in the economy, but rather are self-imposed. Therefore, the length of time before the health-mandates are fully lifted, coupled with consumers' restored confidence to gather in large crowds and the economic damage experienced throughout the mitigation phase will be the primary factors determining when and to what degree the region will recover. Employment began showing signs of recovery in July and the unemployment rate decreased to 10.6%, but future forecasts are highly uncertain as many pandemic impacts are still unknown. California and the Bay Area lagged behind the nation in terms of job recovery and that is most likely due to a more cautious re-opening pace. There is also concern, as crisis continues, whether many of the temporary layoffs become permanent job losses.

The San Mateo County economy mirrors the greater Bay Area in terms of growth and unemployment, but could not escape the impact of COVID-19. Unemployment in San Mateo County was 2.8% in March and ranked #1 in lowest unemployment in the state. In April that rate jumped to 11.4%. With restrictions lifted, the unemployment rate improved to 10.8% in June, however the County's unemployment ranking dropped to #7 in the state. While the recovery is slow, the region is well positioned due to the relatively large number of high paying tech jobs.

Despite a recent construction boom and building activity, housing production has not kept pace with population growth. High home prices are reducing migration to San Mateo County. Population growth has decelerated to below the statewide average. Because home prices are expected to rise faster than average incomes, worsening the housing affordability problem, net migration will be negative for the foreseeable future.

The San Mateo County technology sector continues to expand rapidly. In 2018, venture capital funding to local tech firms surpassed \$10 billion, helping to fuel job growth. The county now has 11,900 workers at software firms, 18,800 workers at internet publishing and search companies and 3,600 workers in data services and hosting companies. Income per capita in 2018 was \$121,400, placing San Mateo County among the wealthiest regions of California. Real income per capita has risen at a rapid rate in the county, growing by an average of 2.5 percent per year over the last 6 years. Real income per capita was expected to grow by 2.3 percent per year through 2024 prior to the pandemic-induced recession.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

Long-term Financial and Strategic Planning

The District began operations in 1976 as a fixed-route bus service. Today, the District has grown into a multimodal system of coordinated transit services, including bus, paratransit, shuttles and rail, each playing an integral role in meeting the transportation needs of San Mateo County.

The District has been working to strengthen its long-term financial standing. Improvement measures have included a restructuring of \$211 million in debt and dissolution of the BART to SFO agreement. The District initiated several efforts in the early part of the current decade to help keep annual expenses in line with annual revenues. In November 2018, voters in San Mateo County approved the Measure W half-cent sales tax. Starting in July 2019, the District began administering 50% of the funds received from Measure W, providing a supplemental resource to improve transit services and reduce travel times; this should materially improve the District's financial condition for years to come.

The District recently updated its ten-year Strategic Plan, which can be viewed online at http://www.samtrans.com/Planning/Planning_and_Research/SamTrans_Short-Range_Transit_Plan.html. The 2019-2028 Plan Update provides a policy framework to help guide the District's transportation investments. The Plan also builds on prior strategic plans by prioritizing actions that can "move the needle" by turning ideas into results. To do so, the Plan helps identify key factors that the District can control and describes strategies for focusing resources to achieve specific goals. The District is also in the midst of a Comprehensive Operational Analysis, "Reimagine Samtrans", which will guide operational decisions over the next several years.

Major Initiatives

The District plans to continue providing coordinated transit services including bus, paratransit, shuttle and rail. Association of Bay Area Governments (ABAG) projections assume there will be intensified population growth along the El Camino Real Corridor, parallel to the Caltrain line. These projections also assume that there will be higher density development in all cities along this corridor, which will increase demand for transportation services.

In addition to providing public transit for municipalities, the District has committed significant resources to supporting other regional transportation options. These include Caltrain rail and shuttle bus service to and from Caltrain and BART stations. Dedicated bus shuttles distributing rail patrons to regional employers will be vital to sustainable transportation over the next several years as local agencies are encouraged to implement Transportation Systems Management plans designed to reduce highway congestion and improve air quality. Continuing a long history of serving San Mateo County residents with mobility impairments, the District will also manage the demand for a variety of paratransit services.

SamTrans has started to invest in zero-emission bus technology to advance California's climate change and energy policy goals. In 2019, SamTrans' first electric buses were put into revenue service. SamTrans is preparing a Zero Emissions Bus Implementation Plan (ICT Rollout Plan), per the mandate from the California Air Resource Board's Innovative Clean Transit program, which will be submitted to the State by January 2021. The plan will reflect the District's commitment to achieve compliance with the State's mandate and achieve zero-emissions status in advance of the 2040 deadline.

Motor Bus Operations

The District designs its bus services to meet the needs of San Mateo County residents, workers and visitors. Bus service is offered throughout San Mateo County and into select areas of San Francisco and Palo Alto. Many bus routes make connections to Caltrain, BART, and the San Francisco International Airport. Each bus has a bicycle rack, allowing for multimodal use. Starting in 2019, select buses have been retrofitted with luggage racks and new buses offer USB charging stations and Wi-Fi. SamTrans provides transportation services from early morning until just past midnight.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

Fixed-route bus ridership peaked in San Mateo County at 19.0 million in FY 1998, but later declined to 12.4 million in 2013. The implementation of the SamTrans Service Plan, adopted in May that same year, resulted in an initial increase in ridership, which grew three percent in FY 2014 and another 2.9 percent in FY 2015. However, ridership declined again by 2.8 percent in FY 2016, and the drop persisted through FY 2019. SamTrans started to see an increase in ridership beginning in August 2019 with the launch of its new Foster City-San Francisco Commuter Express Bus service (Route FCX). For the first 8 months of FY20, average weekday ridership was about 36,775, compared to 35,100 in FY19.

The District was in the midst of a comprehensive operational analysis (Reimagine SamTrans) when the effects of the COVID-19 Pandemic became paramount. The study was paused so the agency could pivot to do work on scenario planning and near-term service planning. However, the project is restarting in fall 2020 to chart a path forward for full service recovery and ridership growth in FY22 and beyond.

Prior to the pandemic, the SamTrans Business Plan identified microtransit (on-demand local bus service) as a key initiative for the District to undertake in the near-term to increase mobility options for customers. In 2019, a SamTrans microtransit pilot known as SamTrans OnDemand launched in the Linda Mar neighborhood of Pacifica, replacing the existing FLX-P route with a fully on-demand, curb to curb service. After about one year of OnDemand, the agency reverted back to the original FLX-P service. Reimagine SamTrans will consider the lessons learned from the pilot and will likely present a service alternative that utilizes microtransit as a coverage complement to frequent fixed route service. Additionally, on-demand service may be considered as an option for paratransit customers.

Paratransit Services

The District provides accessible transportation services throughout San Mateo County with fixed-route, Redi-Wheels and RediCoast services. The entire fleet of fixed-route buses is equipped with wheelchair lifts or ramps and a kneeling feature to make boarding easier. Redi-Wheels and RediCoast members and their Personal Care Attendants are allowed to ride all regular fixed-route SamTrans buses for free. For many persons with disabilities who cannot use fixed-route buses, Redi-Wheels and RediCoast are the only means of general transportation available. In FY 2020, the SamTrans paratransit program provided 256,738 passenger trips. The ridership for FY 2020 is lower as a result of the pandemic.

Caltrain Administration

Since 1992, the District has served as staff to the JPB administering the operation of commuter rail service on the 77-mile corridor between San Francisco and Gilroy. In September 2003, Caltrain instituted a “proof-of-payment” fare collection system that has increased internal controls and freed conductors from onboard ticket sales, allowing them to focus more on customer service and safety. In June 2004, Caltrain introduced limited-stop express service, dubbed “Baby Bullet,” that reduced travel time between San Jose and San Francisco from an hour-and-a-half to just under one hour. That same month, Caltrain resumed weekend service that had been discontinued for nearly two years to allow for right of way improvements in preparation for Baby Bullet service. After many years of planning, Caltrain broke ground on a Centralized Equipment Maintenance and Operations Facility (“CEMOF”) in November 2004 that consolidated several geographically separate maintenance operations, increasing efficiency. In October 2007, the JPB issued fare box revenue bonds to fund eight new Bombardier rail cars, which were placed in service, and in 2015 the agency took similar steps to purchase an additional 16 cars, adding extra capacity to many of the system’s most popular trains.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

In the near term, Caltrain will focus on its State-of-Good Repair Program, including the replacement and rehabilitation of infrastructure, communication and control systems and rolling stock in order to maintain safe, quality service for customers. Some of the more recent projects completed by Caltrain include the San Bruno Grade Separation Project, San Mateo County Grade Crossing Improvement Program, the South Terminal and Santa Clara Stations Improvements Project, the San Mateo Bridges Rehabilitation Project, Jerrold Avenue Bridge Replacement Project and the System Station Rehabilitation Project. Currently, a \$1.98 billion Caltrain Modernization Program is being advanced. This program is focused on meeting the growing commuter ridership demand in the region, preparing the corridor to accommodate statewide high-speed rail and improving system wide safety.

The Peninsula Corridor Electrification Project includes the installation of electric infrastructure and the procurement of new, high-performance electric trains. The new electrified Caltrain service will substantially increase the ridership capacity of the system. In 2016, Caltrain awarded contracts to design and build the project, which is targeted for revenue service in 2022. The effort also includes implementation of a Positive Train Control System (PTC). PTC is a federally-mandated safety improvement that automatically enforces train movements to avoid collisions. Installation of the project infrastructure is complete and the project entered into revenue service demonstration in September 2019.

District staff produce a separate CAFR for the JPB, and readers may obtain this report upon request.

San Mateo County Transportation Authority (TA)

The District provides staff and administrative support for the TA, which programs and appropriates funds from a half-cent county sales tax authorized by voters in 1988 and extended by voters in November 2004 through 2033. Together with a series of highway projects, the TA invests in Caltrain capital improvements, paratransit services for the mobility impaired and other modes of transit. The TA also allocates funds for alternative congestion relief programs aimed at reducing highway traffic and air pollution. The TA is a co-sponsor for the San Mateo County Express Lanes Joint Powers Authority (JPA) and provides staff and administrative support for the JPA. The JPA owns, manages, operates, and maintains Express Lanes along the Highway 101 corridor in San Mateo County. In November 2018, San Mateo County voters approved Measure W, another sales tax measure that provides an additional half-cent sales tax for 30 years to fund countywide transportation and traffic congestion solutions in San Mateo County. The District imposes the tax and administers the investments in the County Public Transportation Systems Program Category in the associated Measure W Congestion Relief Plan, which represents 50% of the proceeds. Pursuant to Measure W, the District has designated the TA to administer the other half of the revenues. As a result of the designation by the District, the TA administers the remaining 50 percent of Measure W sales tax proceeds in the following four categories:

1. Countywide Highway Congestion Improvements
2. Local Safety, Pothole and Congestion Relief Improvements
3. Bicycle and Pedestrian Improvements
4. Regional Transit Connections

District staff produce a separate CAFR for the Transportation Authority that readers may obtain upon request.

SAN MATEO COUNTY TRANSIT DISTRICT

LETTER OF TRANSMITTAL

ACKNOWLEDGMENTS AND AWARDS

The staff and contracted firms of the District bring an effective combination of skill, experience and dedication in carrying out the District's mission. Together, they plan, develop and finance the creation of a modern, coordinated multimodal transportation system offering convenient access to the many attributes of the Bay Area and beyond.

The Government Finance Officers Association (GFOA) recognized the District's 2019 CAFR for excellence in financial reporting and the Certificate of Achievement appears immediately following this transmittal letter. To be awarded a certificate, a report must be easy to read and efficiently organized, while satisfying both generally accepted accounting principles and applicable legal requirements. We believe our Fiscal Year 2020 CAFR also meets the requirements for a Certificate of Achievement and we have submitted it to the GFOA for evaluation. We would like to thank our independent audit firm Eide Bailly LLP, for its timely and expert guidance in this matter.

A CAFR requires the dedicated effort of many individuals working together as a team. We extend our grateful recognition to all the individuals who assisted in both the preparation of this report and the processing of financial transactions throughout the Fiscal Year. Finally, we wish to thank the Board of Directors for their interest and support in the maintenance and development of a reliable financial management and reporting system.

Respectfully submitted,



Jim Hartnett
General Manager/CEO



Derek Hansel
Chief Financial Officer/Treasurer



Government Finance Officers Association

Certificate of Achievement for Excellence in
Financial Reporting

Presented to

San Mateo County Transit District California

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

SAN MATEO COUNTY TRANSIT DISTRICT

BOARD OF DIRECTORS

KARYL MATSUMOTO, Chair

PETER RATTO, Vice Chair

CAROLE GROOM

RON COLLINS

MARINA FRASER

ROSE GUILBAULT

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CHARLES STONE

RON COLLINS is a City Selection Committee appointee for the southern portion of San Mateo County, and was appointed to the San Mateo County Transit District Board in January 2019. Mr. Collins was elected to the city of San Carlos as Vice Mayor in November 2015. Vice Mayor Ron Collins has been in the insurance industry since 1981. He owns Collins Insurance in Redwood City. Prior to insurance, Mr. Collins was a public school teacher and administrator in Half Moon Bay for seven years. He holds a master's degree in educational administration. Mr. Collins served in the past as a member of the San Carlos Economic Development Advisory Commission and Planning Commission.

MARINA FRASER is a public member, who was appointed by the San Mateo County Transit District Board of Directors in February 2019. Ms. Fraser served on the Half Moon Bay City Council for 13 years, with three terms as Mayor. She has been a member of numerous boards and commissions, including Peninsula Clean Energy and Commute.org, and currently serves as the Chair of the City/County Association of Government's Bicycle and Pedestrian Advisory Committee. Ms. Fraser is a long-time Coastside resident and lives in Half Moon Bay.

CAROLE GROOM was appointed by the San Mateo County Board of Supervisors in January 2011 to serve on the Transit District Board. She was elected to the Board of Supervisors in June 2010, served as President of the Board in 2011 and 2015. Ms. Groom represents District 2, which includes the cities of Belmont, Foster City and San Mateo. Prior to joining the Board of Supervisors, she served nine years on the San Mateo City Council. Ms. Groom has also spearheaded Active San Mateo County, an annual conference on creating healthy communities and "Streets Alive! Parks Alive!," an annual event to promote parks and public spaces. She also serves on the San Mateo County Transportation Authority Board, California Coastal Commission and the Peninsula Clean Energy Board.

ROSE GUILBAULT is a public member, who was appointed by the San Mateo County Transit District Board of Directors in March 2006. Ms. Guilbault is a Board Trustee for the Mineta Transportation Institute. She is also a published author of two books; "Farmworker's Daughter: Growing up Mexican in America," a childhood memoir and "The Latina's Guide to Success in the Workplace." Ms. Guilbault holds an MBA from Pepperdine University, a Master of Arts degree from the University of San Francisco and a Bachelor's degree from San Jose State University. She resides in Burlingame.

SAN MATEO COUNTY TRANSIT DISTRICT

BOARD OF DIRECTORS

KARYL MATSUMOTO, Chair, is a City Selection Committee appointee for the northern portion of San Mateo County and was appointed to the Transit District Board in February 2007. Ms. Matsumoto was elected to the city of South San Francisco City Council in November 1997 and has served as Mayor four times. Ms. Matsumoto is also the representative of the governing body of the San Mateo County Transportation Authority, the City/County Association of Governments of San Mateo County and the Caltrain Modernization Local Policy Maker Group. She holds a Bachelor's degree in Business Administration and her work experience covers public, private and nonprofit sectors.

DAVE PINE was appointed to San Mateo County Transit District Board by the San Mateo County Board of Supervisors in January 2017. He was first elected to the San Mateo County Board of Supervisors in a special election in May 2011 and served as Board President in 2014. He represents District 1, which includes Burlingame, Hillsborough, Millbrae and portions of San Bruno and South San Francisco, the unincorporated communities of San Mateo Highlands, Baywood Park and Burlingame Hills and the San Francisco Airport. Mr. Pine also serves on the Peninsula Clean Energy Authority, the Peninsula Corridor Joint Powers Board, the Association of Bay Area Governments, the Bay Conservation & Development Commission, the San Francisco Bay Restoration Authority, the Bay Area Regional Collaborative, Joint Venture Silicon Valley, SF Bay Conservation and Development Commission and the San Francisquito Creek Joint Powers Authority.

JOSH POWELL is a public member, who was appointed by the San Mateo County Transit District Board of Directors in January 2017. He is a software engineering manager at Apple and is the author of the programming book *Single Page Web Applications: JavaScript End-to-End*. He serves as a public member on the City/County Association of Government's Congestion Management Environmental Quality Committee. Mr. Powell holds a Bachelor's degree in Business from California State University, Sacramento and is a resident of Belmont.

PETER RATTO, Vice Chair, Transportation Expert, was appointed by the Board of Supervisors in February 2015. Mr. Ratto is the principal owner of P.M. Ratto Consulting, LLC. Prior to serving on the San Mateo County Transit District Board, Mr. Ratto served nine years on the SamTrans Citizen Advisory Committee representing multimodal riders. Mr. Ratto holds a Bachelor's degree in Transportation Management from San Francisco State University, and has over 40 years of experience in the waste management and recycling industry. Mr. Ratto also serves as a representative on City/County Association of Government's Congestion Management Environmental Quality Committee. A life-long public transit user, Mr. Ratto grew up in Daly City and currently resides in San Mateo.

CHARLES STONE, a City Selection Committee appointee, represents the central portion of San Mateo County on the Transit District Board. Mr. Stone was appointed in 2014. He was elected to the Belmont City Council in November 2013 and has served as both Mayor and Vice Mayor. Mr. Stone holds a Juris Doctorate from Santa Clara University School of Law and a Bachelor's degree from the University of California, San Diego, in Political Science. He owned his own law practice for many years and now works with a local law firm in Redwood City. He also serves on the Peninsula Corridor Joint Powers Board and Peninsula Clean Energy. Mr. Stone was born and raised on the Peninsula, and grew up riding the bus in Daly City, San Bruno and San Mateo.

SAN MATEO COUNTY TRANSIT DISTRICT

EXECUTIVE MANAGEMENT

GENERAL MANAGER/CEO

Jim Hartnett

EXECUTIVE OFFICERS

Carter Mau – Deputy Chief Executive Officer

Derek Hansel – Chief Financial Officer

David Olmeda – Chief Operating Officer, Bus

Michelle Bouchard – Chief Operating Officer, Rail

April Chan – Chief Officer, Planning, Grants, and the Transportation Authority

John Funghi – Chief Officer, CalMod Program

Seamus Murphy – Chief Communications Officer

Dora Seamans – Executive Officer, District Secretary/Executive Administration

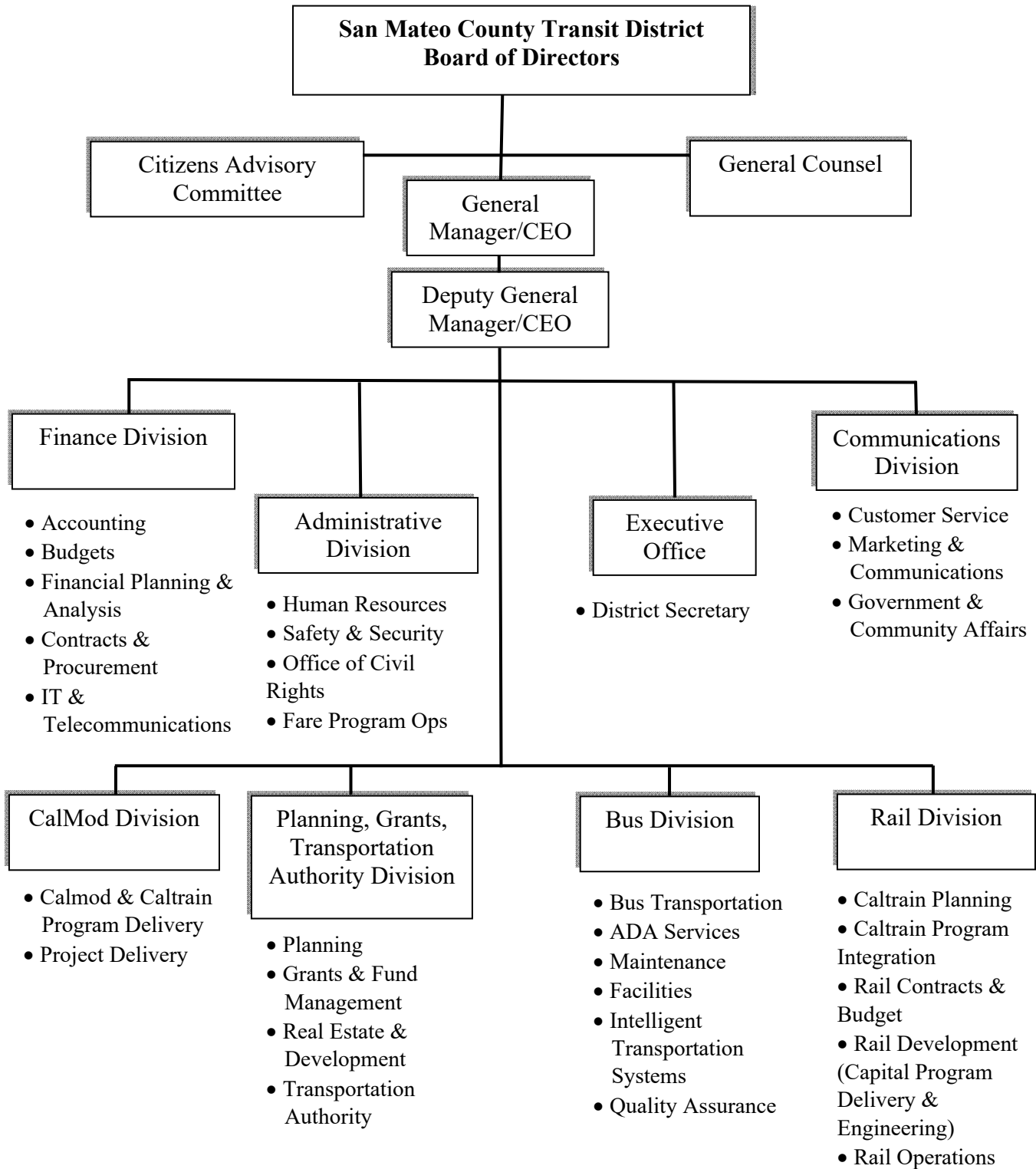
GENERAL COUNSEL

Hanson Bridgett LLP

Joan Cassman, Esq.

SAN MATEO COUNTY TRANSIT DISTRICT

ORGANIZATION CHART



SAN MATEO COUNTY TRANSIT DISTRICT

MAPS

San Mateo County, California



SAN MATEO COUNTY TRANSIT DISTRICT

MAPS



SAN MATEO COUNTY TRANSIT DISTRICT

TABLE OF CREDITS

The following individuals contributed to the production of the Fiscal Year 2020 Comprehensive Annual Financial Report:

Finance:

Deputy Chief Financial Officer	Grace Martinez, CPA
Director, Treasury	Connie Mobley-Ritter
Director, Budgets	Ladi Millard-Olmeda, CPA
Manager, Financial Reporting and General Ledger	Jennifer Ye, CPA
Manager, Finance Planning and Analysis	Ryan Hinchman
Manager, Grants and Capital Accounting	Brian Lee

Audit Firm:

Partner	Ahmad Gharaibeh, CPA
Senior Manager	Tomohito Oku, CPA

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Section II

FINANCIAL

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements:

- Statements of Net Position
- Statements of Revenue, Expenses and Changes in Net Position
- Statements of Cash Flows
- Notes to the Financial Statements

Required Supplementary Information

- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of OPEB Contributions
- Schedule of Changes in the Net Pension Liability and Related Ratios
- Schedule of Pension Contributions

Supplementary Information

- Supplementary Schedule of Revenues, Expenses, Capital Outlay and Long-Term Debt Payment Comparison of Budget to Actual (Budgetary Basis)
- Notes to Supplementary Schedule

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
San Mateo County Transit District
San Carlos, California

Report on the Financial Statements

We have audited the accompanying financial statements of the San Mateo County Transit District (District) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2020 and 2019, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in OPEB liability and related ratios, schedule of OPEB contributions, schedule of changes in the net pension liability and related ratios and the schedule of pension contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison information, the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2020 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

San Mateo, California
October 26, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the San Mateo County Transit District's (District) financial performance provides an overview of the District's activities for Fiscal Year 2020 with comparisons to the prior two Fiscal Years. We encourage readers to consider the information presented here in conjunction with the transmittal letter contained in the Introductory Section and with the statements and related notes contained in the Financial Section.

FINANCIAL HIGHLIGHTS

- At June 30, 2020, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$159.5 million (*net position*). Of this amount, a deficit net position of \$51.5 million represents the unrestricted net position. At June 30, 2019, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$74.1 million. Of this amount, a deficit net position of \$109.1 million represents the unrestricted net position. At June 30, 2018, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$56.9 million (*net position*). Of this amount, a deficit net position of \$135.4 million represents the unrestricted net position.
- The District's total net position increased by \$85.4 million in the Fiscal Year 2020 and increased by \$17.1 million in the Fiscal Year 2019. The increase in the Fiscal Year 2020 was mainly due to increases of \$35.1 million in sales tax revenues, \$10.2 million in the State and local transportation funds, \$27.8 million in Capital Assets, net of depreciation and \$11.4 million decrease in Current liabilities. The increase in the Fiscal Year 2019 was mainly due to increases of \$12.9 million in sales tax revenues and \$6.9 million in the State and local transportation funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Section of this report presents the District's financial statements as two components: basic financial statements and notes to the financial statements. It also includes other supplemental information in addition to the basic financial statements intended to furnish additional detail to support the basic financial statements themselves.

Basic Financial Statements

The *Statement of Net Position* presents information about assets, deferred outflows and liabilities and deferred inflows with the difference between the four reported as *net position*. The change in net position over time is an indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* reports how net position has changed during the year and presents a comparison between operating revenues and operating expenses. Operating revenues and expenses are related to the District's principal business of providing bus transit services. Operating expenses include the cost of direct services to passengers, administrative expenses, contracted services and depreciation on capital assets. All other revenues and expenses not included in these categories are reported as nonoperating.

The *Statement of Cash Flows* reports inflows and outflows of cash and is classified into four major components:

- *Cash flows from operating activities* which includes transactions and events reported as components of operating income in the statement of revenues, expenses and changes in net position.

SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

- *Cash flows from non-capital financing activities* which includes operating grant proceeds as well as operating subsidy payments from third parties and other nonoperating items.
- *Cash flows from capital and related financing activities* which arise from the borrowing and repayment (principal and interest) of capital-related debt, the acquisition and construction of capital assets and the proceeds of capital grants and contributions.
- *Cash flows from investing activities* which includes the proceeds from the sale of investments and receipt of interest. Outflows in this category include the purchase of investments.

Notes to the Financial Statements

Various notes provide additional information that is essential to a full understanding of the information provided in the basic financial statements and are found immediately following the financial statements to which they refer.

Other Information

This report also presents certain required supplementary information in accordance with the requirements of generally accepted accounting principles providing information about the status of the District's pension liability for its public employee retirement system and information about its other post-employment benefits unfunded liability. Additional supplementary information and associated notes concerning compliance with the District's annual budget appear immediately following the required supplementary information.

Analysis of Basic Financial Statements

In Fiscal Year 2020, total assets and deferred outflows were \$543.8 million, an increase of \$65.0 million or 13.6% compared to June 30, 2019. In Fiscal Year 2019, total assets and deferred outflows were \$478.8 million, an increase of \$14.1 million or 3.0% compared to June 30, 2018. Total current assets increased by \$45.4 million or 23.5% to \$238.3 million on June 30, 2020 from \$192.9 million on June 30, 2019 and increased by \$27.0 million or 16.3% at June 30, 2019 compared to June 30, 2018. Capital assets net of accumulated depreciation increased by \$27.8 million or 17.7% to \$184.4 million at June 30, 2020 compared to 2019 and decreased by \$8.9 million or 5.4% in 2019 compared to 2018. Land, buses and related equipment and building and related improvements comprise most of the District's capital assets.

SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

CONDENSED STATEMENTS OF NET POSITION (in thousands)

	2020	2019	2018
Assets			
Current assets	\$ 238,281	\$ 192,903	\$ 165,927
Capital assets, net of depreciation	184,402	156,626	165,481
Other noncurrent assets	94,099	97,625	95,559
Total assets	<u>516,782</u>	<u>447,154</u>	<u>426,967</u>
Deferred outflows of resources	<u>26,994</u>	<u>31,608</u>	<u>37,673</u>
Liabilities			
Current liabilities	64,122	75,513	61,760
Long-term debt	200,676	213,992	227,313
Other noncurrent liabilities	114,486	112,206	115,895
Total liabilities	<u>379,284</u>	<u>401,711</u>	<u>404,968</u>
Deferred inflows of resources	<u>5,024</u>	<u>2,997</u>	<u>2,744</u>
Net Position			
Net investment in capital assets	184,402	156,626	165,481
Restricted	26,599	26,575	26,804
Unrestricted	(51,531)	(109,147)	(135,357)
Total net position	<u>\$ 159,470</u>	<u>\$ 74,054</u>	<u>\$ 56,928</u>

In Fiscal Year 2020, total liabilities and deferred inflows were \$384.3 million, a decrease of \$20.4 million or 5.0% compared to Fiscal Year 2019. In Fiscal Year 2019, total liabilities and deferred inflows were \$404.7 million, a decrease of \$3.0 million or 0.7% compared to 2018. The decrease for 2020 was mostly due to decreases of \$11.9 million in Accounts payables and accrued expenses and \$13.3 million in Long-term debt, less current portion, partially offset by increases in Net pension liability and Deferred inflows from OPEB. The decrease for 2019 was mostly due to decreases of \$15.2 million in long-term debt and \$2.8 million in net OPEB liabilities, partially offset by increases in accounts payable and accrued expenses.

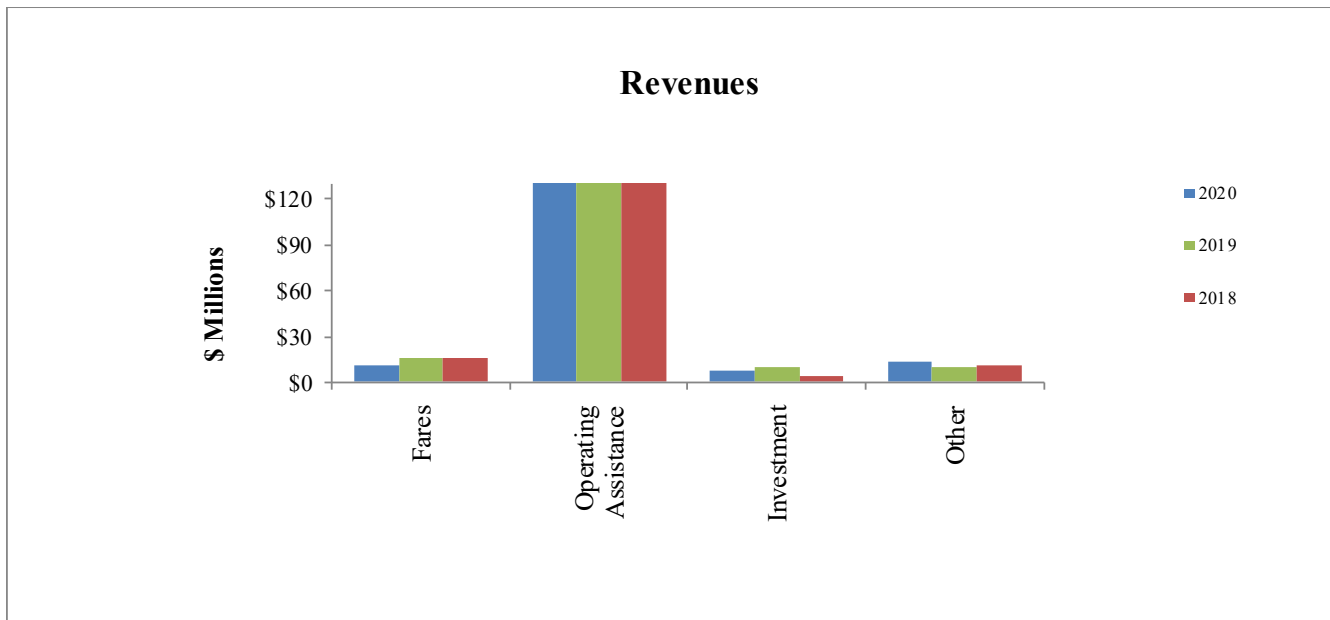
At June 30, 2020, net position was \$159.5 million, an increase of \$85.4 million or 115.3% compared to \$74.1 million at June 30, 2019. On June 30, 2019, net position was \$17.1 million or 30.1% higher than June 30, 2018. The \$184.4 million net investment in capital assets on June 30, 2020 comprise the majority of net position. Total restricted net position at June 30, 2020 was \$26.6 million. The remaining (\$51.5) million of total net position at June 30, 2020 was unrestricted net position. The District reported a negative unrestricted net position because it funded the BART to SFO extension but does not report the capital asset related to that project as it does not hold title to the capital asset. The District's cost of the project was over \$410.3 million and was paid for in combination bond proceeds and District funds. All of our outstanding bonds and related premiums and deferrals in the amount of \$204.5 million were used to fund the BART to SFO extension. In addition, the District net position was negatively impacted by the implementation of GASB 68 and 75. The District reported in Fiscal Year 2020 \$85.9 million in net pension liability, net OPEB liability and related deferrals which has negatively impacted the District's net position.

SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

Revenue Highlights

Operating revenues generated from passenger fares of \$11.7 million decreased by \$3.9 million or 24.9% during Fiscal Year 2020 compared to Fiscal Year 2019 and decreased by \$0.2 million or 1.1% in Fiscal Year 2019 compared to Fiscal Year 2018. The decrease for Fiscal Year 2020 was a result of decline in ridership due to the impact of COVID-19 pandemic, and the decrease for Fiscal Year 2019 was a result of lower ridership.



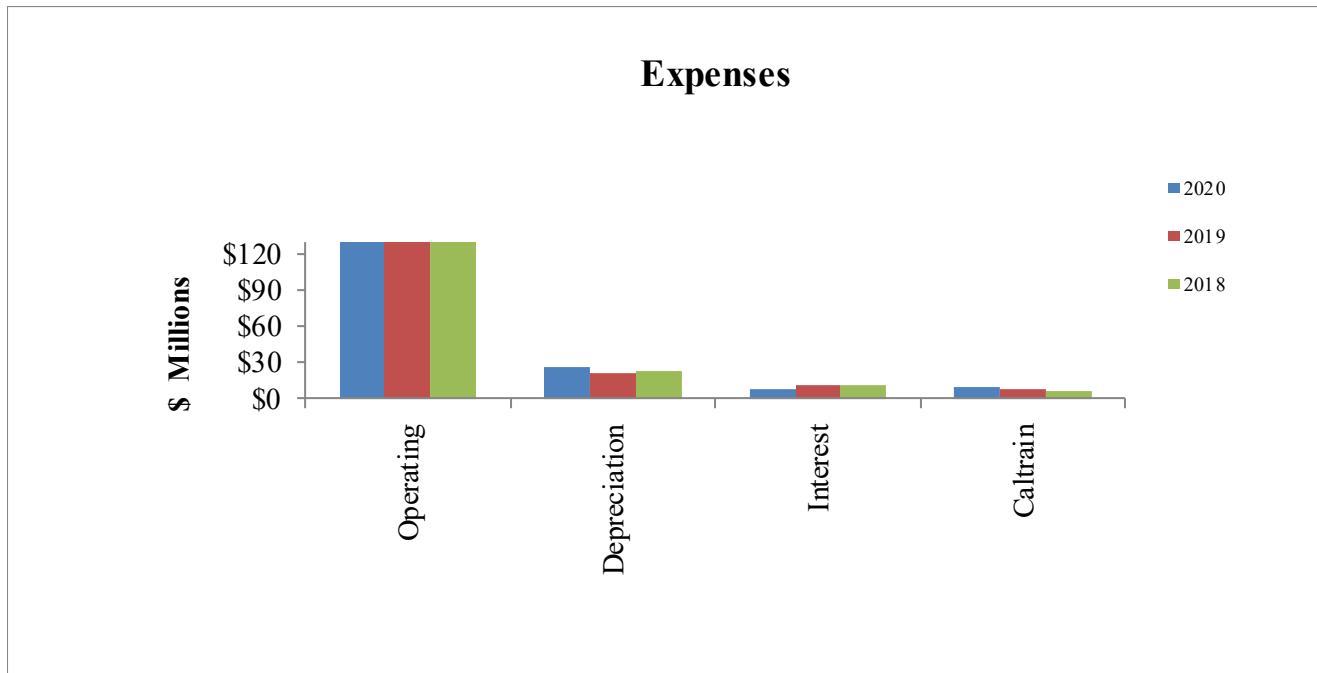
In Fiscal Year 2020, nonoperating revenues increased by \$46.8 million or 25.9% to \$227.4 million. The increase was mainly due to increases in operating assistance and other income. Operating assistance of \$206.0 million accounted for the majority of Fiscal Year 2020 nonoperating revenues. This amount consisted of 65.9% from transaction and use tax, 23.4% from local transportation funds, and 10.6% from others. The largest portion of this increase is attributable to the implementation of the Measure W sales tax, effective July 1, 2019. In Fiscal Year 2019, nonoperating revenues increased by \$21.1 million or 13.2% to \$180.6 million. This increase was mainly due to an increase in operating assistance and investment income. Operating assistance of \$160.4 million accounted for the majority of Fiscal Year 2019 nonoperating revenues. This amount consisted of 62.8% from transaction and use tax, 27.0% from local transportation funds, and 10.2% from others.

SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

Expense Highlights

In Fiscal Year 2020, total operating expenses (excluding depreciation) were \$160.6 million, an increase of \$12.9 million or 8.7% compared to Fiscal Year 2019. The increase was mainly due to an increase in salaries and benefits and Others. In Fiscal Year 2019, total operating expenses (excluding depreciation) were \$147.8 million, an increase of \$15.9 million or 12.0% compared to Fiscal Year 2018. Total operating expenses (excluding depreciation) in 2020 consisted of \$83.4 million or 51.9% for salaries and benefits, \$50.4 million or 31.4% for contract operations and other services, and \$26.8 million or 16.7% for other expenses. Total operating expenses (excluding depreciation) in 2019 consisted of \$75.5 million or 51.1% for salaries and benefits, \$50.3 million or 34.0% for contract operations and other services, and \$22.0 million or 14.9% for other expenses. Depreciation and amortization expenses were \$25.8 million and \$21.5 million for Fiscal Year 2020 and Fiscal Year 2019 respectively, a \$4.4 million or 20.2% decrease in Fiscal Year 2020 compared to Fiscal Year 2019 and \$1.6 million or 6.9% decrease in Fiscal Year 2019 compared to Fiscal Year 2018.



In Fiscal Year 2020, nonoperating expenses were \$16.7 million, a decrease of \$1.9 million or 10.0% compared to Fiscal Year 2019. In Fiscal Year 2019, nonoperating expenses were \$18.6 million, an increase of \$1.3 million or 7.4% compared to Fiscal Year 2018. In Fiscal Year 2020, the District paid the JPB \$9.2 million for its contribution toward the Caltrain rail service operation. In Fiscal Year 2019, the District paid the JPB \$7.6 million for its contribution toward the Caltrain rail service operation. A more detailed discussion of the District's relationship with the JPB can be found in *Note #7 – Peninsula Corridor Joint Powers Board (JPB)* in the Notes to the Financial Statements.

SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

CONDENSED STATEMENTS OF CHANGES IN NET POSITION (in thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating revenues-passenger fares	\$ 11,690	\$ 15,567	\$ 15,742
Operating expenses-transit services	160,648	147,782	131,899
Operating loss before depreciation and amortization	(148,958)	(132,215)	(116,157)
Depreciation and amortization	(25,842)	(21,492)	(23,078)
Operating loss	<u>(174,800)</u>	<u>(153,707)</u>	<u>(139,235)</u>
Nonoperating revenues			
Operating assistance	206,031	160,416	144,802
Investment income	7,442	10,036	3,859
Other income, net	13,970	10,180	10,860
Total Nonoperating revenues	<u>227,443</u>	<u>180,632</u>	<u>159,521</u>
Nonoperating expenses			
Interest expense	(7,497)	(10,954)	(11,145)
Caltrain service subsidy	(9,239)	(7,634)	(6,170)
Total Nonoperating expenses	<u>(16,736)</u>	<u>(18,588)</u>	<u>(17,315)</u>
Net gain before capital contributions	35,907	8,337	2,971
Capital contributions	49,509	8,789	10,970
Change in net position	<u>85,416</u>	<u>17,126</u>	<u>13,941</u>
Net position - beginning of year, as previously stated	74,054	56,928	66,387
Restatement - change in Accounting Principle	-	-	(23,400)
Net position - beginning of year, as restated	<u>74,054</u>	<u>56,928</u>	<u>42,987</u>
Net position - end of year	<u>\$ 159,470</u>	<u>\$ 74,054</u>	<u>\$ 56,928</u>

Capital Program

The District received capital contributions of \$49.5 million in Fiscal Year 2020 and \$8.8 million in Fiscal Year 2019, which was an increase of \$40.7 million or 463.3% in Fiscal Year 2020 compared to Fiscal Year 2019 and a decrease of \$2.2 million or 19.9% in Fiscal Year 2019 compared to Fiscal Year 2018.

The following is a summary of the District's major capital expenditures for Fiscal Year 2020.

- Purchase of revenue vehicles (\$45.1 million).
- Maintenance and administrative facilities and equipment (\$3.7 million).
- Communication information system (\$1.3 million).
- Replacement of bus parts in accordance with FTA guidelines (\$1.5 million).
- Safety and security (\$0.7 million).
- Capital project development, and others (\$4.2 million).

Additional information concerning the District's Capital Assets can be found in *Note #6 - Capital Assets* in the Notes to the Financial Statements.

SAN MATEO COUNTY TRANSIT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2020 AND 2019

Debt

At June 30, 2020, the District had \$211.0 million in limited tax bonds outstanding, a decrease of \$13.1 million or 5.8%, compared to \$224.1 million in limited tax bonds outstanding at June 30, 2019. This decrease resulted from retirement of principal in scheduled debt service payments. The District pledges sales tax revenues to secure the 2015 Series A Bonds and the 2015 Series B Bonds. Interest payments on the 2015 Series A Bonds are due on June 1 and December 1 of each year. Principal payments on the 2015 Series A Bonds began on June 1, 2019. The final maturity date for the 2015 Series A Bonds is June 1, 2034. Interest rates on the 2015 Series A Bonds range from 3.0 percent to 5.0 percent. More information on the District's long-term debt activity appears in *Note #11 - Long-term Debt* in the *Notes to the Financial Statements*.

Economic Factors and Next Year's Budget

The District's Board adopted the Fiscal Year 2021 Operating and Capital Budget on September 2nd, 2020. As in the past years, District staff has taken steps to manage costs and undertake efficiencies while continuing to enhance service and revenues. The District continues to work with its funding partners and employees to pursue its goals of excellent service. The Capital Budget contains projects necessary and essential to sustain the District's existing service and infrastructure network, without compromising the vision set forth in the adopted Strategic Plan.

The Fiscal Year 2021 Operating Budget consists of \$253.4 million and \$209.4 million in revenues and expenditures, respectively. Passenger fares for both Motor Bus and ADA services are projected to be \$5.3 million. Local, State, and Federal funds are projected to increase to \$85.1 million due to CARES ACT Funds, and partially offset by anticipated decreases in Transportation Development Act (TDA) and State Transportation Assistance (STA). The District's half-cent sales tax receipts are projected to be \$80.0 million. Measure W sales tax receipts are projected to be \$40.0 million. Out of the \$209.4 million projected operating costs, \$146.1 million are budgeted for the Motor Bus program, \$19.1 million for the A.D.A program, \$8.9 million for the Caltrain program, and \$2.7 million for the Multi-Modal program.

The \$11.9 million Capital Budget contains projects that were reviewed and prioritized consistent with District policy directives and key Strategic Plan Initiatives. Major projects being undertaken in Fiscal Year 2021 include purchases of major bus components (\$0.7 million), purchase and installation of a computer aided dispatching (CAD) system (\$1.8 million), purchases and installation of Wi-Fi equipment on 225 buses (\$1.6 million), routine maintenance or replacement (\$1.4 million), purchases and replacement of the South Based Switchgear (\$1.0 million), engineering and final design studies for Nother Base Building 200 replacement (\$1.0 million) and purchase of Pico Blvd, San Carlos property (\$3.1 million).

The global Coronavirus Disease 2019 (COVID-19) pandemic will impact subsequent periods of the District's financial conditions. The impact on the district's future revenues, operating costs and any recovery from emergency funding either federal or state, cannot be estimated.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate accountability for the funds the District receives. If you have questions about this report or need additional financial information, please contact the San Mateo County Transit District, attn: Chief Financial Officer, 1250 San Carlos Ave., P.O. Box 3006, San Carlos, California 94070-1306.

BASIC FINANCIAL STATEMENTS AND NOTES

SAN MATEO COUNTY TRANSIT DISTRICT

STATEMENTS OF NET POSITION

JUNE 30, 2020 AND 2019 (in thousands)

	<u>2020</u>	<u>2019</u>
ASSETS:		
Current Assets:		
Cash and cash equivalents (Notes 1E & 2)	\$ 140,618	\$ 85,653
Restricted cash (Notes 1G & 2)	8,119	17,387
Subtotal, cash and equivalents	<u>148,737</u>	<u>103,040</u>
Investments (Notes 1F & 2)	34,469	27,507
Restricted investments (Notes 1G & 2)	8,264	5,805
Receivables:		
Transaction and use tax	20,643	16,650
Receivable from Peninsula Corridor Joint Powers Board (Note 7)	7,089	12,495
Receivable from San Mateo County Transportation Authority (Note 9)	3,957	2,473
Federal grants (Note 4)	204	3,792
State and local grants	6,710	12,803
Interest	704	515
Other	3,971	4,073
Allowance for doubtful accounts	(98)	(98)
Total Receivables - Net	<u>43,180</u>	<u>52,703</u>
Inventories (Note 1I)	1,682	1,770
Prepaid items	1,749	2,078
Other current assets	200	-
Total Current Assets	<u>238,281</u>	<u>192,903</u>
Noncurrent Assets:		
Noncurrent investments (Notes 1F & 2)	73,220	76,647
Restricted investments (Notes 1G & 2)	20,847	20,948
Capital assets (Notes 1J & 6):		
Buses and bus equipment	220,442	176,969
Buildings and building improvements	72,961	73,303
Maintenance and other equipment	29,685	27,546
Furniture and fixtures	29,989	33,295
Shelters and bus stop signs	10,393	10,372
Other vehicles	2,518	2,467
Total capital assets	<u>365,988</u>	<u>323,952</u>
Less accumulated depreciation	(244,128)	(226,368)
Land (Note 6)	56,915	53,855
Construction in progress (Note 1K)	5,627	5,187
Capital assets - Net (Note 6)	<u>184,402</u>	<u>156,626</u>
Other assets	32	30
Total noncurrent assets	<u>278,501</u>	<u>254,251</u>
Total assets	<u>516,782</u>	<u>447,154</u>

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

STATEMENTS OF NET POSITION (CONTINUED)

JUNE 30, 2020 AND 2019 (in thousands)

	2020	2019
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred charges on refunding	6,519	7,617
Deferred outflows related to OPEB (Note 13)	6,565	6,326
Deferred outflows related to pension (Note 12)	13,910	17,665
Total deferred outflows of resources	26,994	31,608
LIABILITIES:		
Current Liabilities:		
Accounts payable and accrued expenses	14,294	26,193
Current portion of compensated absences (Note 10)	7,386	7,242
Current portion of self-insurance liabilities (Note 14)	6,343	5,416
Accrued interest	1,778	1,739
Unearned revenues	24,001	24,863
Current portion of long-term debt (Note 11)	10,320	10,060
Total current liabilities	64,122	75,513
Noncurrent Liabilities:		
Self-insurance liabilities, less current portion (Note 14)	5,433	3,993
Other noncurrent liabilities	4,377	4,524
Compensated absences, less current portion (Note 10)	3,363	2,319
Long-term debt, less current portion (Note 11)	200,676	213,992
Net OPEB liability (Note 13)	28,217	33,033
Net pension liability (Note 12)	73,096	68,337
Total noncurrent liabilities	315,162	326,198
Total liabilities	379,284	401,711
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows related to OPEB (Note 13)	2,203	340
Deferred inflows related to pension (Note 12)	2,821	2,657
Total deferred inflows of resources	5,024	2,997
NET POSITION:		
Net investment in capital assets	184,402	156,626
Restricted for:		
Debt service	1,599	1,575
Paratransit fund (Note 15)	25,000	25,000
Unrestricted	(51,531)	(109,147)
Total net position	\$ 159,470	\$ 74,054

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2020 AND 2019 (in thousands)

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:		
Passenger fares	\$ 11,690	\$ 15,567
Total operating revenues	<u>11,690</u>	<u>15,567</u>
OPERATING EXPENSES:		
Salaries and benefits	83,438	75,467
Contract operations and maintenance services	39,625	40,507
Other services	10,750	9,770
Materials and supplies	7,448	7,604
Provisions for claims and claims adjustments	8,575	5,306
Miscellaneous	10,812	9,128
Total operating expenses before depreciation and amortization	160,648	147,782
Depreciation	25,842	21,492
Total operating expenses	<u>186,490</u>	<u>169,274</u>
Operating loss	<u>(174,800)</u>	<u>(153,707)</u>
NONOPERATING REVENUES (EXPENSES):		
Operating assistance (Note 3)	206,031	160,416
Investment income	7,442	6,775
Interest expense	(7,497)	(7,693)
Caltrain service subsidy (Note 7)	(9,239)	(7,634)
Other income, net	13,970	10,180
Total nonoperating revenues (expenses)	<u>210,707</u>	<u>162,044</u>
Net income (loss) before capital contributions	35,907	8,337
Capital grants (Note 1P)	49,509	8,789
Change in net position	85,416	17,126
NET POSITION:		
Net position - beginning of year	74,054	56,928
Net position - end of year	<u>\$ 159,470</u>	<u>\$ 74,054</u>

The accompanying notes are an integral part of these financial statements.

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SAN MATEO COUNTY TRANSIT DISTRICT

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019 (in thousands)**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 11,690	\$ 15,567
Payments to vendors for goods and services	(81,981)	(64,779)
Payments to employees	(78,248)	(69,467)
Net cash (used for) operating activities	<u>(148,539)</u>	<u>(118,679)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating grants received, including transaction and use tax	216,110	170,124
Caltrain subsidy paid	(9,239)	(7,634)
Net cash provided by non-capital financing activities	<u>206,871</u>	<u>162,490</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(53,620)	(12,637)
Capital contributions from grants	59,043	8,209
Bond principal paid	(10,060)	(11,930)
Interest paid on capital debt	(9,356)	(12,994)
Net cash (used for) capital and related financing activities	<u>(13,993)</u>	<u>(29,352)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investment securities	44,759	55,771
Purchases of investment securities	(49,460)	(54,561)
Investment income received	6,059	3,061
Net cash provided by investing activities	<u>1,358</u>	<u>4,271</u>
Net (increase) in cash and cash equivalents	45,697	18,730
Cash and cash equivalents, beginning of year	<u>103,040</u>	<u>84,310</u>
Cash and cash equivalents, end of year	<u>\$ 148,737</u>	<u>\$ 103,040</u>

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

**STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019 (in thousands)**

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED)		
IN OPERATING ACTIVITIES:		
Operating loss	\$ (174,800)	\$ (153,707)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation	25,842	21,492
Net other postemployment liability	(4,816)	(2,827)
Net pension liability	4,759	(103)
Deferred inflows and outflows from pension activities	3,919	5,330
Deferred inflows and outflows from OPEB activities	1,624	(208)
Effect of changes in:		
Accounts receivable	3,922	3,205
Inventories	88	(32)
Prepaid items	329	149
Other assets	(200)	-
Accounts payable and accrued liabilities	(12,761)	7,880
Compensated absences	1,188	444
Self-insurance liabilities	2,367	(302)
Net cash (used in) operating activities	<u><u>\$ (148,539)</u></u>	<u><u>\$ (118,679)</u></u>
NONCASH INVESTING AND CAPITAL ACTIVITIES:		
Capital contributions	\$ (9,534)	\$ 580
Change in fair value of investments	\$ (3,012)	\$ (3,120)

The accompanying notes are an integral part of these financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

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SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Operations

The San Mateo County Transit District (District) was formed by the California State Legislature and approved by the electorate in 1974 to meet the public transit needs of San Mateo County. The District operates buses throughout San Mateo County and also provides, through purchased service with independent contractors, demand-response transportation services and certain other fixed route bus service. The District also shares in the costs of operating the Caltrain rail service. The District paid a “buy in” sum and provided the project costs incurred that were not covered by a federal grant, of extending the San Francisco Bay Area Rapid Transit District (BART) rail system into San Mateo County and once the extension opened, the District covered the net costs to operate the extension. However, on April 27, 2007, the District and BART entered into a Settlement Agreement and Release of Claims pursuant to which BART receives 2% of the revenue generated annually from the Measure A half-cent sales tax administered by the Transportation Authority and in return the District is relieved of any and all further responsibility for payment of past and future operating costs, as well as capital costs, associated with the extension.

B. Financial Reporting Entity

The District’s reporting entity includes only the San Mateo County Transit District.

C. Basis of Accounting

The District is a single enterprise fund and maintains its records using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

D. Net Position

Net position is reported on the statement of net position in the following categories:

Net investment in capital assets - This category includes all capital assets, net of accumulated depreciation, reduced by related debt.

Restricted net position - This category represents net position restricted by parties outside (such as creditors, grantors, contributors, and laws and regulations of other governments) and includes unspent proceeds of bonds issued to acquire or construct capital assets.

Unrestricted net position - This category represents net position of the District that is not restricted for any project or other purpose.

E. Cash and Cash Equivalents

For purpose of the statement of cash flows, the District considers all highly liquid investments with an initial maturity of 90 days or less when purchased to be cash equivalents. Cash and equivalents also include amounts invested in the LAIF pool.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

F. Investments

Current investments represent securities which mature within the next 12 months. Noncurrent investments represent the portion of the District's investment portfolio that is not expected to be liquidated during the next 12 months. Investments in nonparticipating interest-earning investment contracts (guaranteed investment contracts) are reported at cost. Investment in money market accounts are also reported at net asset value. All other investments are at fair value. The fair value of investments is determined annually and is based on current market prices permitted. Investments are regulated by state statutes and could be further restricted by the grantors or enabling legislation.

G. Restricted Cash and Investments

Restricted cash and investments represent unused bond proceeds, bond reserves and other funds designated for financing the District's capital projects and related debt service. These funds are held as liquid investments or have been invested in U.S. Treasury notes, mutual funds or guaranteed investment contracts. The District also maintains restricted cash and investment accounts in the amount of \$25,000,000 for Paratransit operations.

H. Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for the same purpose (e.g. a construction project), the District's policy is to use all available restricted resources first before unrestricted resources are utilized.

I. Inventories

Inventories consist primarily of bus replacement parts and fuel and are stated at average cost which approximates market. Inventories are charged to expense at the time that individual items are withdrawn from inventory.

J. Capital assets

Capital assets are stated at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation plus ancillary charges, if any. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, as follows:

Buses and bus equipment	2 to 12 Years
Other vehicles, shelters and bus stops, maintenance and other equipment, and furniture and fixtures	3 to 20 Years
Building	30 Years
Building improvements	2 to 5 Years

The District's policy is to capitalize all capital assets with a cost greater than \$5,000 and a useful life of more than one year.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

K. Construction in progress

Construction in progress consists of the following projects at June 30 (in thousands):

	<u>2020</u>	<u>2019</u>
Maintenance facility improvements	\$ 1,091	\$ 92
Bus fleet improvements	2,198	4,671
Shelter, fencing and bus stop improvements	2,174	333
Other	164	91
Total Construction in Progress	<u>\$ 5,627</u>	<u>\$ 5,187</u>

L. State and Local Operating Assistance

State and local operating assistance is recorded as revenue upon approval by the granting agencies. The District serves as the cash conduit for State Transit Assistance received on behalf of the Peninsula Corridor Joint Powers Board (see Note 7) and does not recognize revenues or expenses associated with this agency function.

M. Bond Issuance Costs

Bond issuance costs are expensed upon the issuance of related debt except for bond prepaid insurance. Bond discounts, prepaid insurance and premiums are amortized over the life of the bonds.

N. Arbitrage

Arbitrage is reviewed on an annual basis and the corresponding liability is accrued accordingly.

O. Compensated Absences

Employees accrue compensated absence time by reason of tenure at annual rates ranging from 169 to 344.5 hours per year. Employees are allowed to accumulate from 800 hours up to 1,440 hours of compensated absence time, depending upon the number of years of service.

The changes in compensated absences were as follows for Fiscal Year ended June 30 (in thousands):

	<u>2020</u>	<u>2019</u>
Beginning Balance	\$ 9,561	\$ 9,117
Additions	7,787	7,406
Payments	(6,599)	(6,962)
Ending Balance	<u>10,749</u>	<u>9,561</u>
Current Portion	<u>7,386</u>	<u>7,242</u>
Non-current Portion	<u>\$ 3,363</u>	<u>\$ 2,319</u>

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

P. Capital Contributions

The District receives grants from the Federal Transit Administration (FTA), State, and local transportation funds for the acquisition of buses and other equipment and improvements. Capital contributions are recorded as revenues and the cost of the related assets are generally included as additions to property and equipment. Depreciation of assets acquired with capital grant funds is included in the depreciation expense in the statement of revenues, expenses and changes in net position.

Capital contributions for the years ended June 30 were as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Federal grants	\$37,685	\$ 3,801
State grant (Prop 1B)	11,225	3,914
Local assistance	599	1,074
Total	<u>\$ 49,509</u>	<u>\$ 8,789</u>

Q. Operating and Nonoperating Revenues and Expenses

The District distinguishes operating revenues and expenses from nonoperating revenues and expenses. Operating revenues and expenses generally result from directly providing services in connection with the District's principal operations of bus transit services. These revenues are primarily passenger fares. Operating expenses include cost of sales and services, administrative expenses, contracted services and depreciation on capital assets. All other revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

R. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

S. Other Post-employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

U. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position also reports deferred outflows of resources. This separate element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources from pension, OPEB activities and bond refunding.

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources from pension and OPEB activities.

V. Fair Value Measurement

Generally Accepted Accounting Principles provide guidance for determining a fair value measurement for reporting purposes, applying fair value to investments, and disclosures related to a hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs include inputs that are directly observable for the investment including quoted price for similar investments and inputs that are not directly observable but are derived from observable market data through correlation; Level 3 inputs are significant unobservable inputs.

W. New Accounting Pronouncements

Effective this Fiscal Year

GASB Statement No. 95 – In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018 or later. For the District, the requirements became effective for FY 2019/2020. The dates noted below were modified to include the postponement.

Effective in Future Fiscal Years

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance related to fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, or the FY 2020/2021. The District is evaluating the impact of this Statement on the financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2020, or FY 2021/2022. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in the financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020 or FY 2021/2022. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 90 – In August 2018, GASB issued Statement No. 90, *Majority Equity Interest, an amendment of GASB statements No. 14 and No. 61*. The objectives of this Statement is to improve how majority equity interest is reported. The Statement specifies that a majority equity interest in a legally separate organization should be reported as an investment using the equity method if a government's holding of the equity interest meets the definition of an investment and for all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019 or FY 2020/2021. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement is to establish accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except for Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments which are effective upon issuance. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 93 – In May 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement is to address those and other accounting and reporting implications resulting from the replacement of an IBOR by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced and providing clarification to the hedge accounting termination provisions, removing LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap and providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except the removal of LIBOR as a benchmark interest rate which is effective for periods beginning after December 31, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this Statement improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The District is evaluating the impact of this Statement on the financial statements.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The objective of this Statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022. The District is evaluating the impact of this Statement on the financial statements.

NOTE 2 – CASH AND INVESTMENTS

Policies

The District’s investments are generally carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each Fiscal Year end and includes the effects of these adjustments as a component of interest and investment income for that Fiscal Year. The District is in compliance with the Board approved Investment Policy and California Government Code requirements.

Classification

The District’s cash and investments as of June 30 are classified in the statement of net position as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 148,737	\$ 103,040
Current investments	34,469	27,507
Current restricted investments	8,264	5,805
Noncurrent investments	73,220	76,647
Noncurrent restricted investments	20,847	20,948
Total	<u>\$ 285,537</u>	<u>\$ 233,947</u>

The District’s cash and investments consist of the following at June 30 (in thousands):

	<u>2020</u>	<u>2019</u>
Cash on hand	\$ 22	\$ 21
Deposits with financial institutions	73,303	37,659
Investments	212,212	196,267
Total	<u>\$ 285,537</u>	<u>\$ 233,947</u>

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code or the District's investment policy, whichever is more restrictive, that addresses interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the District's investment policy.

Authorized Investment Type	Minimum Credit Rating	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	15 years	100%	100%
U.S. Agency Securities	None	15 years	100%	100%
Banker's Acceptances	A1/P1/F1	180 days	15%	5%
Commercial Paper (\$500 Mil. Min. Assets)	A1/P1/F1	270 days	15%	10%
Negotiable Certificates of Deposit	None	5 years	10%	5%
Repurchase Agreements	None	1 year	100%	50%
Reverse Repurchase Agreements	None	92 days	20% of base value	20%
Medium-term Notes	A	5 years	30%	10%
Shares of beneficial interest issued by diversified management companies	None	30 days	10%	5%
Mortgage Pass-through Securities	AA	5 years	20%	5%
Obligations of California Local Agencies	None	10 years	50%	50%
Local Agency Investment Fund (LAIF)	None	N/A	None	\$75M
San Mateo County Investment Fund	None	N/A	None	None

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt covenants, rather than the general provisions of the California Government Code or the District's investment policy. These provisions allow for the acquisition of investment agreements, repurchase agreements and U.S. Treasury Securities with maturities of up to 30 years.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

Interest Rate Risk

Interest rate risk is the risk incurred when market interest rates adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

The District’s weighted average maturity of its investment portfolio at June 30, 2020 was as follows:

Investment Type	Amount (in thousands)	Weighted Average Maturity (in years)
U.S. Agency Securities	\$ 19,097	2.23
U.S. Government Securities	57,605	2.68
Corporate Notes	34,201	2.36
Commercial Paper	6,647	0.24
Certificates of Deposit	6,658	0.84
Municipal Debt Securities	301	4.09
Money Market Mutual Funds	12,291	-
Local Agency Investment Fund (LAIF)	75,412	0.52
Total	\$ 212,212	
Portfolio Weighted Average Maturity		1.36

The District’s weighted average maturity of its investment portfolio at June 30, 2019 was as follows:

Investment Type	Amount (in thousands)	Weighted Average Maturity (in years)
U.S. Agency Securities	\$ 12,733	2.05
U.S. Government Securities	46,768	3.22
Corporate Notes	42,015	2.02
Commercial Paper	6,845	0.37
Certificates of Deposit	7,745	1.65
Local Agency Investment Fund (LAIF)	65,359	0.47
Money Market Mutual Funds	14,802	-
Total	\$ 196,267	
Portfolio Weighted Average Maturity		1.57

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30 for each investment type.

Investment Type	Amount (in thousands)	Rating as of June 30, 2020				Not Rated
		AAA	AA	A	BBB+	
U.S. Agency Securities	\$ 19,097	\$ -	\$ 19,097	\$ -	\$ -	\$ -
U.S. Government Securities	57,605	-	57,605	-	-	-
Corporate Notes	34,201	5,043	4,997	24,069	4,752	1,998
Commercial Paper	6,647	-	-	6,647	-	-
Certificates of Deposit	6,658	-	6,658	-	-	-
Municipal Debt Securities	301	-	301	-	-	-
Money Market Mutual Funds	12,291	-	-	-	-	12,291
Local Agency Investment Fund (LAIF)	75,412	-	-	-	-	75,412
Total	\$ 212,212	\$ 5,043	\$ 88,658	\$ 30,716	\$ 4,752	\$ 89,701

Investment Type	Amount (in thousands)	Rating as of June 30, 2019				Not Rated
		AAA	AA	A	BBB+	
U.S. Agency Securities	\$ 12,733	\$ -	\$ 12,733	\$ -	\$ -	\$ -
U.S. Government Securities	46,768	-	46,768	-	-	-
Corporate Notes	42,015	6,290	7,753	27,972	-	-
Commercial Paper	6,845	-	-	-	6,845	-
Certificates of Deposit	7,745	-	6,588	1,157	-	-
Local Agency Investment Fund (LAIF)	65,359	-	-	-	-	65,359
Money Market Mutual Funds	14,802	-	-	-	-	14,802
Total	\$ 196,267	\$ 6,290	\$ 73,842	\$ 29,129	\$ 6,845	\$ 87,006

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

There were no investments in any one issuer that exceeded 5% of the District's total investment portfolio for the years ended June 30, 2020 or June 30, 2019.

Fair Value Measurements

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in level 2 are valued using broker quotes that utilize observable market inputs. Securities classified as Level 3 have limited trade information, these securities are priced or using the last trade price or estimated using recent trade prices. The following is the District's fair value hierarchy table as of June 30, 2020:

<u>Investment Type</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Uncategorized</u>
U.S. Agency Securities	\$ 19,097	\$ -	\$ 19,097	\$ -
U.S. Government Securities	57,605	57,605	-	-
Corporate Notes	34,201	-	34,201	-
Commercial Paper	6,647	-	6,647	-
Certificates of Deposit	6,658	-	6,658	-
Municipal Debt Securities	301	-	301	-
Money Market Mutual Funds	12,291	-	-	12,291
Local Agency Investment Fund (LAIF)	75,412	-	-	75,412
Total investments by fair value type	\$ 212,212	\$ 57,605	\$ 66,904	\$ 87,703

The following is the District's fair value hierarchy table as of June 30, 2019:

<u>Investment Type</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Uncategorized</u>
U.S. Agency Securities	\$ 12,733	\$ -	\$ 12,733	\$ -
U.S. Government Securities	46,768	46,768	-	-
Corporate Notes	42,015	-	42,015	-
Commercial Paper	6,845	-	6,845	-
Certificates of Deposit	7,745	-	7,745	-
Local Agency Investment Fund (LAIF)	65,359	-	-	65,359
Money Market Mutual Funds	14,802	-	-	14,802
Total investments by fair value type	\$ 196,267	\$ 46,768	\$ 69,338	\$ 80,161

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that in the event of the failure of the counter party (e.g. broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in possession of another party.

California Law requires banks and savings and loan institutions to pledge government securities with a fair value of 110 percent of the District's cash on deposit, or first trust deed mortgage notes with a fair value of 150 percent of the deposit, as collateral for these deposits. Under California law, this collateral is held in a separate investment pool by another institution in the pool's name and places the pool, which includes the District's deposits, ahead of general creditors of the institution.

The District invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the District employs the Trust Department of a bank or trustee as the custodian of certain District managed investments, regardless of their form.

As of June 30, 2020 and 2019, the District had \$73,161,000 and \$37,659,000, respectively, in deposits with financial institutions recorded on the financial statements. Additionally, the District is required to hold certain capital fund amounts in interest bearing accounts. These balances are in excess of the federal depository insurance limits, and are collateralized with securities held by the pledging financial institution. The amount of deposits exposed to custodial credit risk at June 30, 2020 and 2019 was \$73,182,000 and \$38,604,000, respectively. However, due to California State Law, the excess balances are collateralized with pledged securities by the financial institutions holding the District's deposits.

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission.

As of June 30, 2020 and June 30, 2019, the District had a contractual withdrawal value in LAIF of \$74,910,070 and \$64,896,000, respectively. Investments in LAIF are not categorized because deposits and withdrawals are made on the basis of \$1 and not fair value.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

NOTE 3 – OPERATING ASSISTANCE

The District receives operating assistance from various federal, state and local sources. The District receives funds from two San Mateo County sales tax: a permanent half-cent transaction and use tax levied on all taxable sales in San Mateo County and a half-cent sales tax which will be levied through June 30, 2049 (and half of which is administered by the Transportation Authority), both of which are collected and administered by the California Department of Tax and Fee Administration. Transportation Development Act funds are received from San Mateo County to meet, in part, operating and capital requirements based on annual claims filed by the District and approved by the Metropolitan Transportation Commission (MTC). Federal funds are distributed to the District by the Federal Transportation Administration (FTA) after approval by MTC. The District also receives Transportation Authority funds as a result of the approval and re-authorization of 2004 Measure A (half-cent county sales tax) for funding of certain transportation projects and programs.

Operating assistance is summarized as follows for the years ended June 30 (in thousands):

	<u>2020</u>	<u>2019</u>
Transaction and use tax	\$ 135,835	\$ 100,729
Local transportation funds	48,311	43,333
Federal operating and planning assistance	5,485	2,905
State transit assistance	11,219	5,975
Measure A funds - local	3,640	5,954
Measure M funds - local	1,391	1,400
AB434 and other	150	120
Total	<u>\$ 206,031</u>	<u>\$ 160,416</u>

NOTE 4 – FEDERAL CAPITAL GRANTS

The District has a number of grant contracts with the FTA that provide federal funds for the acquisition of buses and other equipment and improvements. Capital additions at June 30, 2020 and 2019 applicable to these projects are \$56,507,000 and \$12,637,000, respectively. The related federal participation is \$37,685,000 and \$3,801,000, respectively.

The District has recorded receivables of \$48,000 and \$3,288,000, at June 30, 2020 and 2019, respectively, for qualifying capital project expenditures under FTA grant contracts in excess of reimbursements. The remaining federal receivable balance is related to federal operating grants.

Under the terms of the grants, contributions for equipment sold or retired during its useful life are refundable to the federal government in proportion to the related capital grant funds received, unless the net book value or proceeds from sale is under grant-prescribed limits.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

NOTE 5 – BAY AREA RAPID TRANSIT (BART) DISTRICT EXTENSION AGREEMENTS

The District entered into a Comprehensive Agreement with the San Francisco Bay Area Rapid Transit District (BART) on March 1, 1990. The purpose was to extend BART from the Daly City station to Caltrain and the San Francisco International airport via new stations at Colma, South San Francisco, San Bruno, Millbrae, and the San Francisco International Airport (SFO Extension).

The agreement called for two projects. The first was the Colma Project, an extension of approximately 1.6 miles from the existing Daly City station to the new Colma station. The second was the SFO Extension, which included construction of 10.1 miles of additional track, four additional stations and related facilities. On June 22, 2003, the SFO Extension opened, providing service to South San Francisco, San Bruno, San Francisco International Airport and Millbrae stations.

The total contributions made by the District for the BART projects mentioned above were \$410,280,000 over the period from 1990 to 2007. These contributions were funded with District funds and proceeds from the sale of bonds. The District's net position was impacted by the contributions made to BART. The project serves the citizens and taxpayers of the County of San Mateo; however, the capital asset was not recorded on the District's financial statements because the District does not hold title to the capital asset nor does it manage the operation and maintenance of the BART extension. The debt outstanding related to the BART project along with the implementation of the pension and OPEB standards described in Note 12 and 13 have negatively impacted the District's net position. While these are long-term liabilities recorded on the financial statements, the net position available for operations and projects is presented below without the impact of these long-term liabilities:

Unrestricted net position as reported on the financial statements	\$ (51,531)
Outstanding debt (plus premiums, net of deferred costs) related to BART contributions	204,477
Net pension liability and related deferrals	62,007
Net OPEB liability and related deferrals	23,855
Net position earmarked for operations and projects	<u><u>\$ 238,808</u></u>

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the Fiscal Year ended June 30, 2020, was as follows (in thousands):

	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020
Depreciable Capital Assets				
Buses and bus equipment	\$ 176,969	\$ 48,840	\$ (5,367)	\$ 220,442
Buildings and building improvements	73,303	369	(711)	72,961
Maintenance and other equipment	27,546	4,022	(1,883)	29,685
Furniture and fixtures	33,295	-	(3,306)	29,989
Shelters, fencing and bus stop signs	10,372	21	-	10,393
Other vehicles	2,467	172	(121)	2,518
Total Depreciable Capital Assets	<u>323,952</u>	<u>53,424</u>	<u>(11,388)</u>	<u>365,988</u>
Less Accumulated Depreciation for:				
Buses and bus equipment	(104,761)	(12,587)	5,393	(111,955)
Buildings and building improvements	(61,334)	(1,612)	660	(62,286)
Maintenance and other equipment	(30,201)	(6,989)	1,908	(35,282)
Furniture and fixtures	(27,008)	(2,938)	-	(29,946)
Shelters, fencing and bus stop signs	(1,296)	(1,546)	-	(2,842)
Other vehicles	(1,768)	(170)	121	(1,817)
Total Accumulated Depreciation	<u>(226,368)</u>	<u>(25,842)</u>	<u>8,082</u>	<u>(244,128)</u>
Nondepreciable Capital Assets				
Land	53,855	3,060	-	56,915
Construction in progress	5,187	53,619	(53,178)	5,627
Total Nondepreciable Capital Assets	<u>59,042</u>	<u>56,679</u>	<u>(53,178)</u>	<u>62,542</u>
Capital Assets, Net	<u>\$ 156,626</u>	<u>\$ 84,261</u>	<u>\$ (56,484)</u>	<u>\$ 184,402</u>

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Capital asset activity for the Fiscal Year ended June 30, 2019, was as follows (in thousands):

	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019
Depreciable Capital Assets				
Buses and bus equipment	\$ 176,119	\$ 850	\$ -	\$ 176,969
Buildings and building improvements	70,212	3,091	-	73,303
Maintenance and other equipment	25,372	2,174	-	27,546
Furniture and fixtures	32,346	949	-	33,295
Shelters, fencing and bus stop signs	1,015	9,357	-	10,372
Other vehicles	2,496	217	(246)	2,467
Total Depreciable Capital Assets	<u>307,560</u>	<u>16,638</u>	<u>(246)</u>	<u>323,952</u>
Less Accumulated Depreciation for:				
Buses and bus equipment	(94,233)	(10,528)	-	(104,761)
Buildings and building improvements	(58,874)	(2,460)	-	(61,334)
Maintenance and other equipment	(28,303)	(1,898)	-	(30,201)
Furniture and fixtures	(20,821)	(6,187)	-	(27,008)
Shelters, fencing and bus stop signs	(968)	(328)	-	(1,296)
Other vehicles	(1,923)	(91)	246	(1,768)
Total Accumulated Depreciation	<u>(205,122)</u>	<u>(21,492)</u>	<u>246</u>	<u>(226,368)</u>
Nondepreciable Capital Assets				
Land	53,855	-	-	53,855
Construction in progress	9,188	12,637	(16,638)	5,187
Total Nondepreciable Capital Assets	<u>63,043</u>	<u>12,637</u>	<u>(16,638)</u>	<u>59,042</u>
Capital Assets, Net	<u>\$ 165,481</u>	<u>\$ 7,783</u>	<u>\$ (16,638)</u>	<u>\$ 156,626</u>

NOTE 7 – PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)

The District is a member in the Peninsula Corridor Joint Powers Board (JPB) along with the VTA and the CCSF. The JPB is governed by a separate board comprised of nine members – three from each member agency. The JPB was established in 1988 to keep Caltrain operating after the state’s responsibility ended. The JPB was formed to plan, administer and operate the Caltrain service. The JPB began operating the Caltrain service on July 1, 1992. Prior to July 1, 1992, such rail service was operated by the California Department of Transportation (Caltrans) and Southern Pacific Railroad.

During Fiscal Year 1992, the District advanced the CCSF’s and VTA’s initial contribution in the amount of \$8,294,000 and \$34,652,000, respectively, to acquire from Southern Pacific the rail corridor right of way between San Francisco and San Jose and perpetual trackage rights between San Jose and Gilroy. The District and the JPB are tenants in common, each to an undivided 50% share, to all right of way property acquired in that December 1992 acquisition transaction and located in San Mateo County until the District receives the full reimbursement of the initial contribution plus interest from CCSF and VTA. CCSF and VTA agreed to use their best efforts individually and collectively to advocate for and obtain grants from non-local sources to reimburse the District for their respective contributions (see Note 8 “Caltrain Right of Way”).

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Since the JPB's inception in 1988, the District has been designated as its Managing Agency, providing administrative personnel and facilities. The District's role as Managing Agency will continue unless and until it no longer chooses to do so pursuant to the Agreement described in Note 8, "Caltrain Right of Way."

The District is responsible for 32.66 and 30.00 percent of the mainline net operating costs and the administrative expenses of the JPB for the years ended June 30, 2020 and 2019, respectively. The District recognizes the entire amount of contributions paid to the JPB as an expense in the year disbursed. During the years ended June 30, 2020 and 2019, the District contributed \$9,239,000 and \$7,634,000 respectively, to the JPB for operating needs.

The District had total receivables from the JPB of \$7,089,000 at June 30, 2020, down from \$12,495,000 at June 30, 2019, for advances of staff support and operating costs. Complete financial statements for the JPB can be obtained from the Peninsula Corridor Joint Powers Board at 1250 San Carlos Ave., San Carlos, California 94070.

NOTE 8 – LAND AND RIGHT OF WAY

Dumbarton Land and Right of Way

In November 1994, the San Mateo County Transportation Authority (Transportation Authority) purchased and subsequently transferred the Dumbarton land and right of way to the District. The basis of this property is \$7,134,000. In December 2001, the Transportation Authority purchased and subsequently transferred the Redwood City Wye land and right of way, adjacent to the Dumbarton parcels, to the District. The basis of this property is \$7,103,000.

San Carlos Land and Right of Way

In July 2007, the District acquired four acres of property located in San Carlos along the Caltrain right of way from the Transportation Authority for a promissory note of \$4,343,000. The fair market value for the land, accounting for the risk associated with hazardous materials, is \$7,739,000. The District recognized the difference of the fair market value and the promissory note as a local grant contribution from the Transportation Authority. Originally, the property had been acquired by the Transportation Authority for the purpose of constructing a railroad grade separation structure. Having completed the grade separation, the Transportation Authority Board of Directors agreed to sell the property to the District. Under the terms of the transaction, the District is permitted to pay the purchase price over time subject to the payment of interest prospectively at the current rate of return earned by the Transportation Authority on its investment portfolio until the principal is paid in full before December 1, 2033.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Caltrain Right of Way

On October 31, 2008, all three of the JPB member agencies together with the Metropolitan Transportation Commission (MTC) signed an agreement to fully resolve all outstanding financial issues related to the acquisition of the Caltrain right of way. Both the City and County of San Francisco (CCSF) and Santa Clara Valley Transportation Authority (VTA) have agreed to reimburse the District using gasoline “spillover” funds. The population based “spillover” funds are to be paid directly to the District from the MTC, and revenue based “spillover” funds are to be paid to the District from the San Francisco Municipal Transportation Agency (SFMTA) and VTA. The parties agreed to make best efforts to allocate the funds in full within two to four years and, in no event, later than 10 years. As of June 30, 2020, the District has received a total of \$33.5 million from “spillover”, Federal Transportation Improvement Program funds as well as local VTA and SFMTA funds. In consideration for the District’s reduction in the interest rate applied to the District’s advance of funds to purchase the right of way, the parties expressly agreed in the October 31, 2008 Agreement to designate the District as the Managing Agency of the Peninsula Corridor Joint Powers Board. This Agreement further provides that the District “will serve in that capacity unless and until it no longer chooses to do so”.

Out of the total \$53.3 million repayment per this agreement, \$33.5 million has been repaid to the District. The contractual commitment from MTC on behalf of CCSF and VTA for the remaining principal amount of \$19.8 million has yet to be repaid to the District. Ultimately, when all payments have been received by the District, the District will reconvey to the JPB all of its interest in the title to the right of way in San Mateo County.

NOTE 9 – SAN MATEO COUNTY TRANSPORTATION AUTHORITY

The Transportation Authority was formed in June 1988 as a result of the approval of Measure A (half-cent county sales tax and Transportation Expenditure Plan) by the voters of San Mateo County pursuant to the Bay Area County Traffic and Transportation Funding Act. The Transportation Authority was to be responsible for the administration of funds to be used for transportation projects collected over a period of 20 years by the half-cent county sales tax. The Transportation Authority designated the District as the entity responsible for overall management of the Transportation Authority. In November 2004, the voters reauthorized the sales tax to be collected for an additional 25 years (through 2033) and administered by the Transportation Authority in accordance with a new publicly-developed Expenditure Plan.

In addition, Measure W authorizes the District to transfer one half of that sales tax's revenues to the Transportation Authority for administration. Accordingly, the Transportation Authority now administers the Measure W Congestion Relief Program elements related to highways, roadways, bicycle/pedestrian projects, and regional transportation connections.

Without further voter approval, the Transportation Authority is expected to exist for so long as it continues to administer and/or implement programs/projects funded by Measure A.

The District provides administrative personnel and facilities to the Transportation Authority. The Transportation Authority has funded various real estate acquisitions, which are necessary for transportation projects. In most cases, the Transportation Authority has chosen not to hold title to real estate assets it has acquired as a result of its financial support of transportation projects in its Expenditure Plan. The District holds title to properties, both as an accommodation to Transportation Authority as well as for use in transit. The District has recorded these parcels as capital assets.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Please refer to the discussion of the San Carlos Right of Way in Note 8. The note of \$4,343,000 is included in other noncurrent liabilities on the statement of net position. The District also has an accrued interest liability of \$1,060,000 and \$982,000, respectively, as of June 30, 2020 and 2019 for the promissory note.

The District has total receivables from the Transportation Authority of \$3,957,000 and \$2,473,000 at June 30, 2020 and 2019 respectively, for advances of staff support and operating costs and reimbursement of Caltrain subsidy. Complete financial statements for the Transportation Authority can be obtained from the Transportation Authority at 1250 San Carlos Ave., San Carlos, California, 94070.

NOTE 10 – SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

In May of 2019, the Transportation Authority and City/County Association of Governments (“C/CAG”) formed the San Mateo County Express Lanes Joint Powers Authority (“JPA”) through a Joint Exercise of Powers Agreement to exercise their shared rights to own, administer and manage the San Mateo County 101 Express Lanes Project. Under that agreement, the San Mateo County Transit District (as Managing Agency for the Transportation Authority) and C/CAG both will provide staff support to the JPA. The District’s staff supports the JPA’s financial activities (e.g., budgeting, accounting, audits and treasury), marketing (including marketing use of the lanes and promoting the broader benefits of the lanes), and communications (including media and community relations, and the JPA’s website). The Transportation Authority will compensate the District for staff time spent in support of the JPA; the JPA will in turn reimburse the Transportation Authority such costs.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

NOTE 11 – LONG-TERM DEBT

Composition and Changes

The District generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt. The District's debt issues and transactions are summarized below and discussed in detail thereafter.

Long-term debt activity for the year ended June 30, 2020 is as follows (in thousands):

	Original Issue Amount	Balance at July 1, 2019	Additions	Deletions	Balance at June 30, 2020	Current Balance at June 30, 2020
Limited Tax Bonds						
2015 Series A Refunding Bonds 3.00%-5.00%, due 6/1/2034	\$ 210,280	\$ 203,280	\$ -	\$ (10,060)	\$ 193,220	\$ 10,320
Total debt		203,280	-	(10,060)	193,220	\$ 10,320
Unamortized bond premium		20,772	-	(2,996)	17,776	
Total bonds payable		\$ 224,052	\$ -	\$ (13,056)	\$ 210,996	

Long-term debt activity for the year ended June 30, 2019 is as follows (in thousands):

	Original Issue Amount	Balance at July 1, 2018	Additions	Deletions	Balance at June 30, 2019	Current Balance at June 30, 2019
Limited Tax Bonds						
2015 Series A Refunding Bonds 3.00%-5.00%, due 6/1/2034	\$ 210,280	\$ 210,280	\$ -	\$ (7,000)	\$ 203,280	\$ 10,060
2015 Series B Refunding Bonds 0.41%-1.953%, due 6/1/2019	39,965	4,930	-	(4,930)	-	-
Total debt		215,210	-	(11,930)	203,280	\$ 10,060
Unamortized bond premium		24,033	-	(3,261)	20,772	
Total bonds payable		\$ 239,243	\$ -	\$ (15,191)	\$ 224,052	

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Description of the District's Long-Term Debt Issues

2015 Series A and Series B Refunding Bonds – In Fiscal Year 2015, the District issued \$210,280,000 of the Limited Tax Bonds, Refunding 2015 Series A (the 2015 Series A Bonds) and \$39,965,000 of the Limited Tax Bonds, Refunding 2015 Series B (Federally Taxable) (the 2015 Series B Bonds, and, together with the 2015 Series A Bonds, the 2015 Series Bonds) to advance refund the 1993 Series A Bonds, the 2005 Series A Bonds, and the 2009 Series A Bonds, all of which were issued to assist in the financing or refinancing of facilities necessary or convenient for the provision of transit services.

The 2015 Series Bonds were issued pursuant to an Indenture, dated as of April 1, 2015, as supplemented and amended from time to time pursuant to its terms (the Indenture), between the District and U.S. Bank National Association, as trustee (the Trustee).

The District issued the 2015 Series Bonds in order to advance refund all of its prior debt secured by the Sales Tax, comprised of \$56,420,000 aggregate principal amount of the 1993 Series A Bonds, \$218,990,000 aggregate principal amount of the 2005 Series A Bonds and \$10,505,000 aggregate principal amount of the 2009 Series A Bonds. The proceeds of the 2015 Series Bonds, together with funds held on deposit under the 1990 Indenture, to refund and legally defease all of the 1993 Series A Bonds, the 2005 Series A Bonds and the 2009 Series A Bonds (hereinafter collectively referred to as the Prior Bonds). In connection with the refunding and defeasance of the Prior Bonds, the District entered into an Escrow Agreement, dated as of April 1, 2015 (the Escrow Agreement), with U.S. Bank National Association, as trustee and escrow agent (the Escrow Agent), pursuant to which the Escrow Agent established escrow funds (each, an Escrow Fund) to provide for the payment of the principal of and interest on the Prior Bonds to their date of redemption or maturity, as applicable. Amounts deposited in each Escrow Fund are expected to be invested in direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America (the Escrow Securities), the principal of and interest on which, together with any cash held uninvested in such Escrow Fund, will be sufficient to pay the principal of and interest on the Prior Bonds secured by such Escrow Fund to the date of their redemption or maturity, as applicable. Amounts deposited in each Escrow Fund are pledged to the payment of the Prior Bonds secured by such Escrow Fund and will not be available for the payment of any bonds other than the Prior Bonds secured by such Escrow Fund.

Interest on the 2015 Series Bonds is payable semiannually on June 1 and December 1 of each year. The 2015 Series Bonds are subject to optional redemption prior to their respective stated maturities. Principal on the 2015 Series A is payable on June 1, 2019 and annually thereafter on June 1 of each year through 2034. Principal on the 2015 Series B is payable on June 1 of each year through 2019.

Proceeds from the 2015 Refunding Bonds were used to purchase U.S. Government Securities and were placed in an irrevocable trust, in an amount necessary to satisfy principal and interest payments on the 1993 Series A Bonds and 2009 Series A Refunding Bonds. The 2005 Bonds were called and paid off in Fiscal Year 2015. The refunded 1993 and 2009 Bonds have been paid off in Fiscal Year 2020.

The 2015 Series Bonds are special obligations of the District payable from the receipts of a sales tax to assist in the financing or refinancing of facilities necessary or convenient for the provision of transit services. The amount and terms of pledged revenue is the outstanding secured debt service as noted on the debt service requirement schedule in the following paragraph. The amount of pledged revenues recognized for the secured debt was \$135.8 million and the amount required for the debt service was \$19.4 million during Fiscal Year 2020. The pledged revenue coverage was 7.02 percent.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

Debt Service Requirements to Maturity

Future Debt Service requirements are as follows (in thousands):

Fiscal Year Ending June 30,	2015 Series A		
	Principal	Interest	Total
2021	\$ 10,320	\$ 8,829	\$ 19,149
2022	10,780	8,370	19,150
2023	11,290	7,855	19,145
2024	11,825	7,318	19,143
2025	12,390	6,748	19,138
2026-2030	71,890	23,765	95,655
2031-2034	64,725	5,726	70,451
Total debt service	\$ 193,220	\$ 68,611	\$ 261,831

NOTE 12 – PENSION PLAN

Plan Description

General Information About the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees, including those assigned to work for the Peninsula Corridor Joint Powers Board (JPB) and the San Mateo County Transportation Authority (Transportation Authority), are eligible to participate in the District’s defined benefit pension plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefits are established by contract with CalPERS in accordance with the provisions of the Public Employees’ Retirement Law. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of CalPERS credited service are eligible to retire at age 50 with statutorily reduced benefits. Effective January 1, 2013, new CalPERS members are subject to the Public Employees’ Pension Reform Act (PEPRA); and to be eligible for retirement, a PEPRA employee must be at least 52 years of age to retire. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

The plan provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Prior to June 1, 2012	June 1, 2012 through December 31, 2012	On or after January 1, 2013
Hire date			
Benefit formula	2.0% at 55	2.0% at 60	2.0% at 62
Minimum years of service to vest	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Earliest retirement age	50	50	52
Required employee contribution rates	7.000%	7.000%	7.000%
Required employer contribution rates*	8.338%	8.338%	8.338%

*Excluding an additional UAL payment in the amount of \$4,350,966.

Employees Covered – At June 30, 2020, the following employees were covered by the plan:

Inactive employees (or their beneficiaries) currently receiving benefits	585
Inactive employees entitled to but not yet receiving benefits	604
Active employees	693
Total number of employees covered by the benefit terms	1,882

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers to be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Annually, in addition to funding the “normal cost” of the pension plan, the District is required to amortize a portion of the unfunded accrued liability through a payment into the plan. A portion of this cost is attributed to the JPB and the Transportation Authority. In FY20, the JPB’s portion of this payment was \$1,036,000, and the Transportation Authority’s portion of this payment was \$90,000; In FY19, the JPB’s portion of this payment was \$751,000, and the Transportation Authority’s portion of this payment was \$68,000.

Net Pension Liability

The District’s net pension liability for Fiscal Year 2020 is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability for Fiscal Year 2020 is measured as of June 30, 2019, using an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The District’s net pension liability for Fiscal Year 2019 is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability for Fiscal Year 2019 is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. Net pension liability includes all employees assigned to work for the JPB and the Transportation Authority. A summary of principal assumptions and methods used in the latest actuarial valuation to determine the net pension liability follows.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 and June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	2019	2020
Valuation Date	June 30, 2017	June 30, 2018
Measurement Date	June 30, 2018	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions		
Discount Rate	7.15%	7.15%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	Varies by Entry-Age and Service	Varies by Entry-Age and Service
Investment Rate of Return	7.15% (1)	7.15% (1)
Mortality	(2)	(2)

- (1) Net of pension plan investment expenses, including inflation.
- (2) The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Further details regarding the experience study can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent for each Plan for both Fiscal Years ended June 30, 2020 and 2019. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the District’s contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected 7.15% rate of return on pension plan investments, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitivity	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
Total	<u>100%</u>		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

Source: CalPERS 2019 CAFR.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Changes in the Net Pension Liability

The changes in the net pension liability recognized over the measurement period ended June 30, 2019 (Fiscal Year ended June 30, 2020) is as follow (in thousands):

	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2019	\$ 349,668	\$ 281,331	\$ 68,337
Changes recognized for the measurement period			
Service cost	8,706	-	8,706
Interest on the total pension liability	24,886	-	24,886
Changes of assumptions	-	-	-
Difference between expected and actual experience	1,785	-	1,785
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	8,159	(8,159)
Contributions from employees	-	4,157	(4,157)
Net investment income	-	18,503	(18,503)
Benefit Payments, including refunds	(15,487)	(15,487)	-
Administrative Expense	-	(201)	201
Other miscellaneous income/(expense)	-	1	(1)
Net changes	19,890	15,132	4,759
Balance at June 30, 2020	\$ 369,558	\$ 296,463	\$ 73,096

The changes in the Net Pension Liability recognized over the measurement period ended June 30, 2018 (Fiscal Year ended June 30, 2019) is as follow (in thousands):

	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2018	\$ 332,576	\$ 264,137	\$ 68,440
Changes recognized for the measurement period			
Service cost	8,511	-	8,511
Interest on the total pension liability	23,524	-	23,524
Changes of assumptions	(2,738)	-	(2,738)
Difference between expected and actual experience	2,022	-	2,022
Net plan to plan resource movement	-	(1)	-
Contributions from the employer	-	6,603	(6,603)
Contributions from employees	-	3,703	(3,703)
Net investment income	-	22,310	(22,310)
Benefit Payments, including refunds	(14,227)	(14,227)	-
Administrative Expense	-	(412)	412
Other miscellaneous income/(expense)	-	(782)	782
Net changes	17,092	17,194	(103)
Balance at June 30, 2019	\$ 349,668	\$ 281,331	\$ 68,337

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability for the measurement period ended June 30, 2019 (Fiscal Year ended June 30, 2020) calculated using the plan discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (in thousands):

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Discount Rate	6.15%	7.15%	8.15%
Net Pension Liability	\$ 120,171	\$ 73,096	\$ 33,801

The following presents the net pension liability for the measurement period ended June 30, 2018 (Fiscal Year ended June 30, 2019) calculated using the plan discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (in thousands):

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Discount Rate	6.15%	7.15%	8.15%
Net Pension Liability	\$ 113,296	\$68,337	\$ 30,808

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – For the year ended June 30, 2020, the District recognized pension expense of \$18,310,000. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 9,633	\$ -
Changes of assumptions	2,121	(1,173)
Differences between expected and actual experiences	2,156	(164)
Net differences between projected and actual earnings on plan investments	-	(1,484)
Total	<u>\$ 13,910</u>	<u>\$ (2,821)</u>

Deferred outflows of resources related to contributions subsequent to the measurement date is \$9,633,000, which will be recognized as a reduction of the net pension liability and a component of pension expense in the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as a reduction to pension expense as follows (in thousands):

Year Ended June 30	
2021	\$ 3,286
2022	(1,997)
2023	(130)
2023	297
Total	<u>\$ 1,456</u>

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

NOTE 13 – POST-RETIREMENT HEALTH CARE BENEFITS

Plan Description and benefits provided

In August 1993, the District’s Board of Directors adopted the San Mateo County Transit District Retiree Healthcare Plan (Plan). The Plan provides lifetime post-retirement CalPERS medical care insurance benefits to qualified retirees, those who have attained at least 50 years of age and have at least five years of service and who retire under CalPERS within 120 days of separation from District employment, and their eligible dependents and surviving spouses. Benefit allowance provisions are established, and may be amended, through agreements and memorandums of understanding (MOUs) between the District, its management employees and unions representing District employees. In April 2008, the District’s Board of Directors adopted an Other Post Employment Benefit (OPEB) funding plan and in April 2009, as authorized by that plan, adopted the California Employers’ Retiree Benefit Trust (CERBT), a tax-exempt Internal Revenue Code section 115 trust administered by CalPERS.

The Plan provides qualified retirees for life with a cash subsidy in the form of a fixed-dollar District contribution directly to CalPERS for monthly medical insurance premiums of up to \$476 for employee-only coverage, \$953 for employee-plus-one coverage, or \$1,239 for employee-plus-two coverage. Retirees can select from various health plans offered by the District through CalPERS such as Blue Shield, Kaiser, Health Net, Anthem, and United Healthcare. If a qualified retiree waives coverage, the retiree will not receive the District’s contribution

The District contributes to the CERBT, an agent multiple-employer defined benefit other postemployment benefits plan that is an irrevocable trust established to fund postemployment healthcare benefits. This trust is not considered a component unit of the District and is excluded from these financial statements. The CERBT issues a publicly available annual financial report, which may be obtained from the CalPERS website. At the June 30, 2018 and June 30, 2019 measurement dates, the numbers of active and retired District employees covered by the Plan were as follows:

	<u>2019</u>	<u>2018</u>
Retired employees	500	522
Active employees	734	696
Total	<u>1,234</u>	<u>1,218</u>

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Funding Policy and Contribution

The Plan also called for increasing amounts to be funded into the trust each year until the full Annual Determined Contribution (ADC) can be funded on an annual basis. The District contributes an amount that is actuarially determined that represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

In Fiscal Year ended June 30, 2020, the District contributed \$3,238,000 to the established trust fund through CERBT. In addition, the District contributed \$2,684,000 in pay-as-you-go amounts for the year ended June 30, 2020. Additional contributions were in the form of an implicit subsidy in the amount of \$643,000 were made.

In Fiscal Year ended June 30, 2019, the District contributed \$3,038,000 to the established trust fund through CERBT. In addition, the District contributed \$2,618,000 in pay-as-you-go amounts for the year ended June 30, 2019. Additional contributions in the form of an implicit subsidy in the amount of \$620,000 were made.

Annually, in addition to funding the “normal cost” of the OPEB plan, the District is required to amortize a portion of the unfunded accrued liability through a payment into the plan. A portion of this cost is attributed to the JPB and the Transportation Authority. In FY20, the JPB’s portion of this payment was \$745,000, and the Transportation Authority’s portion of this payment was \$65,000; In FY19, the JPB’s portion of this payment was \$675,000, and the Transportation Authority’s portion of this payment was \$61,000.

Net OPEB Liability

The District’s net OPEB liability includes all employees assigned to work for the JPB and the Transportation Authority. It was measured as of June 30, 2019 for the Fiscal Year ended on June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019 that was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Discount Rate	6.75%
Inflation	2.75%
Investment Rate of Return	6.75%
Mortality	Projected fully generational with Scale MP-2019
Healthcare Trend Rate	Non-Medicare – 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 Medicare – 6.5% for 2021, decreasing to an ultimate rate of 4.0% in 2076

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

The District’s net OPEB liability was measured as of June 30, 2018 for the Fiscal Year ended on June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 that was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Discount Rate	6.75%
Inflation	2.75%
Investment Rate of Return	6.75%
Mortality	Projected fully generational with Scale MP-2017
Healthcare Trend Rate	Non-Medicare – 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 Medicare – 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Public Equity	59.00%	4.82%
Fixed Income	25.00%	1.47%
TIPS	5.00%	1.29%
Commodities	3.00%	0.84%
REITs	8.00%	3.76%
	<u><u>100.00%</u></u>	

*Includes 2.75% inflation.

Source: CalPERS 2019 CAFR

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75 percent for both measurement dates as of June 30, 2019 and 2018. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

Change in Net OPEB Liability

The changes in the net OPEB liability for the District’s plan over the measurement period ended June 30, 2019 (Fiscal Year ended June 30, 2020) are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2019	\$ 51,646	\$ 18,613	\$ 33,033
Changes for the year:			
Service cost	1,638	-	1,638
Interest	3,486	-	3,486
Changes in benefit terms	-	-	-
Differences between actual and expected experience	(2,076)	-	(2,076)
Changes in assumptions	(330)	-	(330)
Contribution - employer	-	6,327	(6,327)
Contribution - member	-	-	-
Net investment income	-	1,219	(1,219)
Benefit payments and refunds	(3,281)	(3,281)	-
Administrative expenses	-	(12)	12
Net changes	(563)	4,253	(4,816)
Balance at June 30, 2020	\$ 51,083	\$ 22,866	\$ 28,217

The changes in the net OPEB liability for the District’s plan over the measurement period ended June 30, 2018 (Fiscal Year ended June 30, 2019) are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2018	\$ 49,819	\$ 13,959	\$ 35,860
Changes for the year:			
Service cost	1,659	-	1,659
Interest	3,367	-	3,367
Changes in benefit terms	-	-	-
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Contribution - employer	-	6,746	(6,746)
Contribution - member	-	-	-
Net investment income	-	1,143	(1,143)
Benefit payments and refunds	(3,199)	(3,199)	-
Administrative expenses	-	(36)	36
Net changes	1,827	4,654	(2,827)
Balance at June 30, 2019	\$ 51,646	\$ 18,613	\$ 33,033

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the year ended June 30, 2020 and 2019:

Net OPEB Liability for the Fiscal Year Ended on June 30, 2020		
Discount Rate - 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
\$ 33,122	\$ 28,217	\$ 24,003

Net OPEB Liability for the fiscal year ended on June 30, 2019		
Discount Rate - 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
\$ 38,058	\$ 33,033	\$ 28,720

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for the year ended June 30, 2020 and 2019:

Net OPEB Liability for the Fiscal Year Ended on June 30, 2020		
Trend Rate - 1%	Current Trend	Trend Rate + 1%
\$ 26,982	\$ 28,217	\$ 29,906

Net OPEB Liability for the fiscal year ended on June 30, 2019		
Trend Rate - 1%	Current Trend	Trend Rate + 1%
\$ 31,629	\$ 33,033	\$ 34,938

OPEB Plan Fiduciary Net Position

CalPERS issues a publicly available financial report that may be obtained from CalPERS website at <http://www.calpers.ca.gov>.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the Fiscal Year ended June 30, 2020, the District recognized an OPEB expense in the amount of \$3,373,000. As of Fiscal Year ended June 30, 2020, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 6,565	\$ -
Changes of Assumptions	-	279
Differences between Expected and Actual Experiences	-	1,757
Net differences between projected and actual earnings on plan investments	-	167
Total	\$ 6,565	\$ 2,203

For the Fiscal Year ended June 30, 2019, the District recognized an OPEB expense in the amount of \$3,992,000. As of Fiscal Year ended June 30, 2019, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 6,326	\$ -
Net differences between projected and actual earnings on plan investments	-	340
Total	\$ 6,326	\$ 340

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss. The contributions made subsequent to the measurement date will be recognized to OPEB expense in 2021. The other deferrals are amortized over the remaining 6 years from 2021 to 2026 as follows:

Year Ended June 30		
2021	\$	(457)
2022		(455)
2023		(383)
2024		(352)
2025		(370)
Thereafter		(186)
Total	\$	(2,203)

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

NOTE 14 – INSURANCE PROGRAMS

The District is exposed to various risks of loss including but not limited to those related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District is self-insured for a portion of its public liability, property damage and workers’ compensation liability. As of June 30, 2020, coverage provided by self-insurance and excess coverage (purchased by the District) is generally summarized as follows:

Type of coverage	Self-Insured Retention	Excess Insurance
General Liability and Auto Liability	\$1,000,000 per occurrence	\$100,000,000 per occurrence/ annual aggregate
Workers' Compensation	\$1,000,000 per occurrence	\$10,000,000 per occurrence
Employment Practices	\$300,000 per claim	\$5,000,000 aggregate
Bus Physical Damage	\$50,000 maximum per vehicle / \$150,000 maximum per occurrence	\$94,682,000 per occurrence
Real and Personal Property	\$25,000 per occurrence	\$90,000,000 per occurrence
Environmental Liability	\$50,000 per occurrence	\$5,000,000 3-year policy aggregate
Fiduciary Liability	\$10,000 per occurrence	\$2,000,000 Aggregate
Cyber Liability	\$50,000 per occurrence	\$5,000,000 aggregate
Crime Insurance/Employee Dishonesty	\$25,000 per occurrence except for \$50,000 fraudulent impersonation	\$15,000,000 per loss
Kidnap & Ransom	N/A	\$1,000,000 aggregate

All rolling stock is insured at full replacement value for total insurable values (TIV) of \$228,347,950. Real and Personal Property is insured for total insurable values (TIV) of \$122,108,640 and is inclusive of \$25,000,000 in state and federally mandated flood insurance. General Liability is inclusive of Public Officials Liability up to \$100,000,000. Coverage extends to the Transportation Authority in excess of the Authority’s own \$11,000,000 in general liability coverage and \$3,000,000 public officials liability policy. Terrorism coverage applies to Liability and Property. Earthquake coverage remains cost prohibitive to procure. To date there have been no significant reductions in any of the District’s insurance coverage. Settlements have not exceeded excess coverages for each of the past three Fiscal Years.

The unpaid claims liabilities are based on the results of actuarial studies and include amounts for claims incurred but not reported and incremental claim expenses. Allocated and unallocated claims adjustment expenses are included in the claims liability balances. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

Annual expense is charged using various allocation methods that include actual costs, trends in claims experience, and number of participants. It is the District’s practice to obtain full actuarial studies annually.

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Changes in the balances of claims liabilities for the two years ended June 30 for public liability, property damage and workers' compensation are as follows (in thousands):

	<u>2020</u>	<u>2019</u>
Self-insurance liabilities, beginning of year	\$ 9,409	\$ 9,711
Incurred claims and changes in estimates	4,018	5,034
Claim payments and related costs	<u>(1,651)</u>	<u>(5,336)</u>
Total Self-insurance claims liabilities	11,776	9,409
Less current portion	6,343	5,416
Noncurrent portion	<u>\$ 5,433</u>	<u>\$ 3,993</u>

NOTE 15 – PARATRANSIT TRUST FUND

Early in calendar year 2009, the Transportation Authority transferred the \$25 million corpus of the paratransit trust fund to the District for oversight. The Transportation Authority established the trust fund to continue in perpetuity from Measure A sales tax revenues. The Transportation Authority was required to transfer the corpus of the paratransit trust fund to the District for administration upon expiration of the original Measure A on December 31, 2008 per the 1988 Transportation Expenditure Plan. The District now administers the fund and utilizes earnings on the corpus to fund paratransit activities. The amount is included as a component of restricted net position.

NOTE 16 – COMMITMENT AND CONTINGENT LIABILITIES

Legal

The District is directly and indirectly involved in various litigation matters relating principally to claims alleging personal injury and property damage arising from incidents related to the provision of its transit service. In the opinion of District management and legal counsel, as of June 30, 2020, the ultimate resolution of these matters will not materially affect the District's financial position.

Grants

The District's grants are subject to review and audit. Such audits could lead to requests for reimbursement for expenditures disallowed under the terms of the grants. In the opinion of management, such allowances, if any, will not materially affect the District's financial position.

SAN MATEO COUNTY TRANSIT DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019**

NOTE 17 – PTMISEA GRANTS

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, includes a program of funding in the amount of \$4 billion to be deposited in the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). Of this amount, \$3.6 billion in the PTMISEA is available to project sponsors in California for allocation to eligible public transportation projects.

The following table shows the changes in activity related to the PTMISEA grant funds during the Fiscal Year and the remaining commitment as of June 30, 2020:

	PTMISEA 2010 Various Projects Allocation (Fund 3606)	PTMISEA 2011 Various Projects Allocation (Fund 3622)	PTMISEA 2015 Various Projects Allocation (Fund 3643)	PTMISEA 2014 Various Projects Allocation (Fund 3639)	PTMISEA 2015 Various Projects Allocation (Fund 3646)	Various PTMISEA Grant Interest (Fund 3636)
Available proceeds June 30, 2019	\$ 243,471	\$ 156,872	\$ 6,728,592	\$ 2,236,119	\$ 1,216,034	\$ 176,372
Allocations received	-	-	-	-	-	39,128
Adjustment	-	-	-	-	-	-
Pass Thru Expenses	-	-	-	-	-	-
Total Expenditures	(556)	(1,198)	(5,824,517)	(1,598,571)	(1,147,928)	-
Available proceeds June 30, 2020	\$ 242,915	\$ 155,674	\$ 904,075	\$ 637,548	\$ 68,106	\$ 215,500

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REQUIRED SUPPLEMENTARY INFORMATION

SAN MATEO COUNTY TRANSIT DISTRICT

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

(Amounts in thousands)	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018*
Total OPEB Liability			
Service cost	\$ 1,638	\$ 1,659	\$ 1,611
Interest on Total OPEB Liability	3,486	3,367	3,247
Changes of Assumptions	(330)	-	-
Difference Between Expected and Actual Experience	(2,076)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,281)	(3,199)	(3,032)
Net Change in Total OPEB Liability	(563)	1,827	1,826
Total OPEB Liability - Beginning	51,646	49,819	47,993
Total OPEB Liability - Ending	<u>\$ 51,083</u>	<u>\$ 51,646</u>	<u>\$ 49,819</u>
Fiduciary Net Position			
Contributions - Employer	\$ 6,327	\$ 6,746	\$ 5,032
Net Investment Income	1,219	1,143	1,174
Benefit Payments, Including Refunds of Employee Contributions	(3,281)	(3,199)	(3,032)
Administrative Expense	(12)	(36)	(6)
Net Change in Fiduciary Net Position	4,253	4,654	3,168
Plan Fiduciary Net Position - Beginning	18,613	13,959	10,791
Plan Fiduciary Net Position - Ending	<u>\$ 22,866</u>	<u>\$ 18,613</u>	<u>\$ 13,959</u>
Net OPEB Liability - Ending	<u>\$ 28,217</u>	<u>\$ 33,033</u>	<u>\$ 35,860</u>
Fiduciary Net Position as a Percentage of the Total OPEB Liability	44.76%	36.04%	28.02%
Covered Payroll	\$ 70,978	\$ 64,378	\$ 49,777
Net OPEB Liability as a Percentage of Covered Payroll	39.75%	51.31%	72.04%
Measurement date	6/30/2019	6/30/2018	6/30/2017

*Historical information is not available prior to the implementation of the OPEB standards.

SAN MATEO COUNTY TRANSIT DISTRICT

SCHEDULE OF OPEB CONTRIBUTIONS

(Amounts in thousands)	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018*
Actuarially Determined Contribution	\$ 6,565	\$ 6,326	\$ 6,080
Contributions in Relation to the Actuarially Determined Contribution	(6,565)	(6,326)	(6,080)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered Payroll	74,287	70,978	64,378
Contributions as a Percentage of Covered Payroll	8.84%	8.91%	10.83%

* Historical information is not available prior to the implementation of the OPEB standards.

Methods and assumptions used to determine contributions:

Actuarial Valuation Date.	June 30, 2017	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method		
Asset Valuation Method	Market Value of Assets		
Amortization Method	Level Percent of Payroll		
Actuarial Assumptions			
Discount Rate		6.75%	
Inflation		2.75%	
Aggregate Payroll Increase		3.00%	
Salary Merit and Longevity Increases	CalPERS 1997-2015 Experience Study		

SAN MATEO COUNTY TRANSIT DISTRICT

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

(Amounts in thousands)	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total pension liability			
Service cost	\$ 8,706	\$ 8,511	\$ 8,145
Interest on the total pension liability	24,886	23,524	22,342
Changes of assumptions	-	(2,738)	18,030
Difference between expected and actual experience	1,785	2,022	(1,390)
Benefit payments, including refunds of employee contributions	(15,487)	(14,227)	(12,618)
Net change in total pension liability	19,890	17,092	34,509
Total pension liability - beginning of year	349,668	332,576	298,067
Total pension liability - end of year	<u>\$ 369,558</u>	<u>\$ 349,668</u>	<u>\$ 332,576</u>
Fiduciary net position			
Net plan to plan resource movement	\$ -	\$ (1)	\$ -
Contributions from the employer	8,159	6,603	5,961
Contributions from employees	4,157	3,703	3,489
Net investment income	18,503	22,310	26,892
Benefit payments, including refunds of employee contributions	(15,487)	(14,227)	(12,618)
Administrative expense	(201)	(412)	(355)
Other miscellaneous income/(expense)	1	(782)	-
Net change in fiduciary net position	15,132	17,194	23,369
Fiduciary net position - beginning of year	281,331	264,137	240,768
Fiduciary net position - end of year	<u>\$ 296,463</u>	<u>\$ 281,331</u>	<u>\$ 264,137</u>
Net pension liability	<u>\$ 73,096</u>	<u>\$ 68,337</u>	<u>\$ 68,440</u>
Fiduciary net position as a percentage of the total pension liability	80.22%	80.46%	79.42%
Covered payroll	\$ 61,004	\$ 56,133	\$ 49,777
Net pension liability as percentage of covered payroll	119.82%	121.74%	137.49%
Measurement date	6/30/2019	6/30/2018	6/30/2017

⁽¹⁾ Ten year information is not available before the implementation of the pension standards.

⁽²⁾ In 2017 the discount rate was changed to 7.15 percent from 7.65 percent.

<u>2017⁽²⁾</u>	<u>2016</u>	<u>2015⁽¹⁾</u>
\$ 7,020	\$ 6,831	\$ 7,062
21,338	20,157	-
-	(4,780)	-
(903)	(894)	18,965
<u>(11,410)</u>	<u>(10,095)</u>	<u>(9,115)</u>
16,044	11,219	16,912
<u>282,023</u>	<u>270,804</u>	<u>253,892</u>
<u><u>\$ 298,067</u></u>	<u><u>\$ 282,023</u></u>	<u><u>\$ 270,804</u></u>
\$ -	\$ -	\$ -
5,014	4,192	4,023
3,428	3,199	3,312
1,287	5,413	35,934
(11,410)	(10,095)	(9,115)
(148)	(273)	-
-	-	-
<u>(1,829)</u>	<u>2,436</u>	<u>34,154</u>
242,596	240,160	206,006
<u><u>\$ 240,767</u></u>	<u><u>\$ 242,596</u></u>	<u><u>\$ 240,160</u></u>
<u><u>\$ 57,300</u></u>	<u><u>\$ 39,427</u></u>	<u><u>\$ 30,644</u></u>
80.78%	86.02%	88.68%
\$ 47,112	\$ 47,169	\$ 45,795
121.63%	83.59%	66.92%
6/30/2016	6/30/2015	6/30/2014

SAN MATEO COUNTY TRANSIT DISTRICT

SCHEDULE OF PENSION CONTRIBUTIONS

(Amounts in thousands)	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution (actuarially determined)	\$ 9,633	\$ 8,158	\$ 6,603
Contributions in relation to the actuarially determined contributions	(9,633)	(8,158)	(6,603)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 64,498	\$ 61,004	\$ 56,133
Contributions as a percentage of covered payroll	14.94%	13.37%	11.76%

⁽¹⁾ Ten year information is not available before the implementation of the pension standards.

Methods and assumptions used to determine contributions:

	6/30/2017	6/30/2016	6/30/2015
Actuarial Valuation Date.			
Actuarial Cost Method	Entry-Age Normal Cost Method		
Actuarial Assumptions			
Discount Rate	7.250%	7.375%	7.500%
Inflation	2.625%	2.750%	2.750%
Payroll Growth	2.875%	3.000%	3.000%
Projected Salary Increase	Varies by Entry-Age and Service		
Mortality	Rates Vary by Age, Type of Retirement and Gender		

2017	2016	2015⁽¹⁾
\$ 5,943	\$ 5,014	\$ 4,192
(5,943)	(5,014)	(4,192)
\$ -	\$ -	\$ -
\$ 49,777	\$ 47,112	\$ 47,169
11.94%	10.64%	8.53%

6/30/2014 6/30/2013 6/30/2012
 Entry-Age Normal Cost Method

7.500% 7.500% 7.500%
 2.750% 2.750% 2.750%
 3.000% 3.000% 3.000%

Varies by Entry-Age and Service

Rates Vary by Age, Type of
 Retirement and Gender

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SUPPLEMENTARY INFORMATION

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SAN MATEO COUNTY TRANSIT DISTRICT

SCHEDULE OF REVENUES, EXPENSES, CAPITAL OUTLAY, AND LONG-TERM DEBT PAYMENT COMPARISON OF BUDGET TO ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED JUNE 30, 2020

(Amounts in thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
OPERATING REVENUES - Passenger fares	\$15,264	\$ 11,690	\$ (3,574)
OPERATING EXPENSES:			
Salaries and benefits	81,055	77,952	3,103
Contract operations and maintenance services	43,906	39,625	4,281
Other services	12,156	10,750	1,406
Materials and supplies	8,654	7,448	1,206
Insurance	10,300	8,575	1,725
Miscellaneous	13,581	10,812	2,769
Total operating expenses	<u>169,652</u>	<u>155,162</u>	<u>14,490</u>
Operating loss	<u>(154,388)</u>	<u>(143,472)</u>	<u>10,916</u>
NONOPERATING REVENUES (EXPENSES):			
Operating assistance	204,207	206,031	1,824
Investment income	3,600	804	(2,796)
Interest expense	(9,380)	(6,399)	2,981
Caltrain service subsidy	(9,239)	(9,239)	-
Other income, net	14,258	13,970	(288)
Total nonoperating income (expenses)	<u>203,446</u>	<u>205,167</u>	<u>1,721</u>
Income (loss) before capital outlay and long-term debt principal payments	<u>49,058</u>	<u>61,695</u>	<u>12,637</u>
CAPITAL OUTLAY:			
Capital assistance	15,308	49,509	34,201
Capital expenditures	<u>(15,308)</u>	<u>(49,509)</u>	<u>(34,201)</u>
Net capital outlay	-	-	-
Long-term debt principal or interest payment	<u>(10,060)</u>	<u>(10,060)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND NONOPERATING INCOME OVER EXPENSES, CAPITAL OUTLAY AND DEBT PRINCIPAL PAYMENTS	<u>\$ 38,998</u>	<u>\$ 51,635</u>	<u>\$ 12,637</u>

SAN MATEO COUNTY TRANSIT DISTRICT

NOTES TO SUPPLEMENTARY SCHEDULE FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The District prepares its budget on a basis of accounting that differs from Generally Accepted Accounting Principles (GAAP). The actual results of operations are presented in the supplemental schedule on the budgetary basis to provide a meaningful comparison of actual results with budget. In addition, certain budget amounts have been reclassified to conform to the presentation of actual amounts in the supplemental schedule. Budgeted amounts presented are the final adopted budget. The primary difference between the budgetary basis of accounting and GAAP concerns capital assets. Depreciation and amortization expense per GAAP is not budgeted and budgeted capital expenditures are not recorded as an expense per GAAP. In addition, unrealized gains and losses under GASB Statement No. 31 are not recognized as well as some long-term expenses such as OPEB and bond related payments.

NOTE 2 – RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS

A reconciliation of the budgetary basis of accounting to GAAP is as follows (in thousands):

Excess of revenues and non-operating income over expenses, capital outlay and debt principal payment		\$	51,635
Capital expenditures	\$	49,509	
Depreciation and amortization		(25,842)	
Postemployment benefits accrual		3,191	
Pension Expense - GASB 68		(8,678)	
Long-term debt principal payments		10,060	
GASB 31 unrealized gain/loss		3,012	
Capital gain (losses) on investment		269	
Bond refunding costs amortization expense		(1,098)	
Interest Income Invest Premium/Discount		361	
Bond premium amortization		2,996	
Sub-total reconciling items			<u>33,781</u>
Change in net position, GAAP basis		\$	<u><u>85,416</u></u>

Section III

STATISTICAL

Financial Trends

- Net Position and Change in Net Position

Revenue Capacity

- Revenue Base and Revenue Rate
- Overlapping Revenue
- Principal Revenue Payers

Debt Capacity

- Ratio of Outstanding Bonds
- Bonded Debt
- Direct and Overlapping Debt and Debt Limitations
- Pledged Revenue Coverage

Demographics and Economic Information

- Population, Income, and Unemployment Rates
- Principal Employers

Operating Information

- Ridership and Fares
- Farebox Recovery and Miles
- Employees (Full-time Equivalents)
- Capital Assets

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STATISTICAL SECTION

The Statistical Section of the District's CAFR presents detailed information as a context for understanding the information in the financial statement, notes disclosure, required supplementary information and other supplementary information for assessing the District's economic condition.

Financial Trends

These schedules contain trend information to assist readers in understanding and assessing how the District's financial position has changed over time.

Revenue Capacity

These schedules contain information to assist readers in understanding and assessing the factors affecting the District's ability to generate passenger fares.

Debt Capacity

These schedules assist readers in understanding and assessing the District's debt burden and its capacity to issue future debt.

Demographics and Economic Information

These schedules present socioeconomic indicators to assist readers in understanding the environment within which the District's financial activities take place.

Operating Information

These schedules contain contextual information about the District's operations and resources to assist readers in using financial statement information to understand and assess the District's economic condition.

SAN MATEO COUNTY TRANSIT DISTRICT

FINANCIAL TRENDS – NET POSITION AND CHANGE IN NET POSITION FISCAL YEARS 2011 THROUGH 2020 (in thousands)

Fiscal Year	2020	2019	2018 ⁽³⁾	2017
OPERATING REVENUES - Passenger Fares	\$ 11,690	\$ 15,567	\$ 15,742	\$ 17,041
OPERATING EXPENSES:				
Salaries and benefits	83,438	75,467	67,851	60,665
Contract operations and maintenance	39,625	40,507	35,694	34,621
Other services	10,750	9,770	9,312	8,856
Materials and supplies	7,448	7,604	7,300	6,588
Insurance	8,575	5,306	3,603	6,651
Miscellaneous	10,812	9,128	8,139	7,598
Total operating expenses	<u>160,648</u>	<u>147,782</u>	<u>131,899</u>	<u>124,979</u>
Operating loss before depreciation, amortization and administrative expenses capitalized	(148,958)	(132,215)	(116,157)	(107,938)
Depreciation and amortization	(25,842)	(21,492)	(23,078)	(22,252)
OPERATING LOSS	<u>(174,800)</u>	<u>(153,707)</u>	<u>(139,235)</u>	<u>(130,190)</u>
NONOPERATING REVENUES (EXPENSES):				
Operating assistance	206,031	160,416	144,802	135,910
Investment income	7,442	10,036	3,859	3,536
Interest expense	(7,497)	(10,954)	(11,145)	(11,249)
Caltrain service subsidy	(9,239)	(7,634)	(6,170)	(6,480)
Interagency administrative income	-	-	-	-
Other income, net	13,970	10,180	10,860	11,492
Transfers, net	-	-	-	-
Total nonoperating revenues, net	<u>210,707</u>	<u>162,044</u>	<u>142,206</u>	<u>133,209</u>
Net income (loss) before capital contributions	35,907	8,337	2,971	3,019
Capital contributions	49,509	8,789	10,970	25,424
CHANGE IN NET POSITION	<u>85,416</u>	<u>17,126</u>	<u>13,941</u>	<u>28,443</u>
Restatement	-	-	(23,400)	-
NET POSITION COMPONENTS				
Net investment in capital assets	184,402	156,626	165,481	171,022
Restricted	26,599	26,575	26,804	26,811
Unrestricted	(51,531)	(109,147)	(135,357)	(131,446)
NET POSITION	<u><u>\$ 159,470</u></u>	<u><u>\$ 74,054</u></u>	<u><u>\$ 56,928</u></u>	<u><u>\$ 66,387</u></u>

⁽¹⁾ 2012 restatement due to implementation of GASB 65.

⁽²⁾ 2015 restatement due to implementation of GASB 68 and reversal of the BART contribution.

⁽³⁾ 2018 restatement due to implementation of GASB 75.

This table presents revenues and expenses, contributions, depreciation and amortization and net position components.

Source: Current and prior years' CAFRs.

2016	2015⁽²⁾	2014	2013	2012⁽¹⁾	2011
\$ 18,078	\$ 18,816	\$ 18,557	\$ 17,808	\$ 17,452	\$ 17,373
58,598	55,382	60,001	57,227	58,921	58,473
33,326	33,399	31,471	30,152	29,851	29,250
8,388	6,092	4,666	5,580	5,866	4,004
6,626	8,158	8,769	9,487	8,768	7,873
4,505	4,171	(2,094)	6,770	7,430	6,900
6,656	5,784	5,514	4,935	4,433	4,628
118,099	112,986	108,327	114,151	115,269	111,128
(100,021)	(94,170)	(89,770)	(96,343)	(97,817)	(93,755)
(21,550)	(16,860)	(27,184)	(26,939)	(24,297)	(41,838)
(121,571)	(111,030)	(116,954)	(123,282)	(122,114)	(135,593)
126,254	124,097	126,786	121,788	110,672	98,173
5,580	1,782	1,663	586	1,375	2,197
(11,226)	(9,896)	(15,559)	(16,400)	(16,247)	(16,940)
(6,080)	(6,260)	(5,440)	(14,000)	(10,620)	(14,708)
-	-	6,552	5,501	3,483	3,342
9,777	10,119	8,866	13,941	13,152	8,349
-	-	-	-	-	-
124,305	119,842	122,868	111,416	101,815	80,413
2,734	8,812	5,914	(11,866)	(20,299)	(55,180)
12,778	33,361	33,281	-	11,049	14,396
15,512	42,173	39,195	(11,866)	(9,250)	(40,784)
-	(153,202)	-	-	(3,557)	-
167,850	176,616	(20,964)	(34,446)	(23,448)	(18,519)
26,804	26,087	25,000	27,745	33,982	32,702
(156,710)	(180,271)	129,425	100,967	84,149	93,307
\$ 37,944	\$ 22,432	\$ 133,461	\$ 94,266	\$ 94,683	\$ 107,490

SAN MATEO COUNTY TRANSIT DISTRICT

**REVENUE CAPACITY – REVENUE BASE AND REVENUE RATE
FISCAL YEARS 2011 THROUGH 2020**

Fiscal Year Ending	2020	2019	2018	2017
Passenger fares (in thousands)	\$ 11,690	\$ 15,567	\$ 15,742	\$ 17,041
Revenue Base				
Number of passengers (in thousands)	8,788	10,671	11,133	11,817
Fare structure				
Adults local fare	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25
Senior citizen/disabled/Medicare cardholder	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10
Youth	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10
Redi-Wheels (Paratransit)	\$ 4.25	\$ 4.25	\$ 4.25	\$ 3.75
Sales tax rate ^[2]	0.75%	0.50%	0.50%	0.50%
Sales tax revenue (in thousands)	\$ 135,835	\$ 100,729	\$ 87,797	\$ 84,353
Taxable sales in San Mateo				
County (in thousands) ^[1]	\$ 18,111,348	\$ 20,145,709	\$ 17,559,383	\$ 16,870,577

^[1] 2020 taxable sales are estimates based on sales tax revenues received; 2019 taxable sales amount is the most current information available on the County of San Mateo CAFR

^[2] Includes 0.25% Tax Rate for Measure W, effective on 7/1/2019.

Source: California State Board of Equalization and CAFRs.

	2016	2015	2014	2013	2012	2011
\$	18,078	\$ 18,816	\$ 18,557	\$ 17,808	\$ 17,452	\$ 17,373
	12,794	13,488	12,784	12,752	12,995	13,531
\$	2.25	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
\$	1.10	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
\$	1.10	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25	\$ 1.25
\$	3.75	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.50
	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
\$	79,705	\$ 80,975	\$ 77,606	\$ 73,859	\$ 69,370	\$ 63,514
	\$15,941,000	\$16,194,800	\$15,521,200	\$14,771,800	\$13,906,978	\$13,020,643

SAN MATEO COUNTY TRANSIT DISTRICT

REVENUE CAPACITY – OVERLAPPING REVENUE FISCAL YEARS 2011 THROUGH 2020

Fiscal year	State	City and County	Other Special Districts	San Mateo County Transit District ^[1]	City of San Mateo Transactions and Use Tax	City of Half Moon Bay Transactions and Use Tax	San Mateo County Transactions and Use Tax	City of South San Francisco Transactions and Use Tax	City of Belmont Transactions and Use Tax	City of East Palo Alto Transactions and Use Tax	City of Burlingame Transactions and Use Tax	City of Redwood City Transactions and Use Tax	Total
2020	6.00%	1.25%	0.50%	0.50%	0.25%	0.00%	1.00% ^[12]	0.50%	0.50%	0.50%	0.25%	0.50%	11.75%
2019	6.00%	1.25%	0.50%	0.50%	0.25%	0.00%	0.50%	0.50%	0.50%	0.50%	0.25%	0.50% ^[11]	11.25%
2018	6.00%	1.25%	0.50%	0.50%	0.25%	0.00%	0.50%	0.50%	0.50%	0.50%	0.25% ^[10]		10.75%
2017	6.50% ^[6]	1.25%	0.50%	0.50%	0.25%	0.00%	0.50%	0.50%	0.50% ^[8]	0.50% ^[9]			11.00%
2016	6.50%	1.00%	0.50%	0.50%	0.25%	0.50%	0.50%	0.50% ^[7]					10.25%
2015	6.50%	1.00%	0.50%	0.50%	0.25%	0.50%	0.50%						9.75%
2014	6.50%	1.00%	0.50%	0.50%	0.25%	0.50%	0.50%						9.75%
2013	6.50% ^[3]	1.00%	0.50%	0.50%	0.25%	0.50% ^[4]	0.50% ^[5]						9.75%
2012	6.25%	1.00%	0.50%	0.50%	0.25%								8.50%
2011	6.25% ^[2]	1.00%	0.50%	0.50%	0.25%								8.50%

[1] State legislation requires the District to obtain the approval of a majority of the voters in a public election to approve any sales tax measure.

[2] State sales tax reduced to 6.25% effective July 1, 2011.

[3] State sales tax increased to 6.50% effective January 1, 2013.

[4] City of Half Moon Bay Transactions and Use Tax (HMBG), tax rates effective on April 1, 2013, expires March 31, 2016.

[5] San Mateo County Transactions and Use Tax (SMGT), tax rates effective on April 1, 2013.

[6] State sales tax and local sales tax effective January 1, 2017.

[7] South San Francisco Fiscal Stability & Essential Services Transactions and Use Tax (SSFR), tax effective April 1, 2016.

[8] City of Belmont Transactions and Use Tax (BMTG), tax rates effective on April 1, 2017.

[9] City of East Palo Alto Transactions and Use Tax (EPAG), tax rates effective on April 1, 2017.

[10] City of Burlingame Transactions and Use Tax (BUEG), tax rates effective on April 1, 2018.

[11] City of Redwood City Transactions and Use Tax (REDG), tax rates effective on April 1, 2019.

[12] Measure W, tax rates effective on July 1, 2019.

This table presents the tax rates for local authorities in San Mateo County. The District receives a half-cent county transaction and use tax.

Source: California State Board of Equalization
District Taxes, Rates, & Effective Dates
California City and County Sales & Use Tax rates

SOURCES:

<https://www.cdta.ca.gov/taxes-and-fees/sales-use-tax-rates.htm>

Go to District Taxes, Rates, and Effective Dates

SAN MATEO COUNTY TRANSIT DISTRICT

**REVENUE CAPACITY – PRINCIPAL REVENUE PAYERS
FISCAL YEARS 2019 AND 2010 (in thousands)**

Major Industry Group	FY2019			FY2010		
	Rank	Percent of Sales Receipts	Amount	Rank	Percent of Sales Receipts	Amount
County & State Pool	1	20.8%	28,742,124	5	10.5%	12,175,579
General Consumer Goods	2	17.8%	24,513,327	1	23.6%	27,421,152
Autos And Transportation	3	15.9%	21,919,255	3	14.7%	17,049,367
Restaurants And Hotels	4	13.8%	18,980,596	4	12.3%	14,273,858
Business And Industry	5	10.9%	15,046,755	2	15.0%	17,429,585
Building And Construction	6	8.5%	11,692,098	7	8.3%	9,657,874
Fuel And Service Stations	7	7.2%	9,942,046	6	9.8%	11,417,449
Food And Drugs	8	5.0%	6,909,480	8	5.9%	6,910,020
Transfers & Unidentified	9	0.1%	187,539	9	0.0%	32,978
Total			137,933,220			116,367,862

Source: County-wide sales tax data provided by the County of San Mateo and Major Industry Group provided by Hinderliter, de Llamas and associates (HdL).

SAN MATEO COUNTY TRANSIT DISTRICT

**DEBT CAPACITY – RATIO OF OUTSTANDING BONDS
FISCAL YEARS 2011 THROUGH 2020**

Fiscal Year	Revenue Bonds for SamTrans (in thousands)^[1]	Personal Income for San Mateo County (in millions)^[2]	As a Percent of Personal Income
2020	\$ 210,996	\$ 95,598 *	0.22%
2019	224,052	92,814 *	0.24%
2018	239,243	90,111 *	0.27%
2017	254,291	87,486	0.29%
2016	269,235	82,046	0.33%
2015	284,128	78,607	0.36%
2014	290,353	71,111	0.41%
2013	300,357	65,656	0.46%
2012	306,802	64,765	0.47%
2011	315,409	57,965	0.54%

^[1] Current and prior years' CAFRs.

^[2] Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

*Personal Income and Per Capital Personal Income data for 2018, 2019, and 2020 is based on an estimated three percent annual increase over 2017.

This table presents the relationship between the revenue bonds and the total personal income of the residents of San Mateo County.

SAN MATEO COUNTY TRANSIT DISTRICT

DEBT CAPACITY – BONDED DEBT FISCAL YEARS 2011 THROUGH 2020

Fiscal Year	Revenue Bonds for SamTrans (in thousands)	Total Taxable Sales in San Mateo County	As a Percent of Total Taxable Sales in San Mateo County
2020	\$ 210,996	\$ 18,111,348 ^[1]	1.16%
2019	224,052	20,145,709	1.11%
2018	239,243	17,559,383	1.36%
2017	254,291	16,870,577	1.51%
2016	269,235	15,941,000	1.69%
2015	284,128	16,194,800	1.75%
2014	290,353	15,521,200	1.87%
2013	300,357	14,771,800	2.03%
2012	306,802	13,906,978	2.21%
2011	315,409	13,020,643	2.42%

^[1] Taxable sales are estimates based on sales tax revenues received.

This table presents the capacity of the District to issue revenue bonds based on total taxable sales in San Mateo County.

Source: CAFRs and California Department of Tax and Fee Administration.

SAN MATEO COUNTY TRANSIT DISTRICT

**DEBT CAPACITY – DIRECT AND OVERLAPPING DEBT AND DEBT LIMITATIONS
JUNE 30, 2020**

The District does not have overlapping debt with other governmental agencies. Additionally, the District does not have a legal debt limit.

SAN MATEO COUNTY TRANSIT DISTRICT

DEBT CAPACITY – PLEDGED REVENUE COVERAGE FISCAL YEARS 2011 THROUGH 2020 (in thousands)

Fiscal Year	Sales Tax Revenue	Principal *	Interest *	Total	Coverage
2020	\$ 135,835	\$ 10,060	\$ 9,298	\$ 19,358	7.02
2019	100,729	11,930	9,661	21,591	4.67
2018	87,797	11,765	9,880	21,645	4.06
2017	84,353	11,660	9,988	21,648	3.90
2016	79,705	11,610	10,035	21,645	3.68
2015	80,975	-	9,145	9,145	8.85
2014	77,606	9,655	14,799	24,454	3.17
2013	73,859	9,233	15,220	24,453	3.02
2012	69,370	8,770	15,680	24,450	2.84
2011	63,514	8,370	16,082	24,452	2.60

This table presents the relationship between total sales tax revenue, debt service payments and the capacity of the District to meet its debt obligations.

* The District's outstanding bonds were restructured in 2015 and those amounts are intended to reflect the full annual economic impact, including measurements of restructuring, on the District's financial position. Other years are cash basis measures of the District's debt service. The Long Term Debt note in the Notes To Basic Financial Statements in the Financial Section of this CAFR provides further details.

Source: Current and prior years' CAFRs.

SAN MATEO COUNTY TRANSIT DISTRICT

DEMOGRAPHICS AND ECONOMIC INFORMATION – POPULATION, INCOME AND UNEMPLOYMENT RATES FISCAL YEARS 2011 THROUGH 2020

<u>Year</u>	<u>Population</u> ^[1]	<u>Total Personal Income (in millions)</u> ^[2]	<u>Per Capita Personal Income</u> ^[2]	<u>Average Unemployment Rates</u> ^[3]
2020	773,244	\$ 95,598 *	\$ 123,926 *	10.8%
2019	774,485	92,814 *	120,317 *	2.2%
2018	772,372	90,111 *	116,812 *	2.5%
2017	770,256	87,486	113,410	2.9%
2016	765,895	82,046	106,615	3.3%
2015	759,155	78,607	102,516	3.3%
2014	758,581	71,111	93,672	4.2%
2013	750,489	65,656	87,501	5.7%
2012	740,738	64,765	87,523	7.0%
2011	729,425	57,965	79,465	8.3%

[1] Data include retroactive revisions by the State of California Department of Finance, Demographic Research Unit.

[2] Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

[3] Data include retroactive revisions by the State of California Employment Development Department. Unemployment rates are non-seasonally adjusted for June.

*Personal Income and Per Capital Personal Income data for 2018, 2019, and 2020 is based on an estimated three percent annual increase over 2017. Source data for table is FY19 San Mateo County CAFR

This table highlights San Mateo County's total population, total personal and per capita income, and percentage of unemployed residents.

Source: County of San Mateo FY2019 CAFR

SAN MATEO COUNTY TRANSIT DISTRICT

DEMOGRAPHICS AND ECONOMIC INFORMATION – PRINCIPAL EMPLOYERS FISCAL YEARS 2018 AND 2010

Employers in San Mateo County	Business Type	2018*			2010		
		Number of Employees	Rank	Percent of Total County Employment	Number of Employees	Rank	Percent of Total County Employment
Facebook Inc.	Social Network	14,000	1	3.13%			
Genentech Inc.	Biotechnology	9,500	2	2.12%	8,800	1	2.57%
Oracle Corp.	Hardware and Software	7,535	3	1.68%	5,600	3	1.64%
County of San Mateo	Government	5,570	4	1.25%	6,079	2	1.78%
Gilead Sciences Inc	Biotechnology	4,000	5	0.89%			
Walmart Labs	Retail Technology	2,000	6	0.45%			
YouTube	Online Video-Streaming Platform	2,000	7	0.45%			
Robert Half International Inc.	Personnel Services	1,668	8	0.37%			
Sony Interactive Entertainment	Interactive Entertainment	1,602	9	0.36%			
Electronic Arts Inc.	Interactive Entertainment	1,520	10	0.34%			
Kaiser Permanente	Health Care				3,777	4	1.10%
Mills-Peninsula Health Services	Health Care				2,500	5	0.73%
Visa Inc	Global Payments Technology				2,462	6	0.72%
Safeway Inc	Retail Grocer				2,075	7	0.61%
San Mateo Community College District	Public Education				1,951	8	0.57%
SLAC National Accelerator Laboratory	Scientific Research				1,764	9	0.52%
Seton Medical Center	Hospital				1,672	10	0.49%
Total		49,395		11.04%	36,680		10.73%

* The latest information available for principal employers in the County.

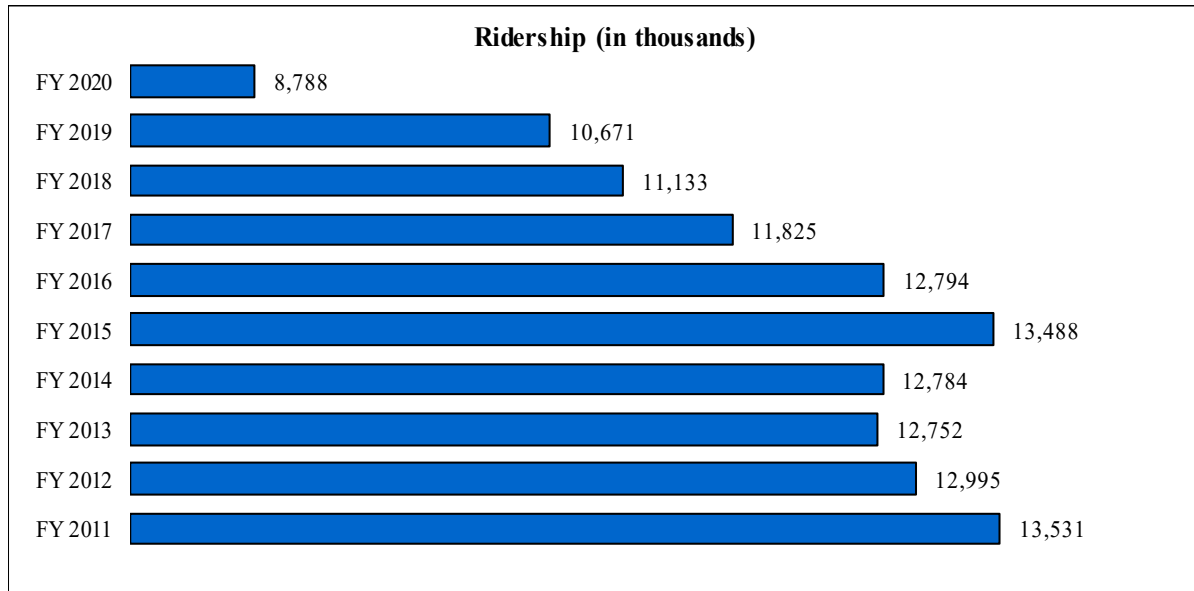
This table presents the top 10 principal employers in San Mateo County for 2018 and 2010.

Source: San Francisco Business Times - 2019 Book of Lists; California Employment Development Department (provided by San Mateo County Controller's office) from the FY2019 County of San Mateo CAFR

SAN MATEO COUNTY TRANSIT DISTRICT

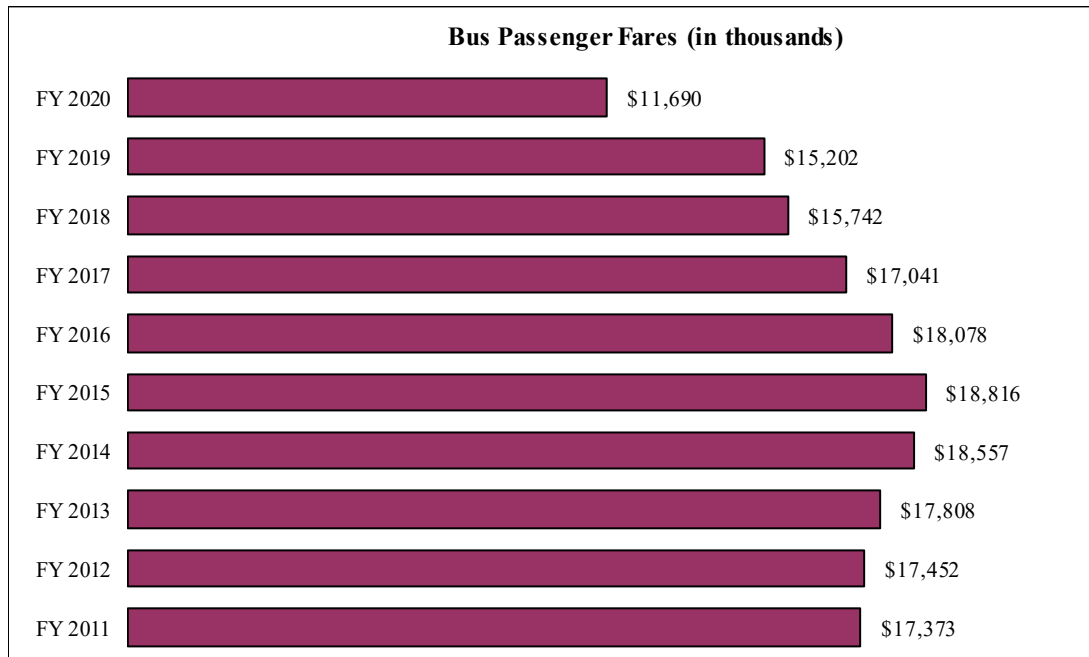
OPERATING INFORMATION – RIDERSHIP AND FARES FISCAL YEARS 2011 THROUGH 2020

FIXED-ROUTE RIDERSHIP



Ridership data presents total ridership for motor bus service and shuttle service.

FIXED-ROUTE PASSENGER FARES



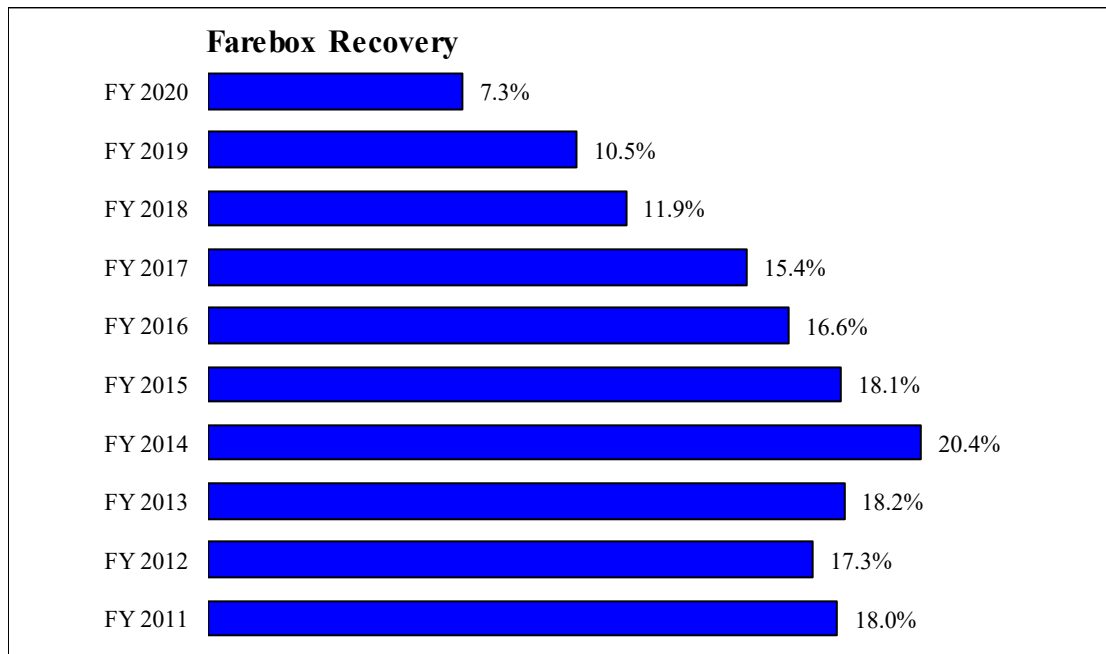
Bus passenger fares data presents the total bus fare revenue for each year.

Source: National Transportation Database

SAN MATEO COUNTY TRANSIT DISTRICT

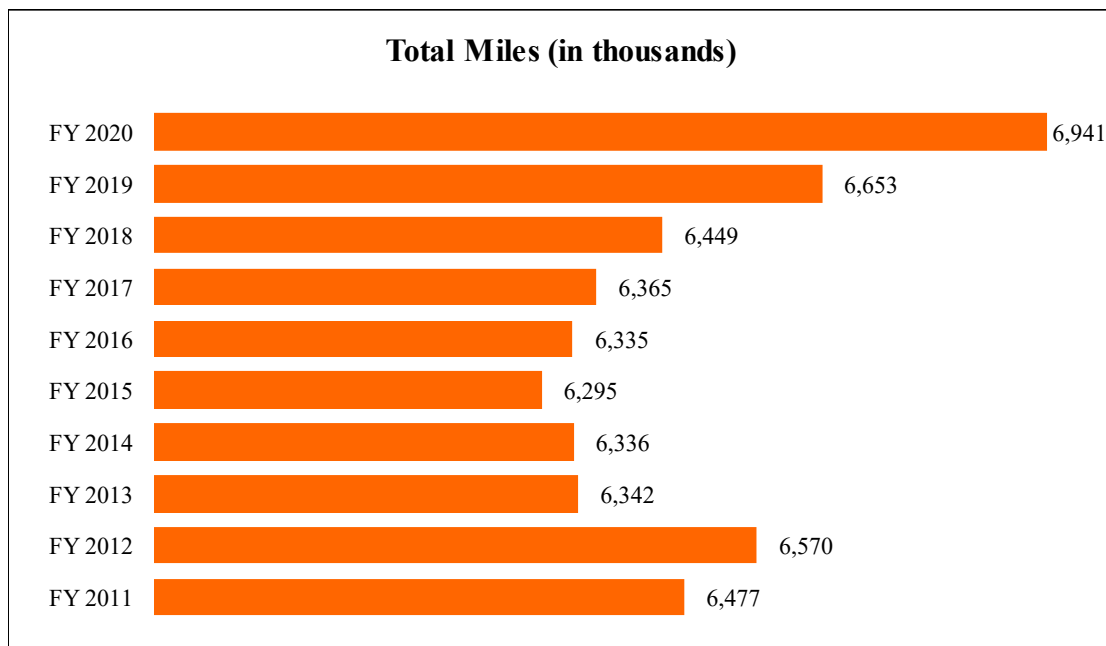
OPERATING INFORMATION – FAREBOX RECOVERY AND MILES FISCAL YEARS 2011 THROUGH 2020

FIXED-ROUTE FAREBOX RECOVERY



Farebox recovery data presents the percentage of fixed-route fare revenue collected compared to fixed-route operating expenses.

FIXED-ROUTE REVENUE MILES*



The revenue miles data presents the total fixed-route miles traveled.

*Fixed-route data includes La Honda and shuttle service, which makes up less than 5% of the total data.
Source: National Transportation Database.

SAN MATEO COUNTY TRANSIT DISTRICT

**OPERATING INFORMATION – EMPLOYEES (FULL-TIME EQUIVALENTS)
FISCAL YEARS 2011 THROUGH 2020**

Division	Full-Time Equivalents									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Caltrain Modernization Program	-	-	-	0.10	0.05	0.05	0.05	0.48	-	-
Customer Service and Marketing	29.15	34.36	31.39	28.46	23.95	25.34	28.22	30.31	29.56	24.43
Executive	3.5	3.59	3.99	5.12	3.6	3.67	3.55	3.58	3.52	3.60
Finance and Administration	95.64	83.07	82.39	79.02	64.12	68.50	66.72	66.53	66.51	66.83
Operations, Engineering, and Construction	506.65	472.9	465.40	471.88	453.82	454.27	457.54	449.27	448.83	451.77
Planning and Development	6.86	6.46	8.71	7.66	5.63	8.20	7.80	5.03	6.64	6.04
Public Affairs	0	0	-	-	5.15	5.00	5.00	4.60	4.44	4.20
Total	641.80	600.38	591.88	592.24	556.32	565.03	568.88	559.80	559.50	556.87

Note: The organization went through a reorganization in FY2010; Caltrain Modernization Program division was added in FY2013 as a replacement for the Peninsula Rail department.

Note: Employee counts are for Full-time Equivalents (FTEs) for the District.

This table presents total Full-time Equivalents by division.

Source: Operating and capital budgets.

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SAN MATEO COUNTY TRANSIT DISTRICT

**OPERATING INFORMATION – CAPITAL ASSETS
FISCAL YEARS 2011 THROUGH 2020 (in thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Depreciable Capital Assets				
Buses and bus equipment	\$ 220,442	\$ 176,969	\$ 164,038	\$ 157,353
Buildings and building improvements	72,961	73,303	70,212	69,031
Maintenance and other equipment	29,685	27,546	34,982	33,642
Furniture and fixtures	29,989	33,295	35,240	33,861
Shelters and bus stop signs	10,393	10,372	592	592
Other vehicles	2,518	2,467	2,496	2,273
Total depreciable capital assets	<u>365,988</u>	<u>323,952</u>	<u>307,560</u>	<u>296,752</u>
Accumulated Depreciation for:				
Buses and bus equipment	(111,955)	(101,560)	(91,889)	(102,607)
Buildings and building improvements	(62,286)	(61,334)	(58,874)	(56,630)
Maintenance and other equipment	(35,282)	(33,402)	(16,810)	(16,770)
Furniture and fixtures	(29,946)	(27,008)	(35,036)	(24,619)
Shelters and bus stop signs	(2,842)	(1,296)	(590)	(585)
Other vehicles	(1,817)	(1,768)	(1,923)	(1,798)
Total accumulated depreciation	<u>(244,128)</u>	<u>(226,368)</u>	<u>(205,122)</u>	<u>(203,009)</u>
Nondepreciable Capital Assets				
Land	56,915	53,855	53,855	53,855
Construction in progress	5,627	5,187	9,188	23,424
Total nondepreciable capital assets	<u>62,542</u>	<u>59,042</u>	<u>63,043</u>	<u>77,279</u>
Capital Assets, Net	<u><u>\$ 184,402</u></u>	<u><u>\$ 156,626</u></u>	<u><u>\$ 165,481</u></u>	<u><u>\$ 171,022</u></u>

This table presents total non-depreciable capital assets, total depreciable capital assets and total accumulated depreciation.

Source: Current and prior years' CAFRs.

2016	2015	2014	2013	2012	2011
\$ 153,955	\$ 167,272	\$ 149,751	\$ 135,297	\$ 138,638	\$ 132,855
64,868	64,838	64,815	71,935	79,294	78,844
32,063	6,523	5,822	9,470	16,927	15,542
31,734	19,656	20,272	23,584	26,686	25,927
592	592	579	3,178	3,190	3,185
2,159	2,159	2,226	2,183	2,263	2,031
285,371	261,040	243,465	245,647	266,998	258,384
(93,847)	(97,574)	(86,157)	(80,138)	(75,080)	(68,406)
(53,812)	(51,601)	(49,387)	(55,168)	(61,157)	(58,006)
(10,599)	(4,715)	(4,015)	(7,740)	(15,035)	(13,258)
(20,782)	(17,241)	(16,765)	(17,083)	(20,094)	(17,768)
(580)	(575)	(558)	(3,177)	(3,183)	(3,176)
(1,990)	(1,876)	(1,711)	(1,457)	(1,417)	(1,245)
(181,610)	(173,582)	(158,593)	(164,763)	(175,966)	(161,859)
53,855	53,855	53,855	53,855	53,855	53,855
10,234	35,303	21,323	11,563	10,201	9,805
64,089	89,158	75,178	65,418	64,056	63,660
\$ 167,850	\$ 176,616	\$ 160,050	\$ 146,302	\$ 155,088	\$ 160,185

SamTrans Fiscal Year 2019-2020 Comprehensive Annual Financial Report

SamTrans Board of Directors – Finance Committee
December 2, 2020

Agenda

- Highlights from the CAFR for FY 2019-20
 - Auditor's Communication
 - Timing of the CAFR
 - Assessment of SamTrans Long-Term Fiscal Health
 - Retirement Liabilities
 - OPEB Liabilities
 - Internal Control over Financial Reporting and on Compliance

Auditor's Communication

- Eide Bailly issued an unmodified “clean” opinion on the financial statements and compliance with federal grants
- No adjustments were proposed to the financial statements
- No difficulties were encountered in the performance of the audit

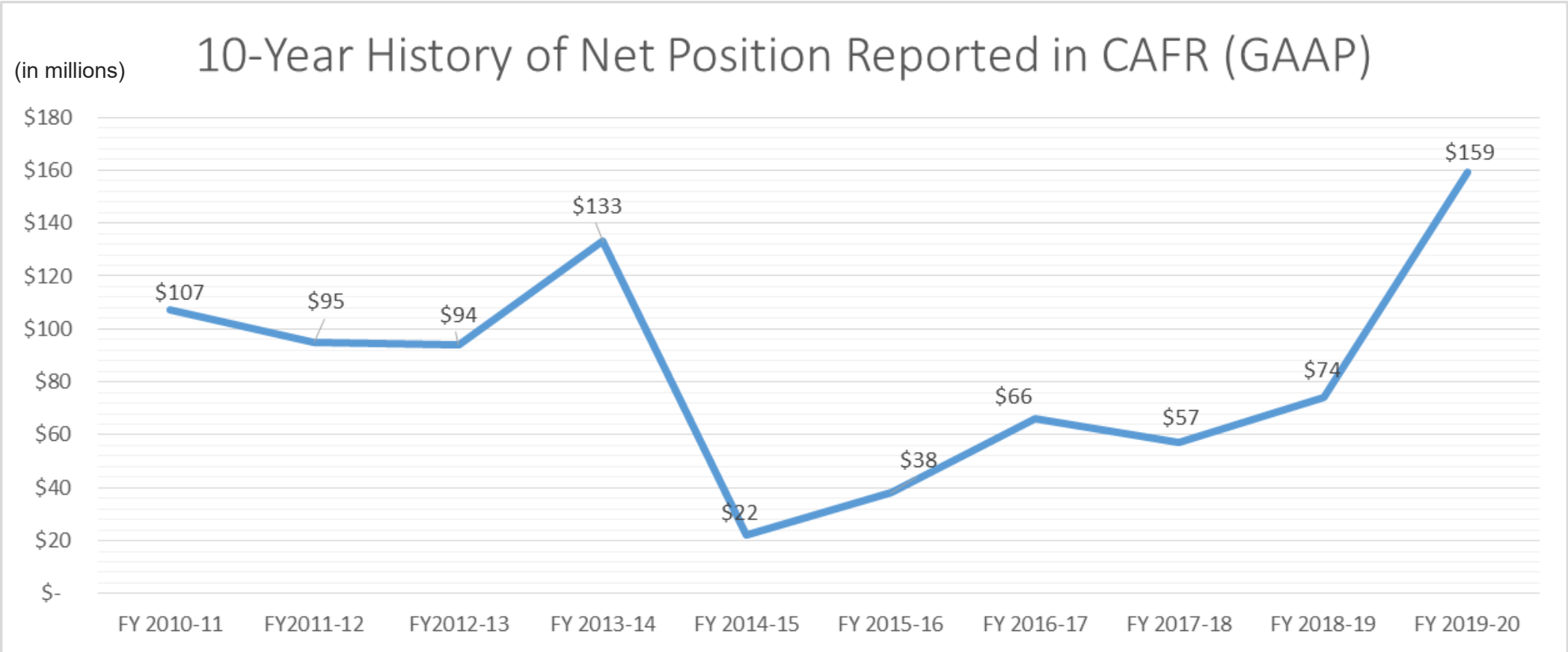
Timing of the CAFR

- The FY 2019-20 CAFR was published on October 26
- 54 days early compared to 2017
- 76 days early compared to 2016
- 81 days early compared to 2015

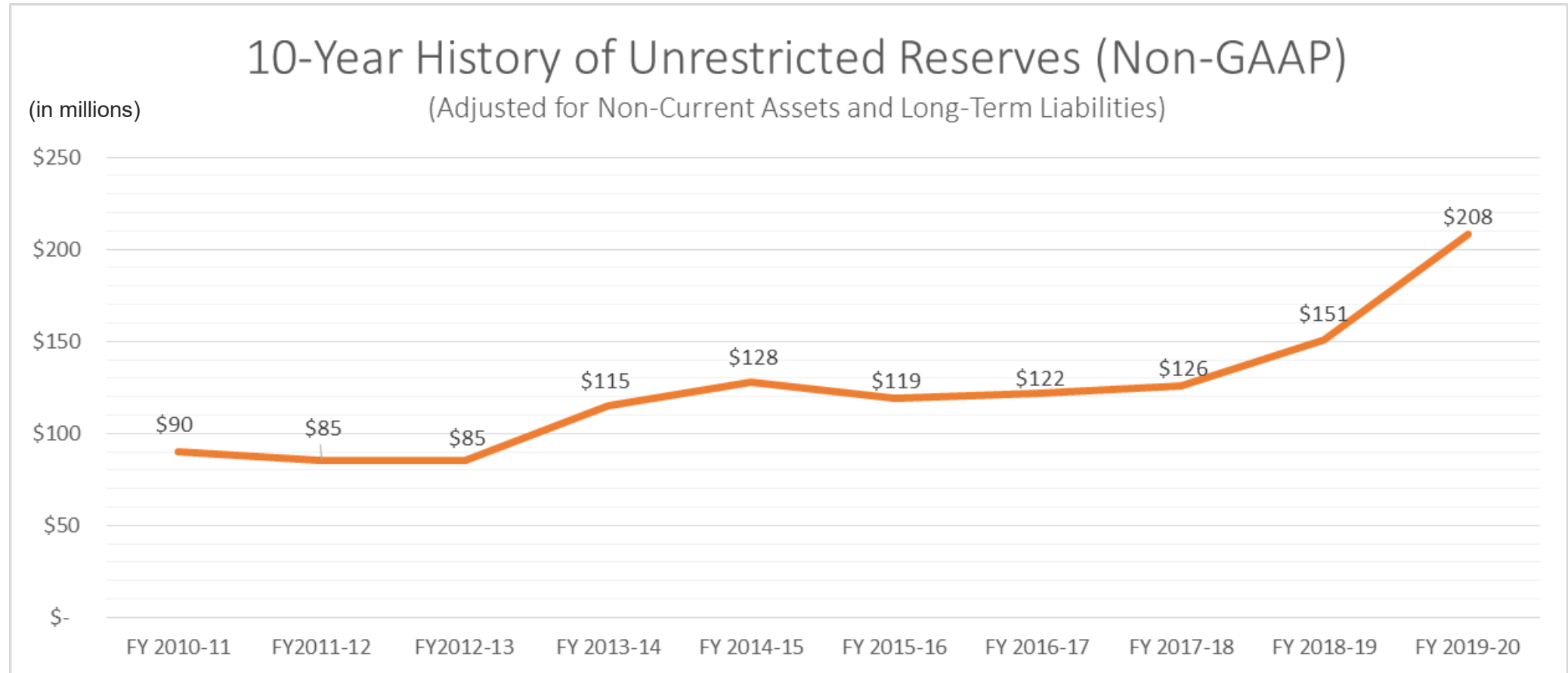
Benefits of timely reporting:

- Provides more timely information to investors, management, and community
- Allows time to focus on other projects

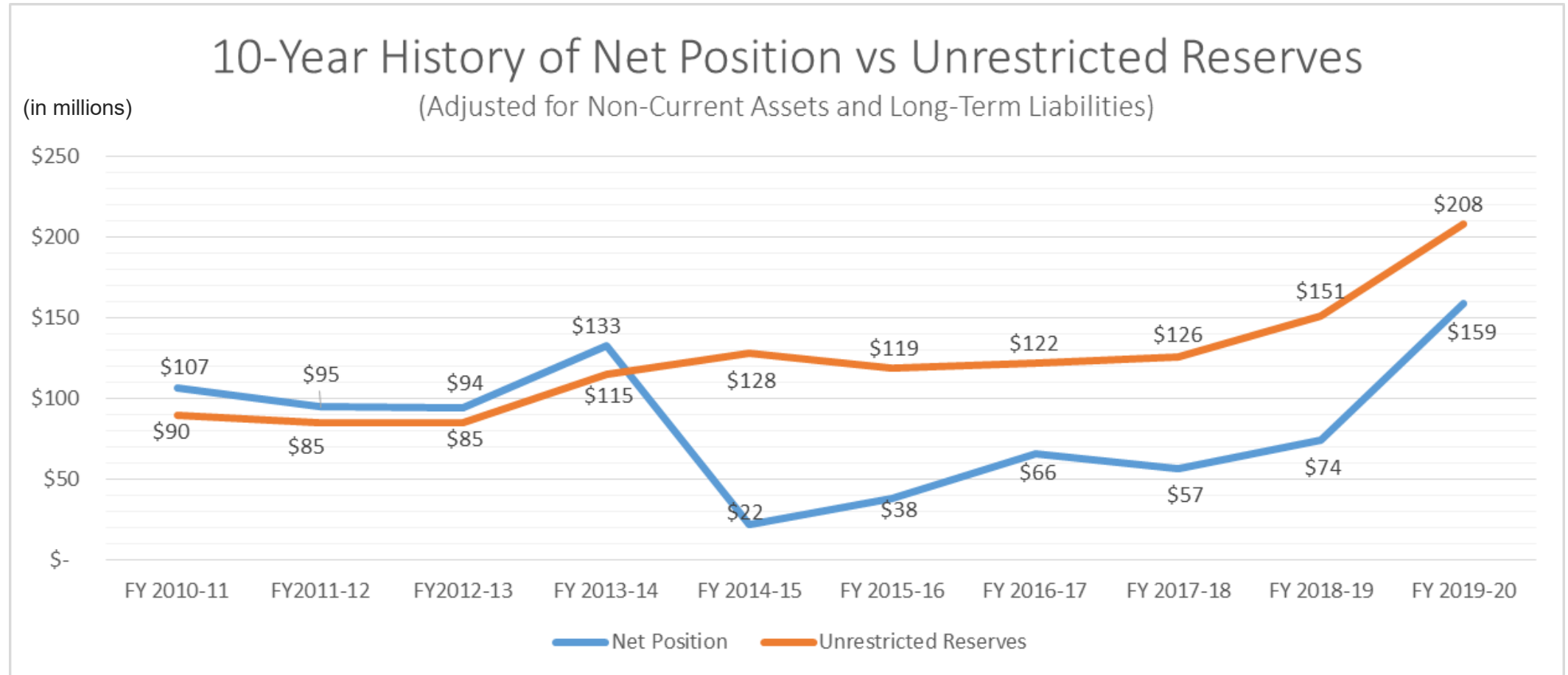
Assessment of SamTrans Long-Term Fiscal Health



Assessment of SamTrans Long-Term Fiscal Health (continued)



Assessment of SamTrans Long-Term Fiscal Health (continued)



Assessment of SamTrans Long-Term Fiscal Health (continued)

What Does This Mean?

GAAP

- GAAP accounting provides a partial view of the District's financial condition
- GAAP accounting can hide trends

Non-GAAP

- Focuses on short-term needs
- Ability to maintain services

What Should We Do?

- Focus on preventing or limiting “Financial Impairment” through cost-effective financial management in both short and long term.
- Continue to develop metrics to help the Board identify and address potential financial impairment issues.
- Address challenges associated with large unfunded liabilities.
- Develop appropriate reserve policies.

Retirement Liabilities

(in millions)

	Total Pension Liability	Plan Fiduciary Net	Net Pension Liability	Funded Ratio	CalPERS Investment Return
FY 15 CAFR	\$ 271	\$ 240	\$ 31	88.6%	7.50%
FY 16 CAFR	\$ 282	\$ 243	\$ 39	86.2%	7.65%
FY 17 CAFR	\$ 298	\$ 241	\$ 57	80.9%	7.65%
FY 18 CAFR	\$ 332	\$ 264	\$ 68	79.5%	7.15%
FY 19 CAFR	\$ 349	\$ 281	\$ 68	80.5%	7.15%
FY 20 CAFR	\$ 369	\$ 296	\$ 73	80.2%	7.15%

OPEB Liabilities

(in millions)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability	Funded Ratio	CERBT Investment Return
FY 18 CAFR	\$ 50	\$ 14	\$ 36	28.0%	6.75%
FY 19 CAFR	\$ 52	\$ 19	\$ 33	36.5%	6.75%
FY 20 CAFR	\$ 51	\$ 23	\$ 28	45.1%	6.75%

Internal Control Over Financial Reporting and Compliance

No audit findings reported

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Derek Hansel
Chief Financial Officer

Juliet Nogales-Deguzman
Director of Human Resources

SUBJECT: **AWARD OF CONTRACT FOR WORKERS' COMPENSATION PROGRAM (WCP)
ADMINISTRATION SERVICES**

ACTION

Staff proposes the Committee recommend the Board:

1. Award a contract to The Cities Group of Burlingame, California for provision of workers' compensation program (WCP) administration services (Services) for a not-to-exceed amount of \$1,767,000 for a five-year term.
2. Authorize the General Manager/CEO, or his designee, to execute a contract with The Cities Group in full conformity with the terms and conditions of the solicitation documents and negotiated agreements and in a form approved by legal counsel.
3. Authorize the General Manager/CEO, or his designee, to exercise up to two additional one-year option terms with The Cities Group for a total not-to-exceed amount of \$796,000, if deemed in the best interest of the San Mateo County Transit District (District).

SIGNIFICANCE

Approval of the above actions will allow the District to retain a Third Party Administrator (TPA) to manage the District's self-directed WCP, as required by state law. TPA Services will include but not be limited to analysis of losses, development of methods to reduce workers' compensation costs while improving program efficiencies and effectiveness. The contractor also will support the Director of Human Resources, or designee, with workers' compensation inquiries, and participate and assist in program-related District training. Specific functions the TPA will perform also include claims management (e.g., claims processing and claims payment), management of medical provider contracts, litigation management, and broker services management.

BUDGET IMPACT

Funds for the Services are included in the Fiscal Year 2021 operating budget, and will be included in future approved fiscal year operating budgets.

BACKGROUND

Staff issued a Request for Proposals detailing the District's scope of services and other requirements for providing WCP Administration Services.

The RFP was advertised on the District's procurement website. The solicitation contained the District's Small Business Enterprise Preference Program, and notification was posted for interested proposers, including Small and Disadvantaged Business Enterprises, registered in the vendor database. Additionally, while conducting market research, staff identified and sent notices to firms that have experience providing the Services. Four firms submitted proposals.

A Selection Committee (Committee) consisting of District staff reviewed and ranked proposals according to the following weighted criteria:

- Company Qualifications, Experience & References 0 to 20 points
- Qualifications and Experience of Key Personnel 0 to 15 points
- Project Understanding and Management Plan 0 to 45 points
- Reasonableness of Cost 0 to 20 points
- SBE Preference 0 to 5 points

After initial review, evaluation, discussion and ranking of the four proposals, the Committee determined only three of the four firms were in the competitive range. Interviews were conducted with these three firms. After interviews and scoring, the Committee determined The Cities Group was the highest ranked proposer and recommended award to the firm.

The Cities Group proposal is responsive to all of the solicitation requirements, and the firm has the depth of knowledge, experience and financial stability to perform successfully the services at a fair and reasonable price. The Cities Group will perform this contract entirely with its own work force. The Cities Group has been the TPA for the District for more than 30 years. Its performance has been outstanding, providing responsive and cost-effective management of the District's WCP at significant savings to the District.

The value of the current contract with The Cities Group is \$981,000 for a similar scope of work. The five-year term of the current contract expires December 31, 2020.

STRATEGIC INITIATIVE

Priorities and Goals

Priority 2: Strengthen Fiscal Health

Goal 3: Implement existing and new best practices

2-9: Maximize long-term financial savings by incorporating a full evaluation of economic, environmental, and social costs in the decision making process.

2-12: Incorporate safety, security, and sustainability considerations into financial decision-making

Priority 3: Become a More Effective Organization

Goal 1: Improve organization performance

3-6: Standardize interdepartmental procedures for efficiency and performance

3-8: Maintain a clean and safe work environment that facilitates creativity and peak performance.

3-9: Promote sustainability and corporate responsibility.

Procurement Administrator: Tim Willson

650-551-6115

Project Manager: Juliet Nogales-Deguzman, Director, Human Resources

650-508-6236

RESOLUTION NO. 2020 -

BOARD OF DIRECTORS SAN MATEO COUNTY TRANSIT DISTRICT
STATE OF CALIFORNIA

* * *

**AWARDING A CONTRACT TO THE CITIES GROUP
FOR WORKERS' COMPENSATION PROGRAM ADMINISTRATION SERVICES
FOR A TOTAL AMOUNT OF \$1,767,000**

WHEREAS, the San Mateo County Transit District (District) issued a Request for Proposals (RFP) for Workers' Compensation Program (WCP) Administration Services; and

WHEREAS, in response to the RFP, the District received four proposals; and

WHEREAS, an Evaluation Committee (Committee) composed of qualified District staff reviewed and scored the proposals, conducted interviews with three firms determined to be in the competitive range, ranked the proposals according to the evaluation criteria set forth in the RFP, and determined that The Cities Group of Burlingame, California received the highest consensus ranking; and

WHEREAS, staff conducted successful negotiations with The Cities Group and determined the firm will perform the requested work for a fair and reasonable price; and

WHEREAS, staff and legal counsel reviewed The Cities Group's proposal and determined that it complies with the requirements of the solicitation documents; and

WHEREAS, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board of Directors award a contract to The Cities Group for a total amount of \$1,767,000 and authorize the General Manager/CEO, or designee, to exercise up to two additional one-year option terms with The Cities Group for a total not-to-exceed amount of \$796,000, if deemed in the best interest of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District hereby awards a contract to The Cities Group of Burlingame, California to provide Workers' Compensation Program Administration Services for a five-year term for a not-to-exceed total amount of \$1,767,000; and

BE IT FURTHER RESOLVED that the Board authorizes the General Manager/CEO, or designee, to execute a contract on behalf of the District with The Cities Group 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 Board authorizes the General Manager/CEO, or designee, to exercise up to two additional one-year option terms with The Cities Group for a total not-to-exceed amount of \$796,000, if deemed in the best interest of the District.

Regularly passed and adopted this 2nd day of December, 2020 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: Jim Hartnett
General Manager/CEO

FROM: Derek Hansel
Chief Financial Officer

David Olmeda
Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE AN AMENDMENT TO THE CONTRACT WITH CONDUENT TRANSPORT SOLUTIONS, INC. FOR ADVANCED TRAVELER INFORMATION SYSTEM SIGNS CELLULAR AND WI-FI COMMUNICATIONS UPGRADE SERVICES**

ACTION

Staff proposes that the Committee recommend the Board:

1. Approve an amendment in the amount of \$71,094 to the contract with Conduent Transport Solutions, Inc. (Conduent) for Advanced Traveler Information System (ATIS) signs cellular and Wi-Fi communication upgrade services.
2. Authorize the General Manager/CEO or his designee to execute a contract amendment with Conduent in a form approved by legal counsel.

SIGNIFICANCE

The San Mateo County District's (District) ATIS signs at five transit centers currently communicate on Verizon's 3G cellular network to receive and display bus stop predictive departure times for SamTrans passengers. Verizon will discontinue its 3G communications technology on December 31, 2020, requiring an upgrade to the signs from their current 3G cellular modems and Wi-Fi access points to 4G technology. This upgrade is necessary for the signs to continue to communicate and receive updated predictive bus stop departure time data from the ATIS application server, located at the District's Central Administration Building, after December 31, 2020.

BUDGET IMPACT

Funding for this contract is included in the Fiscal Year 2020-21 Amended Capital Budget.

BACKGROUND

In 1999, the District, through a competitive Request for Proposal (RFP) process, entered into a contract with Orbital Sciences Corporation (Orbital) to supply Professional Services and Equipment for the installation and maintenance of an Advanced Communications System (System). The System aids dispatching and has an automatic vehicle location feature to monitor and control the District's fixed-route and paratransit services. In 2008, the District, through a competitive RFP process, entered into a contract with ACS (formerly Orbital) for a bus Predictive Arrival/Departure System (PADS). The PADS provides real-time bus departure and arrival information, and displays an estimated time of arrival on visual message signs located in bus shelters and on the 511.org website. The contractor has successively changed its name several times over the past 18 years: from Orbital Transportation Management System to ACS Transport Solutions to Xerox Transport Solutions to Conduent Transport Solutions. Conduent provided software support and maintenance under each of those contracts.

In December 2017, by Resolution No. 2017-84, the Board of Directors (Board) awarded a five-year contract to Conduent to combine the existing software and hardware maintenance support services under a single contract for a not-to-exceed amount of \$2 million.

On April 6, 2018, the District executed Amendment No. 1 to its contract with Conduent to upgrade the SmartTraveler Plus software services for \$174,324, which was within the contract contingency amount.

In October 2020, by Resolution No. 2020-40, the Board authorized Amendment No. 2 to provide onboard integration between the existing Computer Aided Dispatch/Automated Vehicle Location system and the Clipper® 2.0 validators, and to increase the amount of the contract by \$202,911.

Staff requested a proposal from Conduent to provide hardware, software, design, integration, and installation services for ATIS signs cellular and Wi-Fi communications upgrades, with five routers installed at five locations. Conduent's proposal was reviewed by qualified staff from the Bus Maintenance Department, who determined that the proposal met all of the District's requirements and that the prices are fair and reasonable. Staff also determined that a contract amendment is required to increase the amount of the contract by \$71,094, from \$2,202,911 to \$2,274,005.

Contract Administrator: Shruti Ladani
Project Manager: Karambir Cheema, Deputy Director, ITS

650-622-7857
650-508-7998

RESOLUTION NO. 2020-

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

* * *

AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH CONDUENT TRANSPORT SOLUTIONS, INC., FOR ADVANCED TRAVELER INFORMATION SYSTEM SIGNS CELLULAR AND WI-FI COMMUNICATIONS UPGRADE SERVICES, AND TO INCREASE THE TOTAL CONTRACT AMOUNT BY \$71,094

WHEREAS, pursuant to Resolution No. 2017-84, the Board of Directors (Board) of the San Mateo County Transit District (District) awarded a five-year sole-source contract for continued software and hardware maintenance and support services for its Advanced Communications System and Predictive Arrival/Departure System for a not-to-exceed amount of \$2,000,000 to Conduent Transport Solutions, Inc. (Conduent); and

WHEREAS, effective April 6, 2018, the District and Conduent executed Amendment No. 1 to the above-referenced contract to upgrade the SmartTraveler Plus software services at a cost of \$174,324, which was within the 10 percent contract contingency amount; and

WHEREAS, pursuant to Resolution No. 2020-40, the Board authorized Amendment No. 2 to provide onboard integration between the existing Computer Aided Dispatch/Automated Vehicle Location solution on District bus and paratransit vehicles, and the fare validators being deployed as part of the Clipper® 2.0 fare collection system, increasing the amount of the contract by \$202,911; and

WHEREAS, staff requested a proposal from Conduent to provide hardware, software, design, integration, and installation services for Advanced Traveler Information

System (ATIS) signs cellular and Wi-Fi communications upgrades, with five routers installed at five locations; and

WHEREAS, Conduent submitted a proposal, which was determined by staff to meet all of the District's requirements; and

WHEREAS, the prices were determined to be fair and reasonable; and

WHEREAS, staff also determined that a corresponding amendment is required to increase the amount of the District's contract with Conduent by \$71,094, from \$2,202,911 to \$2,274,005, for the ATIS communications upgrades; and

WHEREAS, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board authorize an amendment to the contract with Conduent to provide hardware, software, design, integration, and installation services for Advanced Traveler Information System signs cellular and Wi-Fi communications upgrades, with five routers installed at five locations, and to increase the amount of the contract by \$71,094, from \$2,202,911 to \$2,274,005.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District approves an amendment to the contract with Conduent Transport Solutions, Inc. to provide hardware, software, design, integration, and installation services for ATIS signs cellular and Wi-Fi communications upgrades, with five routers installed at five locations, and to increase the amount of the contract by \$71,094, from \$2,202,911 to \$2,274,005; and

BE IT FURTHER RESOLVED that the Board authorizes the General Manager/CEO, or his designee, to execute the contract amendment on behalf of the District with Conduent in a form approved by legal counsel.

Regularly passed and adopted this 2nd day of December, 2020 by the following

vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary



BOARD OF DIRECTORS 2020

KARYL MATSUMOTO, CHAIR
PETER RATTO, VICE CHAIR
RON COLLINS
MARINA FRASER
CAROLE GROOM
ROSE GUILBAULT
DAVE PINE
JOSH POWELL
CHARLES STONE

JIM HARTNETT
GENERAL MANAGER/CEO

AGENDA

STRATEGIC PLANNING, DEVELOPMENT, AND SUSTAINABILITY COMMITTEE COMMITTEE OF THE WHOLE

WEDNESDAY, DECEMBER 2, 2020 – 3:00 pm

or immediately following the Finance Committee meeting

1. Call to Order

MOTION

2. Approval of Minutes of Strategic Planning, Development, and Sustainability Committee Meeting of November 4, 2020
3. Adoption of Public Transportation Agency Safety Plan
4. Approve the District's Rollout Plan to Comply with California Air Resources Board Innovative Clean Transit Regulation

INFORMATIONAL

5. Reimagine Update: Draft Service Policy Framework and Network Alternatives
6. Adjourn

Committee Members: Dave Pine (Chair), Carole Groom, 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 (DISTRICT)
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF STRATEGIC PLANNING, DEVELOPMENT, AND SUSTAINABILITY COMMITTEE
MEETING /
COMMITTEE OF THE WHOLE
NOVEMBER 4, 2020**

Committee Members Present: D. Pine (Committee Chair), R. Guilbault

Committee Members Absent: C. Groom

Other Board Members Present Constituting Committee of the Whole: R. Collins, M. Fraser, K. Matsumoto, J. Powell, P. Ratto, C. Stone

Other Board Members Absent: None

Staff Present: J. Hartnett, C. Mau, J. Cassman, D. Olmeda, A. Chan, J. Brook, D. Seamans

1. CALL TO ORDER

Committee Chair Dave Pine called the meeting to order at 3:08 pm.

2. APPROVAL OF MINUTES OF COMMITTEE MEETING OF OCTOBER 7, 2020

Committee Chair Pine said he would take a single motion after all the items were heard.

3. RESOLUTION SUPPORTING AN ALTERNATIVE TO PLAN BAY AREA (PBA) 2050 STRATEGY EN7: "INSTITUTE TELECOMMUTING MANDATES FOR MAJOR OFFICE-BASED EMPLOYERS"

Seamus Murphy, Chief Communications Officer, presented the staff report.

Committee Chair Pine asked if MTC (Metropolitan Transportation Commission) will approve the resolution as part of their latest regional strategy, which Mr. Murphy confirmed.

Director Josh Powell asked for clarification that the resolution is not opposing the current plan, which Mr. Murphy confirmed.

Committee Chair Pine said he thought that increased telecommuting was important to reduce congestion.

4. AUTHORIZE PARTICIPATION IN THE CLIPPER START REGIONAL MEANS-BASED FARE PILOT PROGRAM, APPROVE THE ASSOCIATED TITLE VI ANALYSIS, MAKE FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND UPDATE THE FARE STRUCTURE

Millie Tolleson, Principal Planner, provided the presentation.

Chair Karyl Matsumoto asked what the process was for registering for the Clipper START program. Ms. Tolleson said that they were accepting applications before the program begins in January. Chair Matsumoto suggested various options for promoting registration in the program.

Committee Chair Pine said that the 50 percent discount level would be a boon to many riders.

The Board made a motion to approve Items 2, 3, and 4 together.

Motion/Second: Collins/Ratto

Ayes: Collins, Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto, Stone

Noes: None

Absent: Groom

5. ADJOURN

The meeting adjourned at 3:27 pm.

An audio/video recording of this meeting is available online at www.samtrans.com. Questions may be referred to the District Secretary's office by phone at 650-508-6242 or by email to board@samtrans.com.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Strategic Planning, Development, and Sustainability Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Robert Sebez
Deputy Director, System Safety and Security

SUBJECT: APPROVAL OF PUBLIC TRANSPORTATION AGENCY SAFETY PLAN

ACTION

Staff proposes the Committee recommend the Board to approve the San Mateo County Transit District's Public Transportation Agency Safety Plan as required pursuant to 49 C.F.R. Part 673.11(a)(1).

SIGNIFICANCE

The Federal Transit Administration requires certain operators of public transportation systems that are recipients of Urbanized Area Formula Grant Program funds under 49 U.S.C. § 5307 (Section 5307 Grant Program) to develop, certify, and implement an Agency Safety Plan (ASP) incorporating Safety Management Systems. The ASP must be approved by both the District's Board of Directors and the General Manager/CEO. The deadline for affected agencies to meet this new requirement is December 31, 2020.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

In the *Moving Ahead for Progress in the 21 Century Act* (MAP-21), Public Law 112-141, Congress amended Federal transit law to require operators of a public transportation system not otherwise exempted to draft and carry out a Public Transportation Agency Safety Plan (PTASP). The PTASP final rule (49 C.F.R. Part 673) intends to improve public transportation safety by guiding transit agencies to more effectively and proactively manage safety risks in their systems. It requires certain recipients and sub-recipients of FTA grants that operate public transportation to develop and implement safety plans that establish processes and procedures to support the implementation of Safety Management Systems (SMS). SMS is a comprehensive, collaborative approach to managing safety. It brings management and labor together to control risk better, detect and correct safety problems earlier, share and analyze safety data more effectively, and measure safety performance more precisely. Affected transit operators are required to review, update, and certify their plans annually.

Prepared by: Sharon Kohlmanslehner, Bus Safety Coordinator

650-508-7744

RESOLUTION NO. 2020 -

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

* * *

APPROVING THE SAN MATEO COUNTY TRANSIT DISTRICT AGENCY SAFETY PLAN

WHEREAS, safety is a core value of the San Mateo County Transit District (District);
and

WHEREAS, Title 49, Code of Federal Regulations (CFR), Subtitle B, Chapter VI, Part 673 - Public Transportation Agency Safety Plan (PTASP) requires that the District's governing board approve the agency's ASP by December 31, 2020; and

WHEREAS, the District's ASP, prepared by staff in accordance with 49 CFR Part 673:

1. Sets forth a sufficiently explicit process for safety risk management, with adequate means of risk mitigation for bus transportation;
2. Includes a process and timeline for annually reviewing and updating the safety plan;
3. Sets forth a comprehensive staff training program for the operations personnel directly responsible for the safety of SMCTD;
4. Assigns a Safety Management System (SMS) Executive who has the authority and responsibility for day-to-day implementation and operation of the agency's SMS and a direct line to the Accountable Executive;
5. Includes adequate methods to support the execution of the PTASP by all employees, agents, and contractors for the bus transportation system; and

6. Sufficiently addresses all other applicable requirements provided in 49 CFR Part 673; and

WHEREAS, the General Manager/CEO recommends, and the Committee concurs, that the Board of Directors approve the District's ASP, set forth as Attachment 1.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transit District hereby approves the San Mateo County Transit District's Agency Safety Plan as set forth in full in Attachment 1 to this Resolution.

Regularly passed and adopted this 2nd day of December, 2020 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

San Mateo County

TRANSIT DISTRICT

**AGENCY SAFETY
PLAN**

Agency	San Mateo County Transit District		
Address	1250 San Carlos Ave, San Carlos, CA 94070		
Accountable Executive	Jim Hartnett, General Manager/CEO, Executive Director		
SMS Executive	Robert Sebez, Acting Director, Safety and Security		
Mode(s) of Service	Fixed-route bus, paratransit, shuttle	FTA Funding Types	5307, 5310, 5311, 5339
Drafted by	San Mateo County Transit District		
Signature	Signature of Accountable Executive	Date of Signature	
Approval	Name of Individual/Entity That Approved This Plan	Date of Approval	
	Relevant Documentation (Title and Location)		
Certification of Compliance	Endorsement	Date	
	San Mateo County Transit District Board of Directors	12-2-2020	
	Relevant Documentation (Title and Location)		
	Resolution 2020-__		
Version Updates			
Version Number	Section/Pages Affected	Reason for Change	Date Issued
1	Not applicable	New Document	12-2-2020

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1. Safety Performance, Annual Review

Safety Performance Targets							
Mode of Transit Service	Fatalities (Total)	Fatalities (per 10 million VRM)	Injuries (Total)	Injuries (Rate)	Safety Events (Total)	Safety Events (Rate)	System Reliability
Motor Bus, Directly Operated	0	0	6.8	0.11	7.8	0.12	25,000 mi between road calls
Demand Response, Purchased	0	0	1	0.035	1	0.035	2.5 complaints /1,000 trips
Motor Bus, Purchased	0	0	1.6	0.13	2.8	0.11	25,000 mi between road calls
Safety Performance Target Coordination							
<p>In accordance with 49 CFR Part 673.15, SMCTD makes its safety performance targets available upon request to the State of California and the Metropolitan Planning Commission (MTC) to aid in their planning processes for regional service and safety. To the maximum extent practicable, SMCTD coordinates with the State of California and MTC in the selection of these targets.</p>							
Annual Review and Update of the Agency Safety Plan							
<p>This Agency Safety Plan (ASP) will be reviewed annually to make necessary updates, corrections, and modifications in accordance with 49 CFR 673. Any significant changes, whether required by regulation or otherwise, will be drafted by the SMS Committee By October of each year. The SMS Committee will finalize recommended changes to the ASP, if any, for review by SMCTD’s Board of Directors. Any recommended changes to the ASP will be presented to SMCTD’s Board of Director’s for approval at the Board’s November meeting, unless circumstances warrant otherwise, but in any event by the end of the calendar year.</p>							

2. Safety Management Policy

Safety Management Policy Statement

All levels of management and all employees are accountable for demonstrating the highest level of safety, starting with the General Manager of SMCTD.

The San Mateo County Transit District is committed to:

Leading by Example: Executive Management will lead the development of an organizational culture that delivers safe operations and provides appropriate resources through ensuring safe practices, complying with federal, state, and safety-related requirements, rules, and standards. SMCTD will hold executives, managers and employees accountable for safety performance by enhancing safety operations and promoting efficient reporting and communication.

Communication & Training: All employees will be trained to perform their job duties safely and will be trained in safety reporting procedures. The Safety Management System (SMS) facilitates awareness of our safety objectives and performance targets, which invites employees to engage in open safety communication, and reduces risk of accidents and damage to property and equipment. Proactive efforts are made to identify and minimize workplace hazards.

Responsibility & Accountability: Managers will actively ensure that Safety Assurance functions are monitored and supported by clearly defining safety responsibilities and accountabilities. Adherence to safety operations will be an important part of performance evaluations for SMCTD managers and employees. Managers are responsible for ensuring that Safety Risk Management is being performed to assure that the safety risk is assessed and mitigated.

Responsibility of Employees & Contractors: To improve hazard identification and analysis and reach an acceptable level of safety, all employees and contractors will support safety management by ensuring that hazards are identified and reported through safety risk evaluation processes and an employee safety reporting program.

Employee Reporting: As a part of the SMS, all frontline employees will be afforded an opportunity to utilize a safety reporting program to share their safety concerns, such as reporting hazards, unsafe work practices and ineffective policies directly to their supervisor, through safety committee meetings, or through a safety department representative. No action will be taken against any employee who communicates a safety condition through the SMCTD safety reporting program unless such disclosure indicates the following: an illegal act, gross misconduct or negligence, or a violation of SMCTD policies and procedures.

Performance Monitoring & Measuring: To continuously improve safety performance, SMCTD will establish and measure safety performance against data-driven targets. Managers will verify that the safety risk mitigations are relevant and effective.

Review & Evaluation: SMCTD will measure Safety Management System performance through internal processes that will initiate the revision and development of safety objectives and safety performance targets. Reviewing inspections, investigations and corrective action reports, and auditing the SMS processes will support our goal of continuous safety improvement.

As the Accountable Executive for all operations and activities, I will provide resources and training to ensure our SMS is efficient and successful. SMCTD management will take the appropriate measures to promote a safe environment and prevent workplace accidents and injuries by considering employee suggestions, keeping apprised of workplace safety and health hazards, and reviewing our safety programs.

The SMS Program is managed under my authority by the Director of Safety and Security. All levels of management and all employees are accountable for the delivery of the highest level of safety performance, starting with the General Manager and CEO.

Safety Management Policy Communication

The San Mateo County Transit District has established organizational accountabilities and responsibilities for its SMS, and our Accountable Executive has issued a written Safety Management Policy (SMP) statement that includes SMCTD's safety objectives.

The Director of Safety and Security, as the SMS executive, ensures the Safety Management Policy statement is distributed via electronic and hard copy to all employees and contractors.

The Director of Safety and Security also ensures the SMP statement is readily available to all executives, managers, supervisors, administrative and frontline employees, and contractor service providers. The Director of Safety and Security prepares and disseminates reports through various committees and meetings documenting how SMCTD is meeting the safety objectives set forth in the SMP statement.

Should the SMP statement be updated during the year, the Director of Safety and Security will redistribute it throughout the agency following the same protocols to ensure it is provided to all employees and contractors.

Authorities, Accountabilities and Responsibilities

Accountable Executive

The San Mateo County Transit District has recognized organizational accountabilities and responsibilities for its SMS, and our Accountable Executive has issued a written Safety Management Policy (SMP) statement that includes SMCTD's safety objectives.

The General Manager/CEO, is the Accountable Executive with the ultimate responsibility for carrying out the ASP and the Transit Asset Management Plan. The General Manager/CEO supports the SMS program by:

- Controlling or directing human and capital resources needed to develop and maintain the Agency Safety Plan and Transit Asset Management Plan
- Ensuring that SMCTD's SMS is effectively implemented and that action is taken, as necessary, to address SMS performance issues; and
- Designates an SMS Executive and provides a direct line to the Accountable Executive

SMS Executive

The Director of Safety and Security is designated by the Accountable Executive as the SMS Executive. The Director of Safety and Security directly supports the SMS program by monitoring day-to-day implementation and operation of SMCTD's SMS, which may include:

- Developing SMCTD SMS policies and procedures;
- Distributing the SMP statement to all employees and contractors under the SMS plan;
- Coordinating the review and revision process of the District's Agency Safety Plan;
- Designating the chair of the Accident Review committee;
- Sitting as chair of SMCTD's SMS Committee; and
- Developing safety performance targets.

The Director of Safety and Security holds overall accountability over the Safety and Security Department and is responsible for the management and communication of the SMS program.

Executive Management

The Executive Team directly report to the Accountable Executive and consists of:

- Deputy GM/CEO
- Chief Operating Officer, Bus Transportation
- Chief Communications Officer
- Executive Officer, District Secretary

- Chief Financial Officer
- Chief Officer, Planning, Grants, Real Estate and Transportation Authority

The SMCTD Executive Team have authorities and responsibilities for the implementation and operation of SMS as it applies to their relevant business units.

Specific authorities, responsibilities and accountabilities for Executive Management under this plan may include:

- Overseeing the safety of operations and SMS implementation within their respective departments;
- Coordinating with the Safety and Security Department on the implementation of SMS and providing subject matter expertise as requested; and
- Revising policies, plans and guidelines so they are aligned with the application of SMS.

At the request of the Accountable Executive, SMS Executive or SMS Committee the Executive Team will support system-wide SMS implementation.

Key Staff

SMCTD's Key Staff includes those positions that directly oversee the agency's operations, such as Maintenance Facilities, Training, and Human Resources. SMCTD's Key Staff support the development, implementation and operation of the SMS.

Specific authorities, responsibilities and accountabilities for Key Staff under this plan may include:

- Maintaining, policies, and procedures consistent with SMCTD's SMS program;
- Maintaining documents that support the implementation of the ASP;
- Assisting with investigation reports;
- Assisting with the implementation of corrective action plans; and
- Verifying compliance with the ASP and reporting deviations to the Safety Department.

3. Safety Risk Management

Safety Risk Management Process

Hazard Identification

The objective of hazard identification is to define those conditions which have the potential for causing an accident, incident or property damage.

The actual hazard identification process includes the use of various sources of information including the input of operating and maintenance personnel such as,

- Observation of work practices, work areas and equipment for obvious or potential unsafe conditions
- Periodic facility inspections
- Worker safety suggestions or complaints
- Reports of hazards by employees
- Accident or near-miss investigations
- Post-accident analysis

The District provides all employees and contractors with both verbal and written means to communicate with management and the Safety and Risk Management Department potential hazards or unsafe conditions. State law protects reporting unsafe conditions or practices. The District will maintain an Injury Illness and Prevention Program as required by California Labor Code section 6401.7 or California Code of Regulations Title 8 section 3203.

Employees are asked to use the hazard identification report form.

Facility Work Orders — All District employees may submit an online Facilities Work Order requesting a wide range of services from moving heavy objects such as furniture or boxed documents, to reporting unsafe conditions to be resolved, such as buckled carpeting or exposed wiring. System users receive reply emails alerting them 1) that their work order has been logged, 2) when it has been assigned and to whom, and 3) when the work has been completed. Users also may go into the District's work order website on the District's intranet, The Depot, to review their past work orders.

Injury and Illness Prevention Program (IIPP) — The District's Injury and Illness Prevention Program, or IIPP can be found in Article 1.9 of the District's Employee Safety Manual, which is maintained by the Safety and Risk Management Department. A hardcopy is issued to all new hires and a softcopy maintained on The Depot. It includes instructions on reporting hazards and a copy of the "SMCTD Hazard Identification Report Form." (All employees are encouraged to bring all known hazards to the attention of both management and the Safety Officer. In accordance with State law, employees may report hazards anonymously as well.)

Service Change Request (SCR) — A "Service Change Request" or SCR is completed by Bus Operators to document operational and safety issues of concern with regard to runs, routes, schedules, stops, tree trimming, on-time performance, and other such related matters. They are categorized as "Suggestion, Normal Business, or Urgent Business" by the Bus Operator who then enters the report online. The report is forwarded to the appropriate department for review and response.

Oversight Authority — SMCTD will consider all information provided by the FTA through on-site triennial audits including but not limited to associated findings and recommendations.

Operator Incident Report—An "Operator Incident Report" is completed by Bus Operators who wish to report passenger interaction issues, any incident that needs to be communicated to the Base Superintendent, unusual incidents and events not covered under the Service Change Request form, or unresolved maintenance issues. The Bus Operator who completes the form then gives the document to the Bus Transportation Dispatcher, who then routes it to the Bus Transportation Superintendent for review, evaluation and processing.

Safety Task Force — Safety Task Force meetings are joint management-labor monthly meetings chaired by the Director of Bus Transportation for the purpose of discussion and resolution of District safety issues affecting employees or the riding public and can include scheduling or maintenance-related issues. Task Force procedures are documented in SOP T-11, "Safety Task Force."

Bus Maintenance Supervisor Safety Talks—Are held twice a month (on payday Fridays) across all shifts and departments within the Bus Maintenance Department. Employees may bring up new safety items during the meetings or request the items to be added to future meeting agendas. Copies of the “Supervisor’s Report of Maintenance Meeting” are subsequently distributed to the Director of Bus Maintenance, the Base Maintenance Superintendent, as well as the Safety Officer, and include the officiating supervisors name, the date and shift holding the meeting, discussion topics, and also serves as the meeting’s sign-in sheet in accordance with SOP M-2, “Maintenance Safety.”

Vehicle Safety Inspection Report — The “Vehicle Safety Inspection Report” is printed on cardstock and handed to each Bus Operator or Mechanic before they drive a coach off District property. These cards are used daily for the recording of all pre-trip and post-trip inspection findings by the employee assigned to operate each individual coach for all or part of their work shift verifying that the bus is safe and roadworthy. The cards are picked up nightly by Bus Maintenance from the Bus Transportation Dispatchers and all noted defects are then scheduled for repair. These daily vehicle inspection procedures are documented in SOP D-27, “Vehicle Inspection Procedure.”

Radio Control Center — The Radio Control Center is located at North Base, and both the North Base and South Base Dispatchers perform the dispatching duties for Bus Transportation’s direct-operated bus service. The Radio Control operates Monday through Friday from 5am-8pm, while at all other times the dispatching duties are covered by the individual Base Dispatchers. Both Radio Control and Dispatchers utilize radio and phone communications systems which are recorded lines, thus all hazard reports are captured and can either be addressed by the Radio Controllers/Dispatchers or forwarded to the Base Superintendents for review and evaluation as appropriate.

IndustrySafe Hazard Log — IndustrySafe is an automated on-line application that will provide tracking of all entered hazards to resolution. The conversion from TransitSafe to IndustrySafe is ongoing at this writing and will be managed by the Bus and Rail Safety Officers. Details of the IndustrySafe system, how and when it will be introduced is available.

Safety Risk Assessment

For those hazards which are not addressed by the various procedures outlined in Section 7.1, an ad hoc committee is to be convened by the Department Director most affected by the hazard identified. Included in this section is a method for categorization of all identified hazards. Hazards are normally categorized in terms of severity and probability of occurrence. For the probability of occurrence the following categories are employed; Frequent, Probable, Occasional, Remote, Improbable and Design Resolved. For severity of event consequences the analysis uses; Catastrophic, Critical, Serious, Marginal, Negligible. Each aspect will be represented in a matrix to determine the required disposition.

Hazard Severity – Hazard severity is defined as a subjective measure of the worst credible level of damage resulting from a particular hazard and is categorized as follows (Figure a):

Hazard Severity Categories

Description	Category	Definition
CATASTROPHIC	I	Death, system loss, severe environmental damage, or complete and extended disruption of service
CRITICAL	II	Severe injury, severe occupational illness, major system environmental damage, or major disruption of service
MARGINAL	III	Minor injury, minor occupational illness, or minor system environmental damage, or minor disruption of service
NEGLIGIBLE	IV	Less than minor injury, occupational illness, or less than minor system, environmental damage, or less than minor disruption of service

Figure a. Hazard Severity Categories

Disruption of Service refers to a disruption resulting from reported damage to equipment, facilities, and/or other property as a result of a collision, derailment, or any event that is not addressed through routine Operations’ practices or procedures.

Hazard Probability — Hazard probability is defined as the probability that a specific hazard will occur during the planned life expectancy of the system element, subsystem or component. It can be described subjectively in potential occurrences per unit of time, events, population, items or activity. A qualitative hazard probability may be derived from research, analysis, and evaluation of safety data from the operating experience of SMCTD or historical safety data from similar systems. An example of qualitative hazard probability ranking is shown in the following figure, “Hazard Probability Levels,” in (Figure b):

Hazard Probability Levels

Description	Level	Specific Item	Fleet/Inventory
FREQUENT	A	Likely to occur frequently	Continuously experienced
PROBABLE	B	Will occur several times in the life of an item	Will occur frequently
OCCASIONAL	C	Likely to occur sometime in the life of an item	Will occur several times
REMOTE	D	Unlikely but possible to occur in the life of an item	Unlikely but may occur
IMPROBABLE	E	So unlikely, it can be assumed occurrence may not be experienced	Unlikely to occur, but possible

Figure a. Hazard Probability Levels

Hazard Resolution

Once a hazard is identified, an analysis is performed to define its potential severity and probability of occurrence as defined in the previous two sections. Hazard resolution is defined as the analysis and subsequent actions taken to reduce to the lowest level practical the risk associated with an identified hazard. Procedures have been established for resolution of potential hazards. Once the supervisor receives a report of a potential hazard from anyone at the facility the supervisor shall report the hazard to their respective Director, who shall notify the Director of Safety and Risk Management when circumstances are outside pre-established response procedures. The Director of Safety and Risk Management will notify the affected Deputy CEO and the General Manager/CEO, as appropriate.

- SMCTD employs MIL STD 882E to analyze identified hazards and, based on the results of this analysis, determine the need for associated mitigation.
- Conforming to the standard method, each hazard will be categorized. For the probability of occurrence the following categories are employed; Frequent, Probable, Occasional, Remote and Improbable. For severity of event consequences the analysis uses; Catastrophic, Critical, Marginal and Negligible. Each aspect will be represented in a matrix to determine the required disposition.

Hazard Risk Assessment Index (Figure c) and Hazard Rating Table (Figure d) charts shows which actions need to be taken as follows:

Hazard Risk Assessment Index

Frequency of occurrence	I	II	III	IV
	Catastrophic	Critical	Marginal	Negligible
(A) Frequent	IA	IIA	IIIA	IVA
(B) Probable	IB	IIB	IIIB	IVB
(C) Occasional	IC	IIC	IIIC	IVC
(D) Remote	ID	IID	IIID	IVD
(E) Improbable	IE	IIE	IIIE	IVE

Figure c. Hazard Risk Assessment Index

Hazard Rating Table

Risk Category	Hazard Risk Index	Acceptance Criteria
1	IA, IB, IC, IIA, IIB, IIIA	Unacceptable
2	ID, IIC, IID, IIIB, IIIC	Undesirable
3	IE, IIE, IIID, IIIE, IVA, IVB	Acceptable with review
4	IVC, IVD, IVE	Acceptable without review

Figure-a. Hazard Rating Table

The process of controlling, tracking, and elimination of hazards is recorded on the hazard log. All hazard log entries require a corrective action plan (CAP), tracking number, brief description, projected completion date, and an initial hazard rating using the methods described in this section. Hazards will be prioritized to address the highest risk categories first.

Safety Risk Mitigation

The close out process is the most critical of the safety management process. The responsible manager(s), internal subject matter experts where applicable, and Safety Department will collaborate to develop corrective actions. The responsible manager shall also ensure that appropriate internal budgeting, costing, and capital project prioritizing are initiated, as required by the hazard resolution. The Safety Department will be responsible for tracking the status of hazard resolutions in the Safety Risk Register.

As hazards are identified, various means or strategies may be employed, as necessary, to reduce the risk to an acceptable level. To the greatest extent practical, controls should be considered in order of precedence in the order below:

- a) Elimination or minimization of the risk through design change. If an identified hazard cannot be eliminated, the hazard will be reduced to an acceptable level, as defined by the Risk Assessment Index, through design selection.
- b) Incorporation of Safety Devices. The use of fixed, automatic, or other protective safety design features or devices may be used to eliminate or reduce the risk of identified hazards to an acceptable level.
- c) Warning Devices. Warning devices may be used if appropriate, to detect the condition and to produce a timely warning signal to alert personnel of an identified hazard. These warning systems are standardized within like types of systems to minimize the probability of incorrect personnel reaction to the signals.
- d) Use of Administrative Controls. Procedures and training may be used to eliminate or reduce the identified risk to an acceptable level. Tasks and activities that are determined to be critical require certification of personnel proficiency.
- e) Use of Personal Protective Equipment (PPE). Personal protective equipment may be used to eliminate or reduce the risk of the identified hazard. Training on the proper use of equipment is required prior to employees being placed in an environment requiring such equipment.

If system design standard revisions are warranted, or changes and additions to long-term capital maintenance and improvement programs are needed, these shall be reviewed through the Configuration Management process.

4. Safety Assurance

Safety Performance Monitoring and Measurement

SMCTD uses Safety Performance Monitoring and Measurement to evaluate our compliance with operations and maintenance procedures and to determine whether existing rules and procedures are adequate to mitigate risk. SMCTD also uses Safety Performance Monitoring and Measurement to evaluate the effectiveness of safety risk mitigations and to make sure the mitigations are appropriate and implemented as intended.

SMCTD bus operations are governed by rules, notices, and standard operating procedures (SOPs). Rules govern the daily operations of the bus system; and SOPs provide detailed information and instructions for performing specific tasks. All rules and procedures are reviewed and approved. SMCTD bus maintenance is governed by maintenance manuals, instructions, and vendor information. Maintenance procedures are established by Bus Maintenance and modified by Bus Engineering. To ensure compliance with and sufficiency of operations and maintenance procedures, SMCTD carries out the following activities:

Ride Evaluations: Ride evaluations provide an opportunity for one-on-one interaction between SMCTD Operators and instruction staff. During these evaluations, SMCTD instruction staff perform firsthand observations of the operator's driving habits and provide immediate verbal and written feedback. Ride evaluations are designed to identify and address improvement areas, as well as to give positive reinforcement for safe driving practices.

Verification of Transit Training Compliance: Bus Technical Training personnel are responsible for ensuring bus operators comply with training requirements. Accordingly, Bus Technical Training personnel are responsible for notifying operators of available classes scheduled throughout the year so that they are able to complete the required refresher training annually.

Random Observations: Transportation Supervisors may conduct observations of Bus Operators for compliance with traffic laws, SMCTD operating rules, and procedures. Any observed rule violations will be documented and filed electronically.

Vehicle and Facility Inspections and Records Reviews: Trained personnel from each SMCTD department or division conduct and document monthly safety inspections at their maintenance and operations facilities for vehicles and infrastructure. These personnel also perform records reviews and trend analyses regarding the results of vehicle and facility inspections to focus follow-up activities. Results are documented on standard SMCTD departmental forms.

Monitoring Safety Risk Mitigations

SMCTD monitors safety risk mitigations to determine if they may be ineffective, inappropriate, or not implemented as intended. The SMS Committee approves mitigation monitoring plans and tracks them through the SMCTD Safety Risk Register. Mitigations found to be ineffective, inappropriate or not implemented as intended, must go through the SRM process. The Safety Department oversees and tracks the assignment of responsibilities and timelines for implementing new mitigations and eliminating mitigations that are no longer necessary or effective. Where appropriate, the Safety Department and/or SMS Committee will assign an SRM taskforce comprising of the appropriate managers and subject matter experts to determine if certain safety risk mitigations are effective.

To measure the effectiveness of existing safety risk mitigations, which may not have been assessed yet through the SRM process, the Safety Department and SMS Committee also:

- Review results from accident / incident investigations;
- Monitor employee safety reporting;
- Review results of internal safety audits and inspections;
- Review results of safety inspections by external entities; and
- Review customer safety reports through IndustrySafe

During SMS Committee meetings, a standing agenda item focuses on the results of these reviews and monitoring activity. Based on its assessment of the situation, the SMS Committee and the Director of System Safety and Security will determine whether additional investigation and/or monitoring is required, or if the specific issue or condition needs to be addressed through the SRM process.

Employee Reporting

All employees are afforded an opportunity to utilize a safety reporting program to share their safety concerns, such as reporting hazards, unsafe work practices and ineffective policies directly to their supervisor, through safety committee meetings, or through a safety department representative. No action will be taken against any employee who communicates a safety condition through the SMCTD safety reporting program unless such disclosure indicates the following: an illegal act, gross misconduct or negligence, or a violation of SMCTD policies and procedures.

Management of Change

Change Management

SMCTD understands that change may affect the appropriateness or effectiveness of existing risk mitigation strategies. In addition, change may inadvertently introduce new hazards and safety risk into SMCTD service. Therefore, SMCTD has established a formal process for identifying and assessing changes that may introduce new hazards or impact our safety performance. If, as a result of this process, we determine a change may impact our safety performance, then we evaluate the proposed change through our SRM process. SMCTD's Management of Change Committee or MoCC leads this process. The Accountable Executive appoints MoCC members, including 10 total representatives from operations, maintenance, engineering, procurement, safety, and human resources, for a two-year term that begins January 1 of each even-numbered year. The MoCC is chaired by the Director of Safety & Security and meets quarterly. SMCTD's management of change process is agency-wide and applies to all new and existing system elements. It includes changes identified through our configuration management process, engineering modification request process, and safety certification process, as well as an active scan of changes resulting from:

- Design and implementation of new systems and other capital projects,
- Changes to existing systems or service,
- New services provided to the public,
- New operations or maintenance procedures,
- Changes to existing operations or maintenance procedures,
- Organizational changes, including Agency Leadership and Accountable Executive changes,
- Changes in capabilities and organizational capacity,
- Procurement process changes, and
- Changes to relevant regulations, laws, policies or the FTA's National Public Transportation Safety Plan or Safety Directives or Bulletins that may impact SMCTD's safety programs.

On a quarterly basis, under the direction of the Accountable Executive, the MoCC requests input from SMCTD departments regarding changes with the potential to impact safety performance. SMCTD trains its managers on when and how to identify and report anticipated changes to the committee. Each quarter, the MoCC also reviews outputs from SMCTD's configuration management process, engineering modification request process, safety certification process, rulebook update and general order system, and route planning process.

Configuration Management

Configuration Management is the process of managing all components of the SMCTD system including hardware, software, rules, procedures, training programs, information and documentation related to infrastructure, facilities, equipment and operations and maintenance to ensure that they possess the required safety characteristics and that documentation reflects those characteristics accurately.

Configuration Management is the process that ensures, as much as possible, that all property, equipment, and systems design elements are documented as to configuration, accurately and completely. That any changes to an individual subsystem, or a fleet- or inventory-wide change is recorded on as-built drawings and addressed in training courses, maintenance manuals and procedures in a timely and effective manner. The Configuration Management process includes

procedures for authority to make configuration changes, the process for incorporating these changes into all appropriate documentation and the process for ensuring that all necessary units are formally made aware of such changes.

The Configuration Management process also is coordinated with the System Modification Design Review and Safety Certification processes so that system-wide changes can be approved in advance as much as is practical. In cases where approval of changes, especially individual unit changes, cannot be approved in advance, all units should be informed of such changes as expeditiously as possible.

Configuration Management of Equipment and Rolling Stock

- Vehicle Acceptance Program originates in Bus Maintenance. The Bus Maintenance Department will document and maintain all records related to the useful life-cycle of all equipment and rolling stock, and will also provide oversight to any changes that fall within the scope of the Configuration Management Program.
- As-built documents in Document Control at North Base by Manager of Maintenance. All modifications are properly interfaced with the assets through SPEAR, the Bus Maintenance database software.
- All modifications are properly documented and available to all personnel supporting maintenance and repair.
- New Agency assets arrive in a quality status that is documented and prearranged.
- Campaign Bulletins originate in Bus Maintenance to document equipment changes, modifications or adjustments. Campaign Bulletins are forwarded by the Deputy Director of Maintenance to be approved for issuance by the Chief Operating Officer, Bus.
- Service Bulletins document maintenance procedures, inspections or maintenance service. Their content is originated by the OEM to address specific subsystem issues. Availability to review changes in configuration for any and all providers of asset maintenance.
- Technical Bulletins make adjustments in Bus Maintenance procedures.

Preventative Maintenance Inspection Cycles (PMI) changes are initiated by an interoffice memo from the Deputy Director, Bus Maintenance; Bus Maintenance literally removes all obsolete paperwork and replaces it with the revised / updated checklists. At the time of the PMI it is the Maintenance Supervisor who hands the PMI checklist along with the work order to the mechanic who will perform the physical work.

Configuration Management of Facilities

The Chief Operating Officer, Bus is responsible for all new construction projects and tenant improvements. The Deputy Director of Maintenance is responsible for all SMCTD vehicles, associated support equipment, and District owned facilities, which include all building structures, plumbing, electrical, heating and air conditioning, pavement management, lighting, parking bus fueling facilities, bus shelters, and bus stops. All functional areas coordinate with all other departments to emphasize acceptable levels of safety in the design or new equipment, facilities, and construction specification.

Continuous Improvement

SMCTD uses a continuous improvement process to monitor and improve our SMS and safety performance. SMCTD conducts an annual safety performance assessment at the beginning of each fiscal year. If we identify any areas of improvement as part of the safety performance assessment, we develop and carry out, under the direction of the Accountable Executive, a plan to address the identified safety improvement areas. SMCTD's process for assessing its safety performance includes:

- Monitoring the achievement of safety objectives and safety performance indicators and targets.
- Reviewing the effectiveness of:
 - Hazard identification, safety risk assessment, safety risk mitigation development, and management of change activities;
 - Operations and maintenance procedure monitoring activities;
 - Safety risk mitigation monitoring activities;
 - Safety investigation activities;
 - Voluntary Employee Safety Reporting Program (ESRP);
 - Safety competencies and training efforts; and
 - Safety communication.

The Safety & Security Department is responsible for assessing SMCTD's safety performance because of its safety expertise and functional independence from Bus Transportation and Bus Maintenance. The Safety & Security Department strategies

for assessing safety performance and the effectiveness of SMCTD's SMS operations include but are not limited to the following:

- Reviewing safety data, including data related to safety objectives and safety performance indicators and targets;
- Conducting employee surveys to measure the effectiveness of the ESRP, safety training, and safety communication;
- Using audit checklists to identify how well the processes, activities, and tools within the SMS are performing;
- One-on-one and group interviews of key service-delivery and support stakeholders;
- Attending safety committee meetings and safety meetings;
- Conducting field observations;
- Auditing regulatory compliance; and reviewing SMS documentation.

At times, SMCTD may choose to use an outside independent auditor to assist the Safety & Security Department in its safety performance assessment activities. The Safety & Security Department provides reports on the results of safety performance assessments to the Accountable Executive and executive management. The Safety & Security Department maintains documentation of the safety performance assessments, including checklists and tools.

SMCTD supports continuous improvement by addressing improvement areas it discovers during assessments of safety performance and SMS operations assessments. SMCTD uses corrective action plans to address safety issues and SMS operation performance to drive the continuous improvement effort. SMCTD also may choose to use outside expertise to assist in addressing safety improvement areas. These corrective action plans are carried out under the direction of the Accountable Executive, and the Director of Safety & Security reports on the status of these corrective action plans to the Accountable Executive each quarter.

Per contractual agreement, the paratransit contractor must have a continuous improvement process that complies with 49 CFR Part 673 and addresses the elements specified in this section. SMCTD's Bus Contracts Manager monitors the contractor's implementation of this process.

5. Safety Promotion

Competencies and Training

Proper qualification of operating and maintenance personnel is an important part of a safe transit environment. The District's Transit Operations Training Department is located at North Base and maintains all training documentation and records. Full-time instructors are certified by the Transportation Safety Institute (TSI), a division of the Federal Transit Administration (FTA) and under the U. S. D.O.T., located in Oklahoma City, Oklahoma, the Department of Motor Vehicles Employer Testing Program (ETP), and the National Safety Council to conduct Defensive Driving four and eight-hour programs. An adjunct staff of qualified Bus Operators, known as Bus Operator Trainers who are also certified by US DOT TSI assists in completing training assignments when demand exceeds departmental capacity. At least one Instructor is certified by the American Red Cross to conduct First Aid/CPR/AED training.

Bus Operator Training

Bus Operators —Bus Operators receive up to 9 calendar weeks (45 work-days) of training under US DOT certified instructors. The hours trainees receive are both classroom and behind the wheel as outlined in the TSI training guidelines using TSI PowerPoint slide, TSI Instructor manuals and TSI participant manuals augmented with specific material from the District. The District material includes the District's Standard Operating Procedures, SamTans equipment (bus fleet) and other information exclusive of SMCTD.

All Instructors and Bus Operator Trainers are fully certified trainers and all training hours are certifiable on a DL 260. The DL260 document is the document that is completed by the employer to ensure proper yearly hours are given to holder of a VTT. A typical training day consists of both classroom and Behind the Wheel Training (BTW 6 hours) as outlined in the TSI Behind the Wheel training Guidelines. The ratio of trainees to instructors is no more than 1 to 3 trainees with the goal of a 1 to 2 ratio.

Four written tests will be administered during the training program. Trainees are held to a passing standard of 85 percent on these exams. Instructors review individually all incorrect answers with the trainee where the Instructor and the trainee initial the correct answers. The trainee signs the corrected answer indicating they understand and agree with the corrections. The exam timeline is:

1. First written exam after 40 hours classroom training
2. Mid-term exam after four weeks classroom and behind the wheel training
3. Safety Critical Knowledge and Proficiency exams are taken concurrent with the Mid-term exam. The passing standard is 100 percent on all Safety Critical examinations. Trainees will be allowed one repeat.
4. Final Exam after 8 weeks classroom and behind the wheel training
5. Bus Operator Trainees take the DMV Pre-trip, Skills Test, and Driving Performance Examination at approximately the sixth week of training. (whether they are B licensed or not) The passing standard for all DMV tests will be according to DMV Employer Testing program guidelines.

Training includes but is not limited to:

- District Policies, Procedures, Rules, and Regulations
- Drug Free workplace
- National Safety Council Defensive Driving Course 8-hour program
- Air Brakes System
- Bus Pre-trip and Post-trip Inspections
- Bus Maneuvers
- Left, Right Turns and Spotting of the Coach
- Use of Mirrors
- Customer Relations
- Bus Accident Procedures and Reporting of Accidents
- Americans with Disabilities Act requirements
- Fare Structure and Passenger Relations
- Communicating with Limited English Proficiency (LEP) Customers
- Active Shooter Training

New bus operators must demonstrate proficiency on all vehicle sub-fleets they will operate. All classroom and behind-the-wheel training are recorded and filed on weekly training log sheets. Weekly training logs are reviewed by the department manager and also transferred on to a DMV form DL-260. An Instructor who is a certified DMV Examiner and in good standings with the California Employer Testing Program (ETP) administers the Driver's Performance Evaluation Test following the California Department of Motor Vehicles (DMV) guidelines. The test score sheets are retained as part of the Driver's training record, and a DMV Certificate of Driving Skill, form DL-170, is issued to the successful operator trainee. Trainees then exchange the forms DL-170 and DL-260 for a Commercial Class B driver license at a local DMV office.

Advanced Training for Bus Operators — Advanced Training is a two-day program, providing experienced bus operators with refresher training on:

- Passenger Interaction Skills
- Cumulative Trauma Disorders
- Americans with Disabilities Act
- Approved Pre- and Post-Trip Inspection procedures
- Vehicle Accident Reduction Skills
- Defensive Driving Skills, Railroad Crossings and Bus Stops
- Fitness for Duty
- Emergency Evacuation Procedures
- Vehicle Collision Retraining—Following a vehicle collision that the Accident Review Committee has graded "preventable," Bus Operators train with a certified instructor to explore methods of preventing reoccurrence. Hours of retraining vary according to the nature of the collision. Typically, four to 16 hours is spent on retraining.
- There is a progressive training schedule in a 2-year revolving calendar.
- Extended Leave Training—All Bus Operators who return to work from extended leave (more than 30 calendar day's absence) are retrained to verify the employee can perform their driving assignment to the appointed standard. Four to 80 hours or more is spent retraining after extended leave, depending on length of absence.

Specialized Training — Specialized training is performed on a request basis to help Bus Operators with their individual performance skills.

Vehicle Accident Reduction Program — An ongoing program in mitigating vehicle preventable collisions consists of:

- An active ride check program to uncover deficient driving habits
- Follow up training to address deficiencies uncovered during ride checks.
- The four-hour National Safety Council Defensive Driving course is taught to all operators of District service support vehicles. All staff are required to attend on a five-year cycle.
- Safety Focus Campaign that utilizes Posters, Seat Drops, PowerPoint Displays and Field Contacts to promote safe driving and workplace practices and other system management tools of Safety Management System (SMS).
- Analysis of collision data (preventable and non-preventable) and proactive awareness and mitigating risk through a proactive SMS.

Mechanic Training

New Mechanics receive 280 to 320 hours of training with certified instructors which includes:

- District Policies & Procedures
- 8 hours on forklift training and work area orientation
- Hazardous Materials "First Responder" training pursuant to California Code of Regulations Title 8 Section 5192
- 8 hours National Safety Council Defensive Driving Course
- 40 hours on vehicle orientation; driving in and around the shop area, bus stalls, and bus yard.
- 120 hours behind-the-wheel training on the road before undertaking the DMV Pre trip, Skills Test, and Driver's Performance Evaluation drive test.
- 80 hours mechanic training to include Core elements: Shop Safety and Procedures, and Air and Brake Systems (Mechanics C, B, and A)
- 40 hours mechanic training on Heating, Ventilation, and Air Conditioning Systems (Mechanics B and A)

Driver training hours are recorded on DMV form DL-260 and the mechanic undertakes the Class B commercial license drive test. The test score sheets are retained as part of the mechanic's training record, and a DMV Certificate of Driving

Skill, form DL-170, is issued to the successful mechanic. Mechanics then exchange forms DL-170 and DL-260 for a Commercial Class B driver license at a local DMV office.

Bus Maintenance Training

Upon the delivery of new rolling stock, mechanics undertake training provided by the vehicle manufacturer or component representative. Mechanics are selected for training based on job classification and shift coverage. District contracted personnel (i.e. MV Transportation) also are invited to attend and participate in the equipment training.

SMCTD Maintenance Training Program consists of 14 Core classes (Shop Safety, Repair Skills, Diesel Engine Tune Up, Basic Electrical, Multiplex & Charging Systems, Diesel Electronic Controls and After-treatment, Air Systems and Brakes, Hydraulic Braking Systems, Steering and Suspension systems, Automatic Transmission, ACS (radio systems), Sub-systems, and HVAC 608 & 609. Classes are actively reviewed to make sure they are up to date with current fleet and industry trends. Every month the Joint Labor Management Committee (comprised of 3 Management and 3 Labor) meet to discuss the training needs of the mechanics and the Maintenance department. From the requests of the JLM committee, a calendar is produced and at least 2 Core classes are selected for the upcoming three months, along with any requested On the Job training requests. Mechanics are assigned to class based on their needs and career development. Attendances of classes are kept in the Training Matrix. When a mechanic has completed all classes he or she is recognized with a certificate of completion for their achievement.

Utility Worker Training

New Utility Workers receive 200 hours of training with certified instructors which includes:

- 16 hours learning District Policies & Procedures
- 8 hours on forklift training and work area orientation
- 8 hours Hazardous Materials "First Responder" training pursuant to California Code of Regulations Title 8 Section 5192
- 8 hours National Safety Council Defensive Driving Course
- 40 hours on vehicle orientation; driving in and around the shop area, bus stalls, and bus yard.
- 120 hours behind-the-wheel training on the road before undertaking the DMV Pre-trip, Skills Test, and Driver's Performance Evaluation drive test.

Driver training hours are recorded on DMV form DL-260 and the utility workers take the Class B commercial license drive test. The test score sheets are retained as part of the utility worker's training record, and a DMV Certificate of Driving Skill, form DL170, is issued to the successful mechanic. Mechanics then exchange the forms DL-170 and DL-260 for a Commercial Class B driver license at a local DMV office.

All maintenance personnel, regardless of classification, are required to obtain and retain their Commercial Class B driver's license as a condition of their employment. Upon completion of their probationary period, they undertake eight hours classroom, and up to an additional 112 hours of behind-the-wheel training before taking the DMV drive test.

Verification of Transit Training — Pursuant to California Vehicle Code Section 12804.6, 8 hours of annual training is provided by District certified instructors to every employee who, as a requirement of employment, must hold a Commercial Driving License in good standing. Subject matter is mandated by the California Department of Motor Vehicles. All hours are documented on DMV form DL-260— "Transit Driver Training Record." For the classroom portion of the training, emphasis is placed on State of California requirements, Drug and Alcohol Testing, Fleet Safety and Defensive Driving

Skills. All Bus Operators are required to possess a DMV form DL-260A card— "Verification of Transit Training" (VTT). Furthermore, within the District, all employees who perform "Safety-Sensitive" functions must also possess a VTT card. The Federal Transit Administration has determined that "Safety-Sensitive" functions are performed by those who, "operate revenue service vehicles including when not in service; operate non-revenue service vehicles that require drivers to hold Commercial Drivers Licenses; dispatch or control revenue service vehicles; and maintain revenue service vehicles or equipment used in revenue service." Verified through monthly license check.

Certification Review/Audit

Pull Notice Program — Pursuant to the State of California Vehicle Code Section 1808.1, the District maintains the required program elements and submits to annual inspections by the California Highway Patrol to verify compliance regarding participation in the Department of Motor Vehicles' Pull Notice Program. The purpose of this program is to enable the District to verify that each employee in a "Safety-Sensitive" function (as defined in the previous paragraph)

has a driver's license that has not been suspended or revoked, the employee's traffic violation point count, and whether the employee has been convicted of a violation of Section 23152 or 23153 of the California Vehicle Code. HR will notify the appropriate Base Superintendents of any pull notices from DMV.

Employer Testing Program — Pursuant to the State of California Vehicle Code Section 15250, the District sustains all the requisite program elements and all required records are maintained on file in the training department at North Base for inspection and verification. All District instructors have participated in the DMV Commercial Driving Performance Evaluation Training. Plus, our Transit Operations Training Department submits to annual on-site inspections and or audits by the California Department of Motor Vehicles to verify our compliance with the DMV's Employer Testing Program (ETP). The DMV inspection/audit can consist of examination of records such as the DMV form DL-65 ETP Part I "ETP CDL Pre-Trip Inspection Evaluation Score Sheet", DMV form DL-65 ETP Part II "ETP CDL Driving Performance Evaluation Performance Score Sheet", DMV form DL170 "Certificate of Driving Skill", the "ETP Commercial Driving Performance Evaluation Route and Directions" and employment verification as Contractor Training Programs.

Contractor Training Programs

The District procures three separate contracts with MV Transportation and First Transit for Contracted Urban Bus (CUB, fixed route), Redi-Wheels (Paratransit), and Coastside Transportation Services, respectively. Contractors are required to follow all training elements specified in their respective Scopes of Work (SOW) to meet or exceed all State, Federal, and District standards, including the Employee Testing Program. Each service contract requires a specific minimum hourly training requirement to satisfy State and Federal mandates for fixed-route and paratransit services. These elements are similar to Section 12.1 Training, 12.1.1 a-f "Bus Operator Training" requirements and in most situations; requirements are fulfilled by the contractor's adherence to their respective Scope of Work. MV Transportation and First Transit both use in-house training programs such as AVATAR and the SMITH SYSTEM, respectively; programs are presented and approved by the SMCTD Transit Operations Training Manager. Audit of training records are performed by the District's Training Department twice a year in April and October and reports the findings to the Manager, Bus Contracts and MV Transportation Management, with copy to the Director, Bus Transportation. Timed follow-up action items are included within each audit to ensure complete follow-up within 30 days.

Certifications of contractor's training personnel are submitted to Manager, Bus Contracts and are reviewed during audits conducted by the Manager, Transit Operations Training in conjunction with DMV requirements. Bus Contracts administration and oversight is assisted by subject matter experts internally and externally.

Capital Projects and Construction Contractor Safety

The District's construction contracts include standard general conditions and special provisions which outline requirements for the following:

- Supervision and construction procedures
- Permits and licenses
- Oversight by the contractor
- Construction schedule
- Work site maintenance
- Access to the work sites
- Subsurface excavations
- Trench excavation safety plan
- Hazardous chemical and wastes
- Public safety
- Emergencies

Safety Communication

In accordance with SMCTD's Safety Management Policy statement, SMCTD actively encourages the open sharing of information on all safety issues throughout our organization. To ensure effective communication throughout the agency, SMCTD has established formal processes and approaches, including:

- **Dissemination of safety and safety performance** information throughout SMCTD's organization. The communication of safety performance information follows the top-down, agency-wide model of the agency's SMS. The Director of Safety and Security is responsible for reporting on the agency's safety performance to the Accountable Executive. These reports may include, but are not limited to, performance relative to the agency's safety performance targets, updates related to mitigation monitoring plans and corrective action plans, and unusual events.

In accordance with guidance distributed by the Director of Safety and Security, leadership throughout the agency (including executive management, directors, managers, and supervisors) are responsible for communicating safety performance information with their teams.

The Safety and Security Department is responsible for using the safety information system to develop reports on safety risk mitigations and open corrective actions for dissemination to all safety related committees.

- **Communication of information on hazards and safety risk** relevant to employees' roles and responsibilities throughout the agency. As part of new-hire training, SMCTD distributes safety policies and procedures, included in the SMCTD Employee Safety Manual, to all employees. SMCTD provides training on these policies and procedures and discusses them during safety talks between supervisors and bus operators and vehicle technicians. For newly emerging safety issues or safety events at the agency, SMCTD's Director of Safety and Security issues bulletins or messages to employees relevant to their roles' and responsibilities that are reinforced by supervisors in one-on-one or group discussions with those employees. SMCTD's Training Department also develops materials and courses to explain the rationale behind changes to policies, procedures, and work instruction that address hazards and safety risk relevant to employees' roles and responsibilities.

The Safety and Security Department works with SMCTD's executive and management teams (representing all appropriate functions) to define specific, safety-related information to communicate to different employee groups. SMCTD also uses multiple approaches to communicate pertinent safety information to the Board of Directors, management, and individual employees across all District functions, and as appropriate explaining actions taken in response to employee reporting. SMCTD provides targeted communications to inform employees of safety actions taken in response to reports submitted through the ESRP, such as committee meetings, anonymous reporting in the Safety Dropbox and one-on-one discussions between employees and supervisors.

The Safety and Security Department works with each operating function to ensure that all SMS and safety communication-related activities take place as scheduled. The Safety and Security Department also maintains documentation of communication processes and procedures and records of safety communications.

SMCTD's Bus Contracts Manager regularly monitors contractor safety communication activities to ensure the contractor is supporting SMCTD's safety and SMS mission and complying with SMCTD's requirements. SMCTD's Bus Contracts Manager documents these monitoring activities and results in formal reports and audits.

6. Additional Information

Supporting Documentation	
Glossary	
ADA	American with Disabilities Act. Passed in 1990, this federal legislation calls on public transit systems to make their services fully accessible and to underwrite a parallel complementary network of paratransit service.
Accident	An unforeseen, unintended event or occurrence resulting in injury, death, contact, or property damage.
ASP	Agency Safety Plan
BART	Bay Area Rapid Transit District provides heavy rail public transit service in San Francisco, San Mateo, Alameda, and Contra Costa counties.
Caltrain	Commuter rail service which serves local cities from San Francisco in the north to San Jose and Gilroy in the south.
DOT	Department of Transportation. At the federal level, a cabinet agency with responsibility for highways, mass transit, aviation and ports; headed by the Secretary of Transportation.
Design Safety	Safety achieved by the integration of safety features into the system design characteristics to prevent or minimize the probability of operation in an unsafe manner.
FTA	Federal Transit Administration. Agency of the United States Department of Transportation that provides federal transit financing, policy, and programs.
Fixed-route	Public transit service that operates on a regular basis over a predefined route at predefined times and published in a public timetable (e.g., bus and rail).
Hazard	Any real or potential condition that can cause injury or death, or damage to or loss of equipment or property.
Hazard Analysis	An analysis performed to identify hazardous conditions for the purpose of their elimination or control.
Incident	An unforeseen event or occurrence which does not result in injury, death, contact, or property damage.
MPO	Metropolitan Planning Organization. A federally designed transportation planning and programming body responsible for the RTP and the TIP in its region.
PTASP	Public Transportation Agency Safety Plan
SMS	Safety Management Systems

SMCTD Agency Safety Plan



Background

FTA published PTASP Final Rule in July 2018

Three Requirements


- Adopt an Agency Safety Plan with performance targets
- Have a Safety Management System process
- Maintain documentation

FTA set due date December 31, 2020

Four Pillars of a Safety Management System



Four Pillars of a Safety Management System




Safety Management Policy =
Leadership, Commitment, and
Accountability within the organization

Four Pillars of a Safety Management System



Four Pillars of a Safety Management System



Safety Assurance =
Measuring, Monitoring, and
Evaluating Safety
Performance

Four Pillars of a Safety Management System



SMCTD ASP Highlights

Safety Management Policy

- Written statement with safety objectives
- Employee safety reporting program
- Communication of the policy throughout the agency
- Establishment of authorities, accountabilities, and responsibilities

SMCTD ASP Highlights

Safety Promotion

Training detailed for:

- New hires
- Specialized training
- Vehicle accident reduction program



SMCTD ASP Highlights

Safety Assurance

- Identifying hazards
- Ensuring effective safety controls
- Accident and incident investigation



SMCTD ASP Highlights

Risk Management

- Safety Team will use Safety Risk Matrix to “get ahead” of risks

RISK ASSESSMENT MATRIX				
SEVERITY \ PROBABILITY	Catastrophic (1)	Critical (2)	Marginal (3)	Negligible (4)
Frequent (A)	High	High	Serious	Medium
Probable (B)	High	High	Serious	Medium
Occasional (C)	High	Serious	Medium	Low
Remote (D)	Serious	Medium	Medium	Low
Improbable (E)	Medium	Medium	Medium	Low
Eliminated (F)	Eliminated			

SMCTD ASP Highlights

Documentation

- PTASP must be approved annually by the Governing Board
- Signed by the Accountable Executive
- PTASP is not submitted to FTA for review and approval
 - Will be reviewed through FTA Triennial Audit

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: David Olmeda
Chief Operating Officer, Bus

SUBJECT: **APPROVE THE DISTRICT'S ROLLOUT PLAN TO COMPLY WITH CALIFORNIA AIR
RESOURCES BOARD INNOVATIVE CLEAN TRANSIT REGULATION**

ACTION

Staff proposes the Committee recommend the Board approve a zero-emission technology strategy for the San Mateo County Transit District's (District) rolling stock to comply with the California Air Resources Board's (CARB) Innovative Clean Transit (ICT) regulation.

SIGNIFICANCE

The ICT regulation (Cal. Code Regs. Tit. 13 § 2023.1(d)) requires each transit agency to submit a complete Rollout Plan approved by its governing body, showing how it plans to achieve a full transition to zero-emission buses (ZEBs), with associated infrastructure, by 2040.

District staff has studied zero-emission (ZE) technologies and infrastructure requirements since the early 2000's and recommends a phased approach for the implementation of ZE technology. Engineering consultants and District staff have worked with Pacific Gas and Electric, Peninsula Clean Energy, and peer transit agencies, to assess and evaluate ZE technologies relevant to transit bus operations, infrastructure, energy requirements, power distribution, and sustainability goals. The proposed ICT Rollout Plan is a roadmap to convert the District's existing diesel and hybrid bus fleet to a 100 percent ZEB fleet by the year 2038. As ZE technologies and energy management systems evolve (e.g. solar panels, battery chemistry, and battery storage), the ICT Rollout Plan can be adjusted or modified in accordance with CARB guidelines.

BACKGROUND

ICT regulation is a critical first step in transitioning California's heavy-duty fleet to operating using ZE power. The ICT regulation aligns with State statutes and policies, including the Sustainable Communities and Climate Protection Program (SB 375) and SB

350. SB 350 provides an opportunity for transportation electrification including wide use of ZEBs.

The ICT regulation requires that the Board of Directors (Board) approve a ICT Rollout Plan for the District to submit to CARB by December 31, 2020. The District's ICT Rollout Plan will remain a dynamic document with annual updates; moreover, this initial ICT Rollout Plan is critical as it allows for subsequent State and federal funding for the fleet conversion.

The District's ICT Rollout Plan has the following elements:

- Section A: Transit Agency Information
- Section B: Rollout Plan General Information
- Section C: Technology Portfolio
- Section D: Current Bus Fleet Composition and Future Bus Purchases
- Section E: Facilities and Infrastructure Modifications
- Section F: Providing Service in Disadvantaged Communities
- Section G: Workforce Training
- Section H: Potential Funding Sources
- Section I: Start-up and Scale-up Challenges

BUDGET IMPACT

Funding for the ZE rolling stock and infrastructure needed to support the ICT Rollout Plan will be included in proposed Capital Budgets in Fiscal Year 2022 through Fiscal Year 2038.

STRATEGIC INITIATIVE

- Strategic Action 2-13. Invest in improvements to our facilities and fleets that conserve natural resources, reducing waste and controlling costs.
- Strategic Action 3-9. Promote sustainability and corporate responsibility.

Prepared by: Greg Moyer, Director of Facilities Maintenance
Jeffrey Thomas, Project Manager

650-508-7987
650-508-6309

RESOLUTION NO. 2020-

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

* * *

APPROVING THE SAN MATEO COUNTY TRANSIT DISTRICT'S ROLLOUT PLAN TO
COMPLY WITH THE CALIFORNIA AIR RESOURCE BOARD'S
INNOVATIVE CLEAN TRANSIT PLAN

WHEREAS, California Air Resources Board (CARB) the Innovative Clean Transit (ICT) regulation (Cal. Code Regs. Tit. 13 § 2023.1(d)) requires each transit agency to submit a complete Zero-Emission Bus Rollout Plan (Rollout Plan), approved by its governing body, showing how it plans to achieve a full transition to zero-emission buses (ZEBs) with associated infrastructure by 2040; and

WHEREAS, San Mateo County Transit District (District) staff has studied zero-emission (ZE) technologies and infrastructure requirements since the early 2000's and recommends a phased approach for the implementation of ZE technology; and

WHEREAS, engineering consultants and District staff have worked with Pacific Gas and Electric, Peninsula Clean Energy, and peer transit agencies to assesses and evaluate ZE technologies relevant to transit bus operations, infrastructure, energy requirements, power distribution, and sustainability goals; and

WHEREAS, the proposed District ICT Rollout Plan is a roadmap to convert the District's existing diesel and hybrid bus fleet to a 100 percent ZE fleet by the year 2038; and

WHEREAS, as ZE technologies and energy management systems evolve, the ICT Rollout Plan can be adjusted or modified in accordance with CARB guidelines; and

WHEREAS, the ICT Regulation requires that the District Board of Directors approve the ICT Rollout Plan for submission to CARB by December 31, 2020; and

WHEREAS, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board of Directors approve the ICT Rollout Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the San Mateo County Transit District approves the ICT Rollout Plan as presented by staff and directs staff to submit the ICT Rollout Plan to CARB by December 31, 2020.

Regularly passed and adopted this 2nd day of December, 2020, by the following votes:

AYES:

NOES:

ABSENT:

ATTEST:

Chair, San Mateo County Transit District

District Secretary



SamTrans

Innovative Clean Transit (ICT) Rollout Plan

December 2, 2020

DRAFT

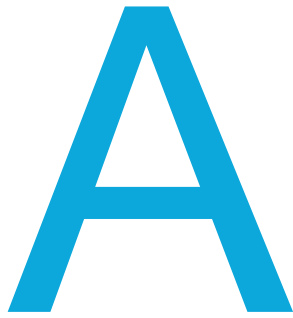
This ICT Rollout Plan will guide the transition to zero-emission buses for the San Mateo County Transit District (SamTrans)
1250 San Carlos Ave.
P.O. Box 3006
San Carlos, CA 94070-1306



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I	Start-up and Scale-up Challenges	.25





Transit Agency Information

Introduction

The San Mateo County Transit District (District) was created by the voters in November 1974. The Board of Directors convened its first meeting in early 1975. Later that year, the District's first General Manager was hired. The highest priority at the time was to consolidate the 11 city bus systems that were in existence prior to the formation of SamTrans. SamTrans began service on July 1, 1976.

Today, the San Mateo County Transit District is the administrative body for the principal public transit and transportation programs in San Mateo County: SamTrans bus service, including Redi-Wheels paratransit service, Caltrain commuter rail through its role as both a member agency of the Peninsula Corridor Joint Powers Board (Caltrain) and the administering entity for the service, and San Mateo County Transportation Authority (TA). Caltrain and the TA have contracted with the District to serve as their managing agency, under the direction of their appointed boards.

SamTrans provides bus service primarily within San Mateo County (population 766,573, 2019 ACS), with additional connecting service provided into adjacent San Francisco County (population 881,549, 2019 ACS) to the north. SamTrans is not part of a Joint Group (13 CCR § 2023.1(d)(3)).



Sustainability Policy

SamTrans is committed to supporting the State of California and the California Air Resources Board to lead the state by example and work to reduce the impacts of transportation on air quality and climate on the region, state, and world. As part of SamTrans' sustainability policy, the District commits to:

- Streamline business practices to reduce waste and improve operational effectiveness
- Evaluate and improve the long-term resource efficiency of our facilities and equipment, including the life-cycle return on investment
- Educate and incentivize our employees to integrate sustainability practices into their work and their personal lives
- Encourage business partners to incorporate sustainability practices into their own operations
- Measure the environmental impacts of our activities on an ongoing basis, and set and meet targets to reduce our impacts
- Deploy sustainability-themed programs that encourage the use of public transit and that support our local communities

Community Role

SamTrans has played a central role in San Mateo County communities, ensuring equitable access to transportation, reducing reliance on privately-owned vehicles, and offering residents a more sustainable way to move around the county. SamTrans provides essential services, but is also an active member of communities throughout the County, from moving Olympic athletes to and from the games, engaging the youth community, and hosting the annual “Stuff a Bus” toy drive.

The transition to zero-emission buses represents a promise to the communities that SamTrans serves to protect the health and safety of community members within the Bay Area. This commitment is supported by the District’s vision to be a ***“Mobility leader, providing transportation choices and a sustainable future that meets the needs of our diverse communities.”***



Service

SamTrans operates over 70 fixed routes in the San Mateo County. Prior to COVID -19, the agency provided more than 35,000 passenger boardings each weekday, providing nearly seven million miles of passenger bus service per year to access jobs and economic activity throughout the county. The fixed route service is supported by a fleet of 312 buses. Paratransit services are supported by 80 Paratransit vehicles (see Table 1).

Table 1: SamTrans Fleet

Vehicle Type	Quantity
Articulated coaches (60-foot)	55
Standard coaches (40-foot)	197
Standard coaches (35-foot)	40
Mini coaches (29-foot)	20
Total fixed-route revenue vehicles	312
Cutaways	43
Minivans	24
Sedans	13
Total Paratransit vehicles	80



B

Rollout Plan General Information

ICT Background

The California Air Resources Board (CARB) is the lead agency for climate change programs and is charged with protecting the public from harmful effects of air pollution and developing programs and actions to fight climate change. In December 2018, CARB adopted the Innovative Clean Transit (ICT) Regulation that requires all public transit agencies in the state to gradually transition to 100-percent zero-emission bus fleets by 2040.

Through the deployment of zero-emission technologies, the ICT regulation will provide significant benefits across the state, including:

- Reduce NOx and GHG emissions for all Californians, especially transit-dependent and disadvantaged communities. The majority of these benefits will be in the State's most populated and impacted areas where transit buses are most prevalent
- Increase penetration of the first wave of zero-emission heavy-duty technologies into applications that are well suited to their use to further achieve emission reduction benefits
- Save energy and reduce dependency on petroleum and other fossil fuels
- Expand zero-emission vehicle industry to bring high quality green jobs to local communities and trained workforce to California
- Provide other societal benefits by encouraging improved mobility and connectivity with zero-emission transportation modes and reduced growth in light-duty vehicle miles traveled

SamTrans ICT Rollout

This document outlines a plan to guide SamTrans’ transition from diesel and gasoline-powered vehicles to zero emission by 2038, without early retirement of diesel vehicles. The ICT Rollout Plan is a coordinating document to assist the planning, design, construction, acquisition, and implementation of zero emission technology. SamTrans adoption of zero emission technology will ultimately meet and exceed the ICT regulation requirements. The ICT Rollout Plan is approved by the SamTrans Board on December 2, 2020; a copy of the approved resolution is located in the attachments (13 CCR§ 2023.1(d) (2)).

The ICT Rollout Plan is divided into the following sections per the ICT requirements:

- A Transit Agency Information
- B Rollout Plan General Information
- C Technology Portfolio
- D Current Bus Fleet Composition and Future Bus Purchases
- E Facilities and Infrastructure Modifications
- F Providing Service in Disadvantaged Communities
- G Workforce Training
- H Potential Funding Sources
- I Start-up and Scale-up Challenges

The ICT Rollout Plan was created by SamTrans with assistance from HDR, Inc., a planning/engineering consultant.



C

Technology Portfolio

Technology Options

Although there are currently two commercially-viable zero emission bus technologies to transit agencies; battery-electric buses (BEB) and hydrogen fuel cell electric buses (FCEB), BEBs are the preferred technology to initial the fleet conversion. For SamTrans, consistency in vehicles, operation, infrastructure, training, and performance are all important and factored into the decision for the preferred technology. The key considerations used to identify a preferred option were adaptability and ease of implementation. FCEB technology remains a viable alternative for long-range routes and for routes of extended duration. FCEB technology is also considered for its operational flexibility during power outages or rolling black outs.





Primary Technology

Battery electric buses are identified as the preferred technology for SamTrans' ZEV transition. To further understand how this technology will affect current operations, a route power analysis was completed to determine the power usage of the fleet that accounts for weather (temperature), elevation change, and other power consumption elements. This analysis used existing schedules and routes to develop a realistic understanding of the power needs and potential range for each schedule block, and which blocks may be too long for the current battery capacity.

Some existing routes are lengthier than the service range current battery-electric buses can deliver; therefore, SamTrans is analyzing the need for remote opportunity charging or en-route charging, in addition of considering the benefits of FCEBs on these routes. This analysis will evaluate additional infrastructure costs to support the most effective technology, en-route chargers or FCEBs.

A cost-benefit analysis of the two technologies inclusive of infrastructure and fuel costs will influence future bus procurements toward the end of the ICT Rollout schedule. Emerging technologies in battery chemistry that can provide increased range through higher capacity, weight saving, and faster charging rate are anticipated and considered game changers.

D

Current Fleet and Future Purchases

Bus Fleet

SamTrans conducted a route power analysis that models the energy usage on a block-by-block basis of each route. The ability for the BEB vehicles to serve each route is determined on a number of different variables, including ambient temperature, route grade changes, passenger load, traffic, and driver aggressiveness.

Table 2 shows the existing SamTrans bus fleet and Table 3 shows the fleet transition schedule. The projected costs by year of the fleet transition are shown in Figure 1. All of the SamTrans ZEB fleet requirements will be met through the purchase of new vehicles.

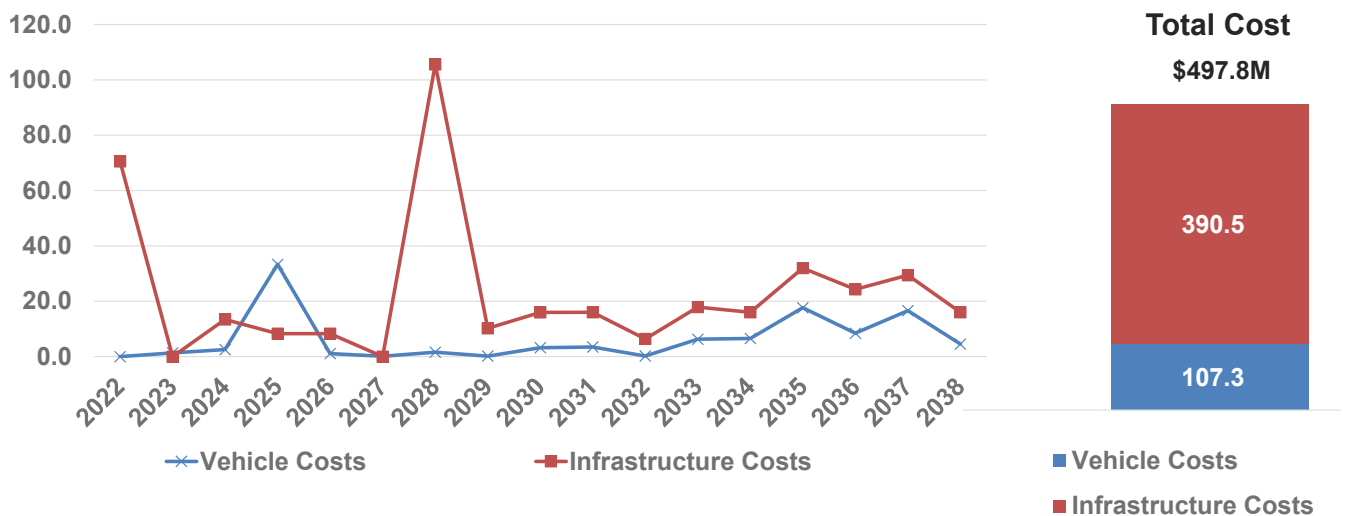
Table 2: Existing bus fleet

Model Year	Fuel Type	Bus Length	Bus Qty.
2009	Diesel	29'	4
2009	Diesel	35'	40
2009-2010	Diesel	40'	91
2013	Diesel	29'	4
2013	Diesel Hybrid	40'	25
2014	Diesel	29'	12
2014	Diesel	40'	21
2017	Diesel	40'	50
2018	Battery Electric	40'	2
2020	Diesel	Articulated 60'	55
2020	Battery Electric	40'	8
Total Fixed Route Fleet			312

Table 3: Fleet transition schedule

ICT Requirement	Year	ZEB				Conventional				Total Purchased
		Qty.	% of Total	Bus Length	Technology	Qty	% of Total	Bus Length	Fuel	
25%	2023	15	60%	40'	Battery - Depot	15	40%	40'	Diesel	37
		7		45'	Battery - Depot					
	2024	20	50%	35'	Battery - Depot	20	50%	35'	Diesel	
	2025	40	74%	40'	Battery - Depot	25	26%	40'	Diesel	
30	45'	Battery - Depot								
50%	2026	13	52%	40'	Battery - Depot	12	48%	40'	Diesel	25
	2027									
	2028	21	100%	40'	Battery - Depot					21
100%	2029	16	100%	29'	Battery - Depot					16
	2030	25	100%	40'	Battery - Depot					25
	2031	25	100%	40'	Battery - Depot					25
	2032	10	100%	40'	Battery - Depot					10
	2033	28	100%	Articulated 60'	Battery - Depot					28
	2034	27	100%	Articulated 60'	Battery - Depot					27
	2035	50	100%	40'	Battery - Depot					50
	2036	38	100%	40'	Battery - Depot					38
	2037	47	100%	40'	Battery - Depot					47
	2038	25	100%	40'	Battery - Depot					25

Figure 1: Projected Costs by Year (in \$ millions)



E

Facilities and Infrastructure Modifications

SamTrans Bus Facilities

Infrastructure upgrades are planned in phases to incrementally expand ZEV infrastructure as new ZEV's are inserted in the fleet. Planned improvements include the repaving and restriping of bus parking areas, installation of managed bus charging infrastructure, and an electrical service upgrade for each garage. SamTrans has produced designs for restructured parking areas on both the North Base and South Base garages to support the addition of 37 express buses such as the over the road coaches.

The ICT Rollout Plan considers photovoltaic canopies to offset operational expenses while taking advantage of renewable solar energy.

The North and South Base garages are both planned to receive an update to parking arrangements. This update is intended to accommodate the introduction of 55 articulated vehicles, along with an additional 37 standard buses for a planned service expansion. The reorganized parking areas will have enough parking capacity to accommodate any additional vehicles needed due to limited range of the ZEB vehicles on key routes.

Table 4: Existing bus fleet

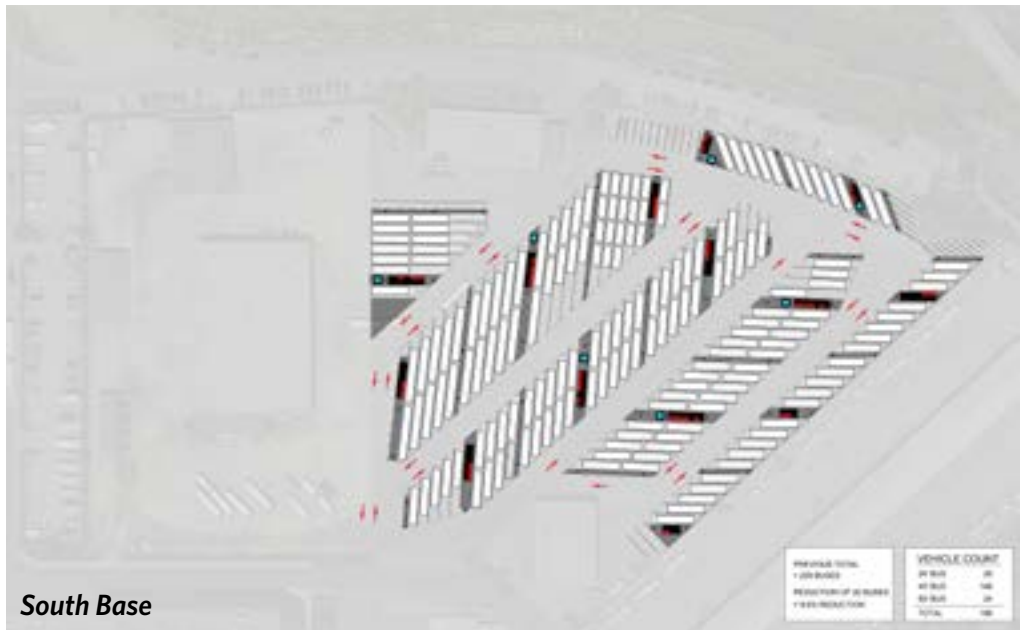
Facility	Address	Main function	Type(s) of infrastructure	Service capacity	Needs upgrade? (yes/no)	Estimated construction timeline
North Base	301 N Access Rd, South San Francisco, CA 94080	Bus maintenance and storage	Chargers Service Main Parking rehab	246 Vehicles	Yes	Completed by 2029
South Base	501 Pico Blvd San Carlos, CA 94070			188 Vehicles	Yes	Completed by 2032

**Battery Electric
Charging Footprint**

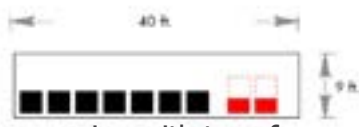
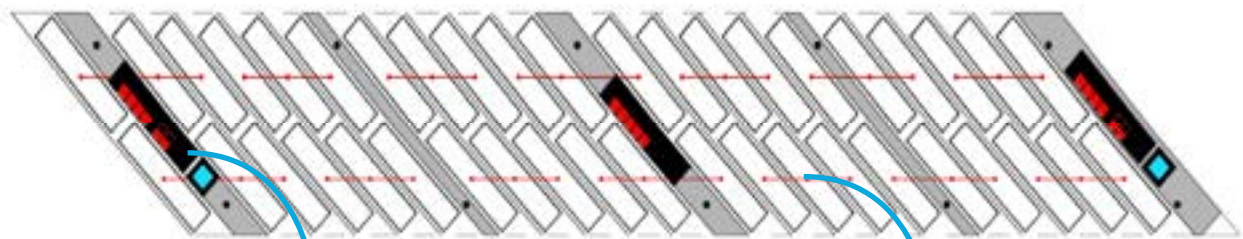
Revised parking layouts that accommodate fleet expansion and charging infrastructure.



North Base



South Base



Charger grouping with transformer
3 Buses / 250Kw Charger

Group of 3 dispensers

F

Service in Disadvantaged Communities

Overview

There are six SB535 disadvantaged communities within San Mateo County that are served by SamTrans bus service. SamTrans operates routes within San Francisco County that serve five SB535 Disadvantaged Communities. The SB535 Disadvantaged Communities are identified by CalEnviroScreen (see Figure 2) are listed below by county:

San Mateo County SB535 Disadvantaged Communities:

- 6081602300
- 6081611900
- 6081610201
- 6081602100
- 6081612000
- 6081604200

SF County SB535 Disadvantaged Communities:

- 6075023300
- 6075017601
- 6075017801 (1000')
- 6075012502 (1000')
- 6075012301 (1000')

Seven battery-electric buses will be deployed as service expansion that utilize high occupancy managed lanes to provide express bus service throughout San Mateo County along the US-101 corridor. Other planned future services will travel west along I-380 thus serving five of the disadvantaged San Mateo County districts.



Following this initial purchase of the (7) battery-electric buses, service scheduling and bus replacements will prioritize routes that serve SB535 Disadvantaged Communities. The following routes intersect or are within 1,000' of a disadvantaged community: 28, 37, 38, 39, 49, 79, 83, 88, 122, 140, 141, 270, 276, 280, 281, 292, 296, 397, 398, and ECR.

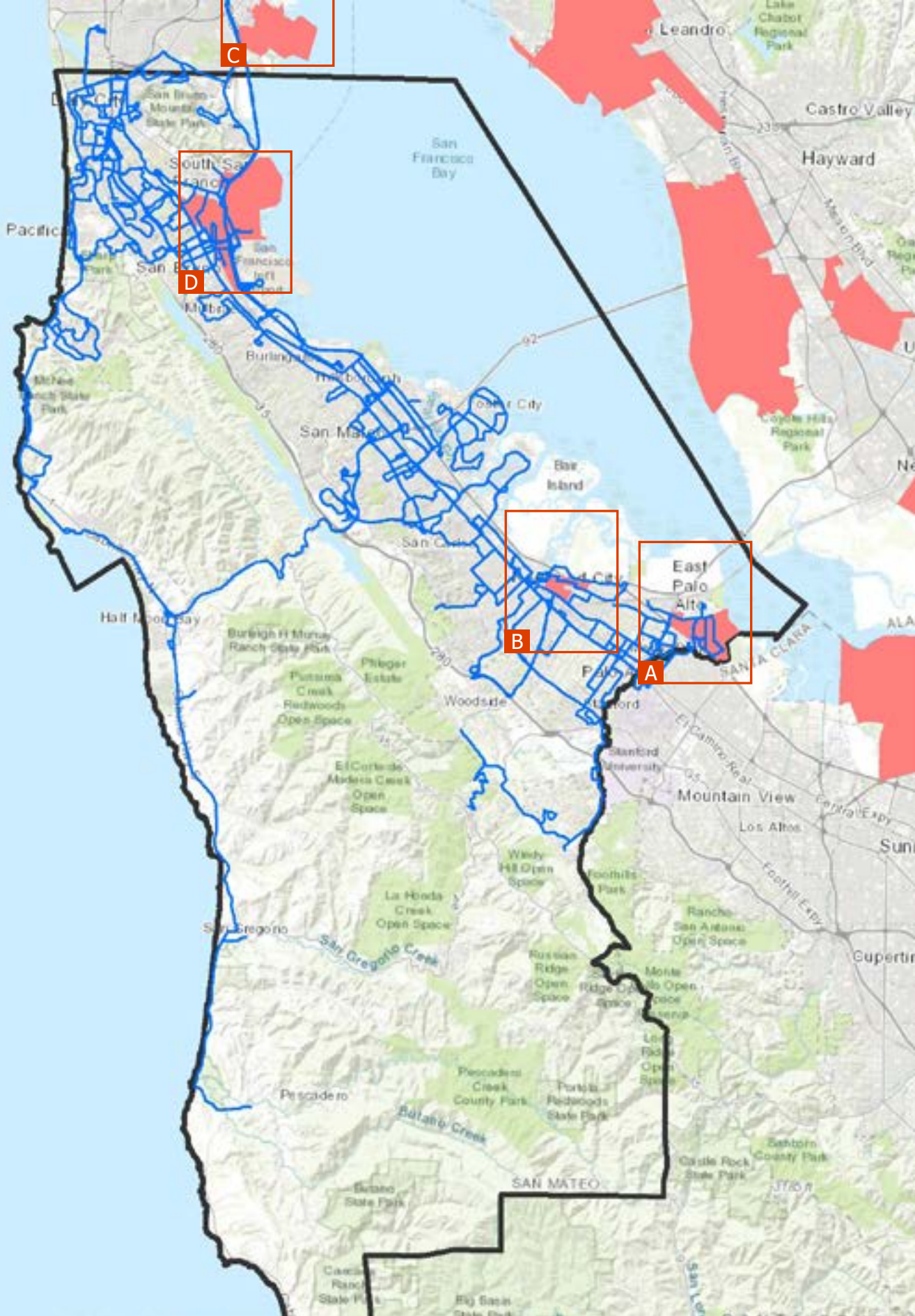
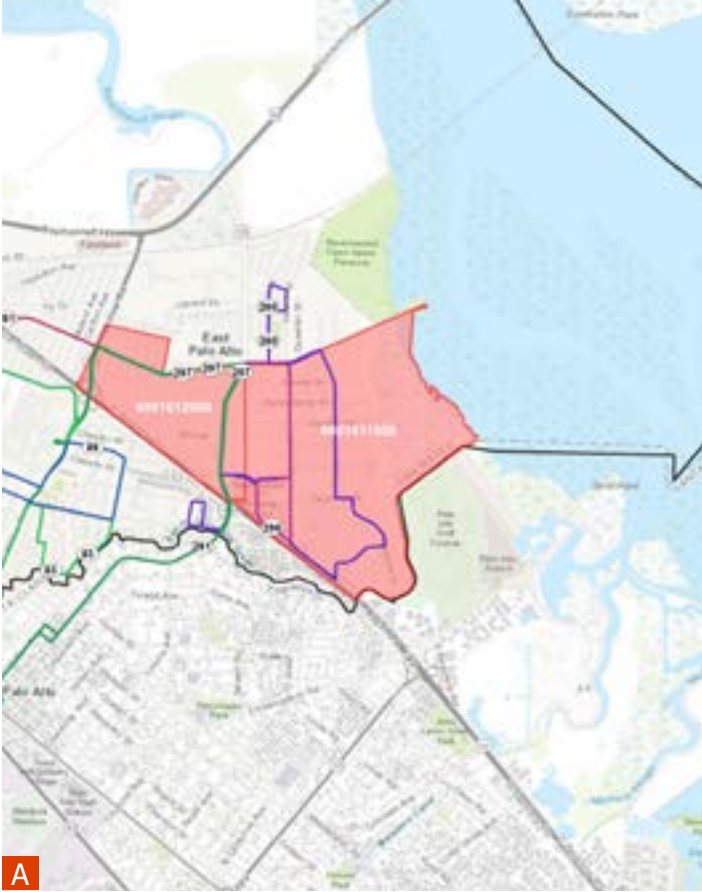
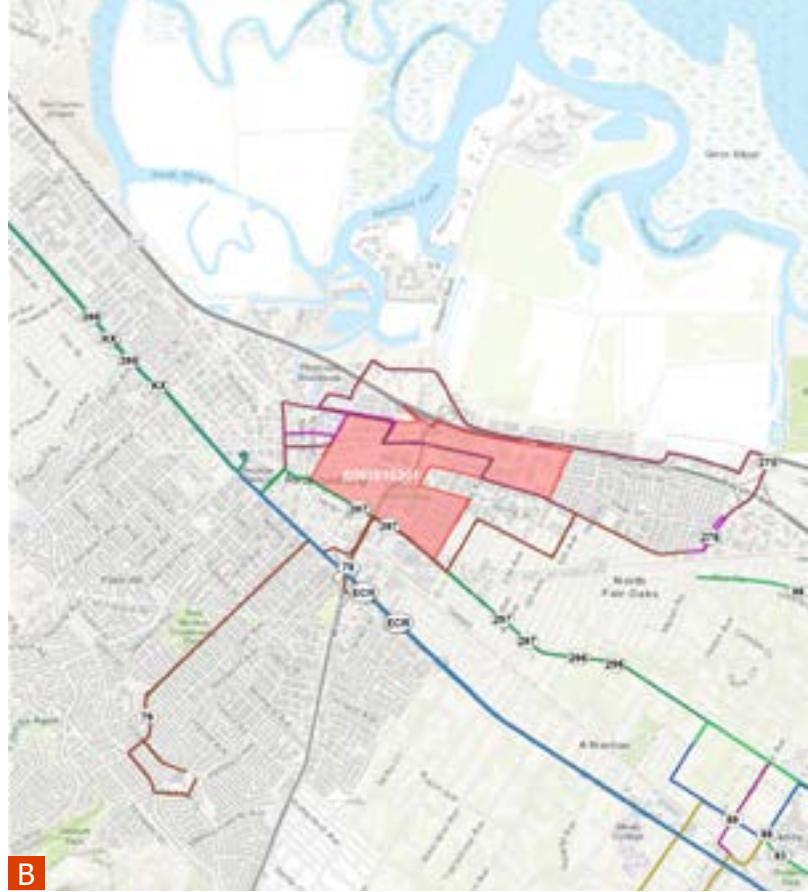


Figure 2: SB535 Disadvantaged Communities served by SamTrans
 Route data compiled by Open San Mateo County (SMCGOV.org) Aug 27, 2016



A



B



C



D



Workforce Training

Workforce Development

SamTrans will add specialized training to the existing training program, which focuses on both behind-the-wheel training and bus maintenance practices. The battery electric technology is still evolving, and today's training programs are expected to be dynamic and flexible; they will be updated as needed to reflect innovations, industry best practices, and changes in technology. The maintenance training includes shop and system safety, system familiarization and operations, troubleshooting/diagnostics, and preventative maintenance.

SamTrans intends to develop high-skilled maintenance personnel who can address battery-electric technology diagnose, troubleshoot, repair, and maintenance zero emission vehicles. SamTrans has identified the following resources that will assist in the training process;

- Training purchased as part of new rolling stock procurement from bus manufacturers
 - » First responder safety and vehicle familiarization
 - » Operator and Maintenance safety and vehicle familiarization training
 - » High voltage systems safety and familiarization training, including: lock-out/tag-out and inspection, staging, and usage of PPE.
- Direct training from individual sub-system/system manufacturers, including components that make- up the high voltage system, battery and battery management system, propulsion/drivetrain systems, and accessory systems that have/will transition from mechanically to electrically controlled and/or operated



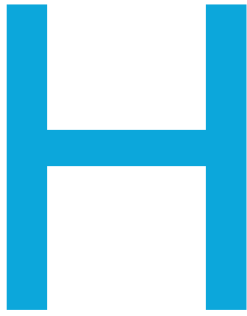
- Membership through Training Consortiums
 - » Southern California Regional Technical Training Consortium (SCR TTC)
- Peer agencies and transit associations
 - » Surrounding Bay Area agencies have continued to introduce zero emission bus (ZEB) technology into their fleets. Several agencies have established in-house training departments that will train their respective staff as they make the transition to emission technology.
- Transit associations
 - » Participation in committees such as Zero Emission Technology, Maintenance, and Workforce Development within transportation associations such as the American Public Transportation Association (APTA), California Transit Association (CTA), and the California Association for Coordinated Transportation (CalAct) provide insight to lessons learned and network resources.

The vehicle operator and maintenance training programs are detailed in Table 5, along with the updated training program that will include modifications for the battery electric vehicle technologies. SamTrans will also train bus operators on how to maximize vehicle regenerative energy and making best use of available power.

Table 5: Anticipated Maintenance and Operator Training

Training Module	Training Hours	Diesel	Battery-Electric
Shop Safety and Procedures	16	X	
High Voltage Safety (onboard systems and charging procedures)	16		X
Vehicle Familiarization, Systems and Sub-Systems Overview	8	X	X
Fundamentals of Troubleshooting	16	X	X
Basic Repair Skills	16	X	X
Basic Electrical	24	X	X
Air Brake Systems	24	X	X
Hydraulic Brake Systems	8	X	X
Steering and Suspension Systems	16	X	X
Sub-Systems (Cameras, Hubner, Windows, Doors, CLASS, Fire Suppression and Detection)	32	X	X
Multiplex systems	24	X	X
Diesel Engine Tune-up and Troubleshooting (Phased-out with 100% ZEB Fleet)	24	X	
Diesel Engine Electronic Control Systems (Phased- out with 100% ZEB Fleet)	16	X	
Automatic Transmissions (Phased-out with 100% ZEB Fleet)	24	X	
Heating, Ventilation, and Air Conditioning	16	X	X
Advance Communication System	16	X	X
BEB High Voltage Systems Troubleshooting and Repair	24		X
BEB Low Voltage Systems Troubleshooting and Repair	16		X
New Vehicle Bus Operator orientation (includes behind the wheel training)	2-4	X	X
BEB Propulsion systems (Drive Motor and Gearbox)	24		X





Potential Funding Sources

Funding

SamTrans is intending to use a variety of funding sources to acquire zero-emissions vehicles and required infrastructure, including regional, state, and federal sources. Examples of funding sources are as follows:

- Transit and Intercity Rail Capital Program (TIRCP)
- Low Carbon Transit Operation Program (LCTOP)
- FTA Funds
 - » 5307 Funds
 - » Section 5339 Bus and Bus Facilities Program
 - » Low-No Program
- SB1 Local Partnership Program (LPP)
- Affordable Housing and Sustainable Communities Program (AHSC)
- Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)
- Caltrans State of Good Repair (STA SOGR)
- SamTrans Sales Tax

Other potential funding sources have been identified, but not included in the planned budget. These sources could be utilized at a future time to acquire either ZE vehicles or infrastructure.

- Bay Area Air Quality Management District (BAAQMD) Grant Program
- Volkswagen Environmental Mitigation Trust



Table 6: Anticipated Vehicle Funding Sources

Funding Source	Year					
	2023	2024	2025	2026	2027	2028
FTA	20,540,257	28,962,937	50,884,814	18,455,039	1,996,000	25,167,443
LCTOP	5,722,000	2,400,000	1,200,000	1,200,000		2,400,000
LPP	3,100,000	1,100,000	1,100,000	1,100,000		1,100,000
STA SOGR	1,200,000	1,200,000	1,200,000	1,200,000	377,000	1,200,000
TIRCP	-	-	15,000,000	-	-	-
AHSC	2,500,000	-	-	-	-	-
SamTrans	1,369,567	2,540,734	33,341,794	1,113,760	122,000	1,591,861
Vehicle Budget	34,431,825	36,203,671	102,726,608	23,068,799	2,495,000	31,459,303
Vehicle Type	Vehicles Purchased by Type					
Standard ZEB	15	20	25	12		
Standard Diesel	15	20	40	13		
Express Bus ZEB	7		30			
Paratransit		X	X		X	

Table 7: Anticipated Infrastructure Funding Sources

Infrastructure Type/Location	Year						
	2022	2023	2024	2025	2026	2027	2028
Basic Infrastructure							
North Base							\$45,498,357
South Base	\$33,418,630						
Photovoltaic System							
North Base							\$42,707,385
South Base	\$34,089,000						
Infrastructure Connection							
North Base							
South Base			\$12,852,000	\$7,956,000	\$7,956,000		\$12,852,000
Infrastructure Budget	\$70,545,473	\$0	\$13,430,340	\$8,314,020	\$8,314,020	\$0	\$105,605,340



Start-up and Scale-up Challenges

The Road Ahead

San Mateo County Transit District has learned there are still many unknowns and unexpected challenges to overcome:

- Deployment of ZEBs and infrastructure adds significant capital and operating costs
- Procurement of ZEBs now require careful timing to deliver ZEB infrastructure capital projects when ZEBs arrive on property
- ZEB operation is vulnerable to utility company priorities
- ZEB technology is evolving at a rapid pace, which complicates O&M with compatibility of components and charging infrastructure.
- IT Infrastructure cost/challenges
- Funding challenges due to the uncertainty of funding availability such as the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), and the complexities of funding matches by type and percentages.
- Unexpected short-term and long-term impacts due to an emergency such as the COVID-19 pandemic or a natural disaster.

Without a doubt, ZEBs are readily available; however, in order to successfully transition the fleet, SamTrans will need policy makers, industry OEMs and energy providers to help address the existing challenges and risks.

It is important to note, the District's ZEB Rollout Plan is a living document meant to guide the implementation of zero-emission bus fleets and help the District work through many of the potential challenges to explore solutions. The Plan provides estimated timelines based on best available information for bus purchases, infrastructure upgrades, workforce training, or any other timelines in the Plan. SamTrans may update the Plan as needed with the most current information and industry best practices.

Innovative Clean Transit (ICT) Rollout Plan

December 2, 2020

Strategic Planning, Development, and Sustainability Committee
Item #4

Agenda

- Innovative Clean Transit (ICT) Regulation – Background
- Climate Adaptation and Resilience Planning
- Peer Agencies' Experiences
- ICT Rollout Plan – Implementation Strategy and Board Recommendation

ZERO EMISSION BACKGROUND AND ICT REGULATION

ZERO Emission Background

- State of California goal to have zero emission transportation by 2040
- District zero emission initiatives since late 1990's
 - (137) Repowered buses (2000-2003)
 - Installed (264) PM (particulate matter) traps (2002-2004)
 - Partnership with VTA (3) fuel cell buses (2004-2006)
 - ZEBA (zero emission bay area) Partnership with AC Transit, VTA, SFMTA, and Golden Gate; (12) hydrogen-hybrid fuel cell buses (2007-2016)

ICT Background

- Urban Bus Rule (1999)- Elimination of 2-cycle diesel engines. Installation of PM traps and required demonstration of zero emission technologies
- CARB's - Fleet Rule for Transit Agencies. The regulation that required all public transit agencies to gradually transition to a 100 percent zero-emission bus fleet.
- The Fleet Rule was substituted in Dec 2018 with Innovative Clean Transit (ICT) Regulation – established the (incremental) approach to 100 percent zero-emission fleet by 2040

ICT

- The ICT regulation includes the following:
 - A ZEB Rollout Plan; approved by its Board, agencies have to submit their Rollout Plan by January, 2021
 - ZEB purchases with various exemptions and compliance options to provide safeguards and flexibility to transit agencies;
 - Low NOx engine purchases, unless the transit buses are dispatched from NOx Exempt areas;
 - Use of renewable diesel or renewable natural gas for large transit agencies, and
 - Reporting and record keeping requirements.

ICT

- Innovative Clean Transit (ICT) Roll-out Plan elements
 - Sec. A: Transit Agency Information
 - Sec. B: Rollout Plan General Information
 - Sec. C: Technology Portfolio
 - Sec. D: Current Bus Fleet Composition and Future Bus Purchases
 - Sec. E: Facilities and Infrastructure Modifications
 - Sec. F: Providing Service in Disadvantaged Communities
 - Sec. G: Workforce Training
 - Sec. H: Potential Funding Sources
 - Sec. I: Start-up and Scale-up Challenges

CLIMATE ADOPTION AND RESILIENCE PLANNING

Climate Adaptation and Resilience Planning

- Study is currently underway to determine the likely climate impacts to SamTrans' facilities.
- Study will be complete in early 2021 and the Board will receive a briefing on the findings and recommendations.

North Base

- Portion of access road could be permanently flooded up to ~1 foot by 2050 and portions of North Base could be temporarily flooded up to 3 feet
- A levee is an alternative to combat erosion; however, a horizontal levy would be needed to secure North Base through the 2050 likely scenario. The access road to North Base would need to be addressed separately.
- SFO, is in the process of planning a seawall and levee for its property. SamTrans and SFO are coordinating planning efforts to address potential flooding to the access road that exists between the two properties.

South Base

- South Base is protected by the existing Redwood City levee
- During storms South Base could experience temporary flooding by 2030 from water overtopping Phelps Slough, a small waterway just North of South Base
- Phelps Slough is in the County's right of way and will require a solution led by the County to prevent its flooding from disrupting South Base operations

PEER AGENCIES' EXPERIENCES WITH ZE

Peer Agencies ZEV Programs

Agency Name	No. of ZEV	FCEB	BEB
VTA	10		10
AC Transit	28	22	5
County Connection	8		8
GGT/Marin	2		2
Sacramento RT	15		15
San Joaquin RTD	17		17
Foothill Transit	34		34
Long Beach Transit	10		10
San Diego MTS	6		6
Santa Barbara MTD	14		14
Yolo County Transp. District (YoloBus)	6		6
Antelope Valley (AVTA)	49		49
LA Metro	4		4

Peer Agencies' Experiences with ZE

- **Fleet Reliability**
 - New technology is not as robust as conventional buses
 - Down-time of ZE buses is longer (troubleshooting, parts availability)
- **Steep Learning Curve**
 - Despite training provided by the manufacturers, maintenance manuals are not fully developed and personnel require new skills sets
- **Higher Operating Costs**
 - Fuel costs and/or rates are higher than anticipated. Price guarantees and/or incentives have been removed
 - Cost of components (i.e. fuel cell, battery packs)

Peer Agencies' Experiences with ZE

- Infrastructure
 - Unfunded mandate (small start-up – limiting number of ZEBs)
 - Challenges with charging equipment (reliability, not standardized)
 - Long lead-time (environmental, permits, construction, and testing)
- Service Impacts
 - Range limitations (BEBs), requires service changes inclusive of bus exchange, restricting routes, or adding en-route charging
 - Requires more personnel to operate and maintain ZE technology (infrastructure and buses)

IMPLEMENTATION STRATEGY

ZEV Procurements

- Zero Emission Vehicle Purchases

- Purchased (10) Proterra BEB and charging infrastructure (2020)
- Scheduled for purchase (7) BEB for express bus services (i.e. East Palo Alto to SFO, 2023). These are expansion buses beyond the current fleet replacement
- ZE Paratransit vehicles are scheduled to commence after 2026; based on vehicle reliability and availability. Fixed route bus infrastructure accounts for all new ZE paratransit vehicles

IMPLEMENTATION STRATEGY

- Option #1A– ICT Balanced Hybrid Accelerated Compliance
 - ZEV transition commenced in 2019 with (10) Proterra BEBs
 - Extend the life-cycle of a portion of the (135) 2009 diesel-bus subfleet
 - In 2023, purchase BEBs and diesel buses (one-for-one); ICT requires 25% of new purchases to be ZEV
 - Purchase (15) diesel buses and (15) BEBs
 - Purchase (7) BEBs for express service
 - In 2024, purchase BEBs and diesel buses (one-for-one); ICT requires 25% of new purchases to be ZEV
 - Purchase (20) diesel buses and (20) BEBs

IMPLEMENTATION STRATEGY

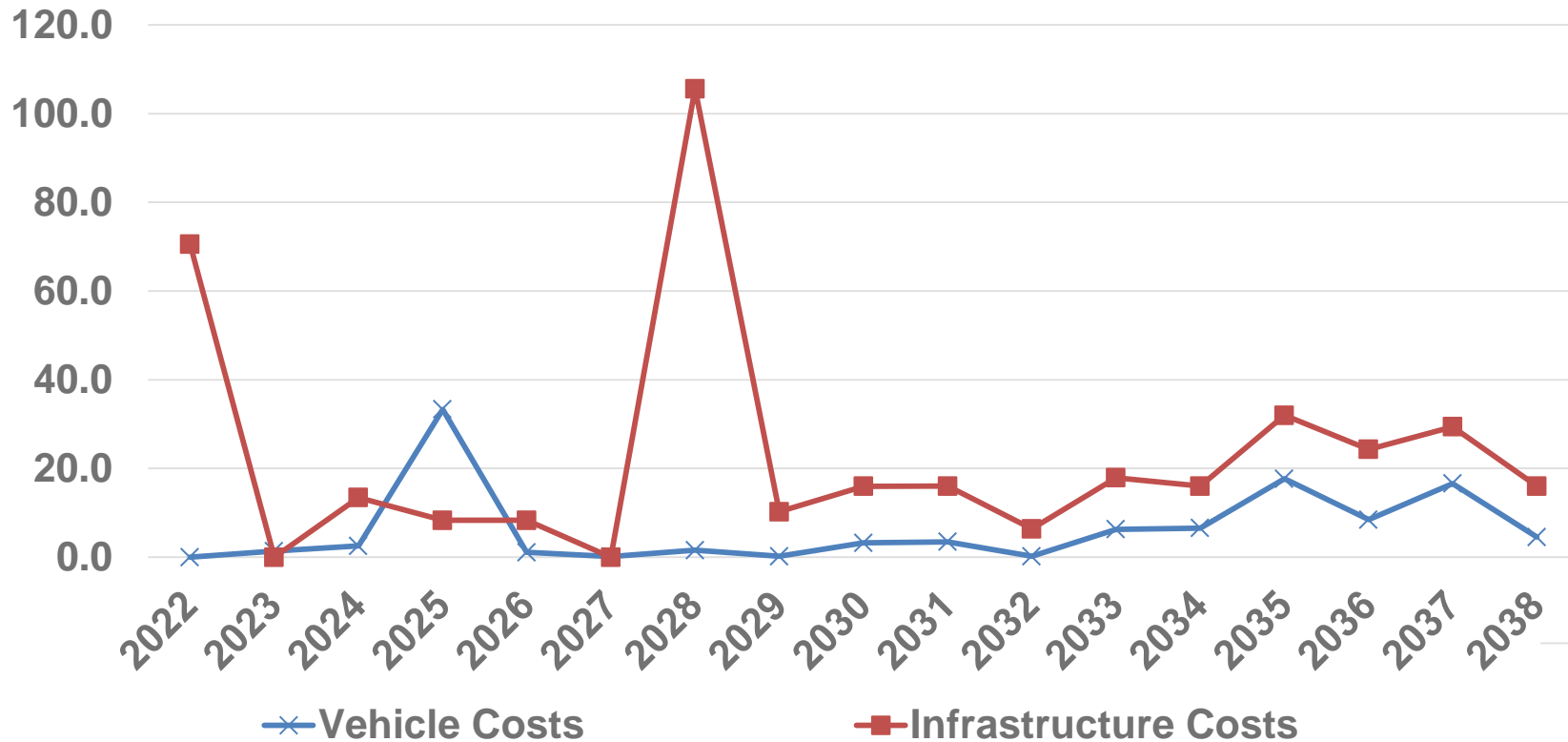
- In 2025, purchase more BEBs than diesel buses; ICT requires 25% of new purchases to be ZEV
 - (25) diesel buses and (40) BEBs
- In 2026, purchase (12) diesel buses and (13) BEBs; ICT requires 50%
- ICT rollout for Paratransit commences in 2026 with 25% of new vehicle purchases to be BEB, if commercially available
- Bus purchases in the year 2028 and beyond will have 100% zero emission; ICT requires 100% ZEV in 2029
 - In 2028, purchase (21) BEBs
- Vehicle replacements and infrastructure installation achieves ICT compliance by 2038

Advantages – Option 1 A

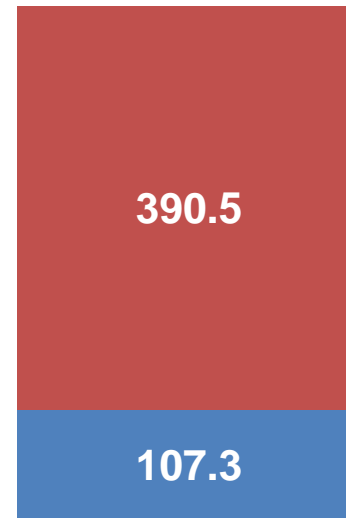
- ICT compliance is achieved by 2038 with an initial manageable number of ZEV blended with existing reliable clean diesel technology
- Allows for manufacturers to meet demand, improve technology, and opportunity for obtaining additional funding
- Reduces the impacts to services due to a power outage or a significant fleet defect
- Generates Low Carbon Fuel Standard credits (LCFS)
- Reduced infrastructure costs due to volume, less project phasing, and industry product maturity
- Allows for charging infrastructure and energy management systems to provide lower operating costs through fast chargers
- Allows time for partnerships with BART, Caltrain, and others to implement opportunity charging infrastructure (if needed)
- Flexibility in a post COVID landscape (fleet make-up, Re-Imagine)

COSTS AND FUNDING REQUIREMENTS

Projected Costs by Year (in \$ millions)



Total Cost
\$497.8M



■ Vehicle Costs
■ Infrastructure Costs

- Costs are in year of expenditure dollars
- Paratransit uses gasoline vehicle pricing because ZEV costs are currently unknown
- North Base and South Base building and pavement costs are not included

Funding Sources

- Vehicle Funding

- FTA formula funding typically covers 80% of vehicle replacement costs
- Roughly 5-10% of the cost can be covered by state formula funding
- Remaining 10-15% of costs funded by SamTrans sales tax
- Sufficient funds may not be available in the year needed and financing may be required

- Infrastructure funding

- Few external fund sources currently available
- Opportunities are over-subscribed and awards will be limited given all operators in California are seeking the same funding at similar times

Financing Assumptions

- 12 year debt term for vehicles, 20 year for infrastructure
- 5% interest on financing
- Debt structure not optimized

Information not Included

- O&M costs for fleet/infrastructure and disposition revenue
- Fuel and electricity costs, and LCFS credits
- Photovoltaic solar energy offsets to energy costs

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Planning, Development and Sustainability Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: April Chan
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **REIMAGINE UPDATE: DRAFT SERVICE POLICY FRAMEWORK AND NETWORK ALTERNATIVES**

ACTION

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

SIGNIFICANCE

The Reimagine SamTrans team has prepared a draft Service Policy Framework (SPF) and three draft network alternatives for presentation at the December Board meeting.

The SPF outlines the objectives for the bus system and the corresponding system design characteristics, and will help frame the detailed development of the network alternatives to begin later in December. Staff will return to the Board with the final SPF for adoption later once a Preferred Alternative has been identified.

Based on work done to-date and the feedback we received from the Board, public and stakeholders, staff identified the following service design objectives to be undertaken in the three network alternatives:

- More efficient scheduling to reduce costs
- Address reliability and on-time performance
- Add or improve service in high-equity-need areas, such as more off-peak and weekend service
- Improve connections at county and regional hubs
- More efficient resource allocation, such as increasing max capacities on school-related routes
- Reduce route duplication within our system
- Utilize new cellular technology to improve real-time passenger information
- Consider microtransit as a means of coverage

The narrative for each of the network alternatives represent a story to outline the objectives, tradeoffs and goals. The narratives are constructed to illustrate the often competing service design tradeoffs that exist as we reimagine the bus network and will be refined based on Board feedback received at the December meeting. After receiving Board feedback, the network narratives will be the guideposts for the

development of the detailed bus route networks, which become the foundation of the second round of public outreach taking place in spring 2021.

Staff propose the following themes to guide the development of three unique bus network alternatives:

- Alternative 1: Emphasize direct, high frequency access to places within the county
- Alternative 2: Improve rail and regional connections
- Alternative 3: Retain geographic coverage of service within the county

More detail on the unique alternative themes can be found in the attached matrix (Attachment A), including a description, benefits, trade-offs, risks and opportunities for each.

BUDGET IMPACT

There is no fiscal impact associated with this informational update.

BACKGROUND

In June 2019, staff launched the District's Comprehensive Operational Analysis (COA) known as Reimagine SamTrans. Reimagine SamTrans incorporates a series of tasks that culminate in a recommendation for a bus network redesign that will take the form of a Preferred Alternative. The Preferred Alternative will be framed by the service policy framework set by the Board.

The Board received a robust project update at their October 12, 2020 virtual workshop, which included an overview of work completed to date, a discussion about the impact of Covid-19 on the study outcomes, a presentation of the SPF's draft guiding principles, and a discussion and ranking of eight system priorities. Using the feedback received at the October workshop, staff has finalized the draft SPF; staff is also weaving in lessons learned from ridership during the Covid-19 pandemic into the final SPF, which will be presented to the Board for adoption later in the study.

The three network alternatives were crafted based on the study work to date, including the existing conditions data analysis, qualitative and quantitative market research, phase one outreach results, stakeholder input, as well as Board input at their October virtual workshop.

Prepared by: Christy Wegener, Director, Planning

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Reimagine SamTrans | Alternatives Themes DRAFT

What will we do across all three alternatives?

- More efficient scheduling to reduce costs
- Address reliability and on-time performance
- Add or improve service in high-equity-need areas, such as more off-peak and weekend service
- Improve connections at county and regional hubs
- More efficient resource allocation, such as increasing max capacities on school-related routes
- Reduce route duplication within our system
- Utilize new cellular technology to improve real-time passenger information
- Consider microtransit as a means of coverage

What are the themes of the three unique alternatives?

	Alternative 1 Emphasize direct, high-frequency connections within the county	Alternative 2 Improve connections to rail and the region	Alternative 3 Retain geographic coverage of service within the county
Description	<p>This alternative focuses on establishing all-day frequent transit corridors serving commercial districts, employment clusters, and colleges within San Mateo County. Service is designed to provide convenient service for more trip types, all day.</p> <p>This alternative will straighten existing routes and add new routes that provide faster, more direct service to key destinations.</p>	<p>This alternative addresses requests for more direct connections to rail stations within San Mateo County, expanding regional access for county residents.</p> <p>The focus is on improving coordinated connections with Caltrain, BART, and shuttles. This scenario also focuses on regional express service within and outside of the County.</p>	<p>This alternative provides some service throughout San Mateo County. This alternative minimizes geographic service cuts throughout the service area, retaining more of the existing route network.</p>
Key Words	<ul style="list-style-type: none"> • Core local network • Productive routes • Increasing / getting back ridership • Straightening routes to provide more direct service • Off-peak, all-day service – less of a focus on peak-times 	<ul style="list-style-type: none"> • Better Caltrain/BART connections • Express service where rail doesn't exist • Focus on major destinations and job access • Regional connections 	<ul style="list-style-type: none"> • Geographic reach • Does not require new transfers • Service to and within neighborhoods
Trade-offs	<p>Transfers may be required</p> <p>Coverage may be lost</p> <p>May require longer walks to bus stops or destinations</p>	<p>Coverage may be lost</p> <p>Frequency on routes to local, non-rail destinations may be reduced</p> <p>May require longer walks or transfers</p>	<p>Ridership and productivity may be reduced or not return</p> <p>Requests for new service types not addressed</p>
<i>Likely implications by service type:</i>			
<i>School-related service</i>	<i>Neutral - moderate reduction</i>	<i>Moderate - significant reduction</i>	<i>Neutral</i>
<i>Local service</i>	<i>Neutral - moderate reduction</i>	<i>Moderate - significant reduction</i>	<i>Neutral - moderate increase</i>
<i>Frequent service</i>	<i>Moderate increase</i>	<i>Significant increase</i>	<i>Neutral</i>
<i>Express service</i>	<i>Neutral - moderate reduction</i>	<i>Moderate - significant increase</i>	<i>Significant reduction</i>
Risks and Opportunities	<ul style="list-style-type: none"> • Responds to current trip-making patterns that shows demand for local trips within cities/neighborhoods, access to non-employment-based destinations, and off-peak service • Current trip-making patterns may or may not become more permanent by 2022 • Congestion relief possible if paired with transit priority projects. 	<ul style="list-style-type: none"> • Build on and responds to changes in Caltrain service that may emphasize more midday and weekend, clock-face headways • May depend on rail operators' ability to maintain high quality, frequent service. May only be successful if rail ridership returns. • Fare integration may be key to success of this alternatives. • Builds on express lanes network. 	<ul style="list-style-type: none"> • Retains neighborhood service, though without the frequency and travel time savings that may be required to bring back ridership

Reimagine SamTrans

Service Policy Framework and Network Alternatives Themes

SamTrans Board of Directors Meeting
December 2, 2020

Today's presentation

- Recap of Board Workshop
- Service Policy Framework
 - Proposed Service Design Guidelines
 - Proposed changes to standards
- Network Alternatives
 - Objectives across all three alternatives
 - Unique themes of alternatives

BOARD WORKSHOP RECAP

We talked about:

- Working assumptions and ongoing uncertainties
- Existing conditions pre and since Covid-19
- Proposed guiding principles for service design
- Balancing priorities and trade-offs

Baseline Assumptions

What conditions can we reasonably assume for August 2022?

- Vaccine in place and riders feel physically safe on transit
- Max loads on buses back to pre-Covid-19 levels
- Schools (K-12 and colleges) have returned to in-person learning
- Core local bus network still essential to those who use it
- Bus operator resources in line with FY20 authorized positions
- Fleet is fully connected via cellular

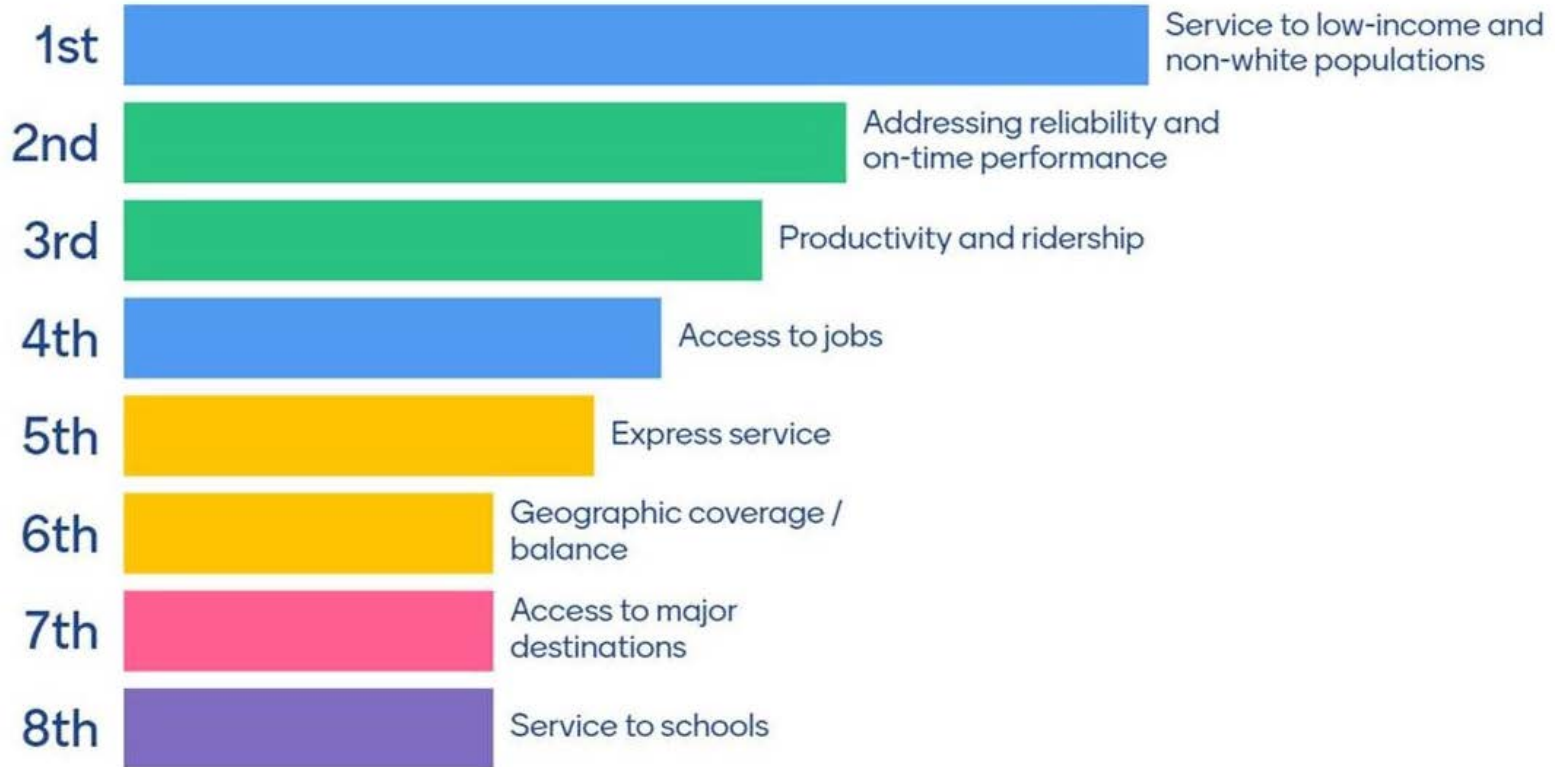
Managing Unknowns

What conditions do we need to continue to track closely?

- Remote working trends
- Development trends
- Ridership by trip purpose and time of day
- Regional trip-making patterns and service levels planned by Caltrain, BART, other systems
- Major infrastructure projects and technology advances
- Funding levels (e.g., sales tax) and bus operator levels

Balancing Priorities | Interpreting the Results:

- Service to high-need areas, reliability and ridership are top priorities
- Coverage and school service not unimportant – but may be reduced or provided more efficiently



DRAFT SERVICE POLICY FRAMEWORK

Why Adopt a Service Policy Framework (SPF)?

- Sets the values and principles from which we make decisions
- Supports staff in making day-to-day decisions and in emergency or crisis response
- Consistency and Board-approved rationale for how decisions are applied to each route or community
- Rooted in best practices and reflective of community input

SPF: Guiding Principles

- Employ **customer-focused** decision-making
- Design service that can be reasonably delivered by our **workforce**
- Be an **effective** mobility provider
- Provide transportation services that support principles of **social equity**

SPF: Service Design Guidelines

Customer

- Prioritize and install bus stop amenities based on ridership.**
- Adopt simple and clear route naming conventions, timetables, etc.
- Embrace the use of symbols and icons in timetable and route map design.
- Utilize clock-face scheduling whenever feasible.

Workforce

- Routes should be able to be reasonably operated by bus drivers.
- Layover locations should have restroom access for operators.
- Routes should be easy to understand and operate with realistic and accurate schedules.

** Consider context such as nearby schools, medical centers, senior centers, sidewalk conditions, and weather patterns.

SPF: Service Design Guidelines

Effectiveness

- Routes should be as direct as possible and should not duplicate each other.
- Routes should be designed to serve multiple rider groups or trip purposes.
- Route terminals should be destinations which foster ridership.
- Bus stop spacing decisions should balance route access with delay and speed.**
- Review cost effectiveness and consider opportunity costs of route changes.

Equity

- Explore work or key destination needs for high-need areas.
- Minimize missed trips (Do Not Operate/DNOs) on equity routes.
- Prioritize school access and service on school-oriented routes designated as equity or high-need routes.
- Prioritize connections, timed transfers, infrastructure and pilot projects in high-need areas.

** Consider context such as nearby schools, medical centers, senior centers, sidewalk conditions, and weather patterns.

SPF: Policy Questions & Standards

- **Route categories** – how should our routes be categorized?
 - Make categories clearly reflect route purpose and/or how often one can expect the service to run
- **Vehicle loads** – what is our tolerance for crowding (in 2022)?
 - Increase max capacities on most route types to allow for standing
- **Productivity** – how should we measure effectiveness?
 - Retain baseline thresholds for productivity measures, but incorporate a ranking system that triggers review of low-performing routes for adjustments/improvements
 - Accept lower productivity standards on equity routes

SPF: What Comes Next

- Additional policy questions and decisions remain:
 - Frequency Standards
 - Service Availability
- Staff will return with full document for adoption after public provides input on network alternatives

DRAFT NETWORK ALTERNATIVES





What will we focus on in all three alternatives?

- More efficient scheduling to reduce costs
- Address reliability and on-time performance
- Add or improve service in high-need areas or equity routes, such as more off-peak service
- Improve connections at county and regional hubs
- More efficient resource allocation, such as increasing max capacities on school-related routes
- Reduce route duplication within our system
- Utilize new cellular technology to improve real-time passenger information
- Consider microtransit as a means of coverage





What are the themes of our **three unique alternatives**?

- **Alternative 1:** Emphasize direct, high frequency access to places within the county
- **Alternative 2:** Improve connections to rail and the region
- **Alternative 3:** Retain geographic coverage of service within the county

Alt 1: Direct, high-frequency service within our county

Key Descriptors	<ul style="list-style-type: none">• Core local network that serves many trip purposes all-day• Focus on productive routes• Straightening routes or thinning stops to provide more direct service• Off-peak/midday service – less focus on peak times
Trade-offs	Coverage may be lost Transfers and/or more walking may be required
Likely implications by service type...	
 <i>School-related service: Neutral - modest reduction</i>	
 <i>Local service: Neutral – modest reduction</i>	
 <i>Frequent service: Moderate increase</i>	
 <i>Express service: Neutral – moderate reduction</i>	
Risks & Opportunities	<ul style="list-style-type: none">• Responds to current trip-making trends that show demand for local trips within cities/neighborhoods to non-employment destinations during off-peak hours• Uncertainty in whether these trends will continue in 2022

Alt 2: Improved connections to rail and the region

Key Descriptors	<ul style="list-style-type: none">• Better Caltrain/BART connections• Express service where rail doesn't exist• Focus on major destinations, job access, and regional connections
Trade-offs	Coverage may be lost Frequency on routes to local non-rail destinations may be reduced Transfers/walking may be required
Likely implications by service type...	
	<i>School-related service: Moderate – significant reduction</i>
	<i>Local service: Moderate – significant increase</i>
	<i>Frequent service: Neutral</i>
	<i>Express service: Moderate - significant increase</i>
Risks & Opportunities	<ul style="list-style-type: none">• Build on potential new rail markets and changes in Caltrain service that may emphasize more midday and weekend, as well as clock-face headways.• Depends on ability of rail agencies to provide high quality, frequent service. May only be successful if rail ridership returns.

Alt 3: Retain geographic service coverage within county

Key Descriptors	<ul style="list-style-type: none">• Retains geographic reach and service to and within neighborhoods• Does not require new transfers
Trade-offs	Ridership and productivity may be reduced or not return Requests for new service types not addressed
Likely implications by service type...	
⦿	<i>School-related service: Neutral</i>
↑	<i>Local service: Neutral – moderate increase</i>
⦿	<i>Frequent service: Neutral</i>
↓	<i>Express service: Significant reduction</i>
Risks & Opportunities	<ul style="list-style-type: none">• Retains neighborhood service, though without the frequency and travel time savings that may be required to bring back ridership.

Next Steps

- December 2020
 - Begin detailed route alternative development
- January-March 2021
 - Share draft network alternatives with Board ad-hoc committee, stakeholders and technical advisors
 - Refine alternatives and create communication/feedback tools
- April-May 2021
 - Public outreach phase 2 on network alternatives
 - Planning Covid-friendly outreach, leaning heavily on digital engagement and community organization support

Discussion/Questions



AGENDA

LEGISLATIVE COMMITTEE COMMITTEE OF THE WHOLE

WEDNESDAY, DECEMBER 2, 2020 – 3:15 pm

or immediately following the Strategic Planning, Development, and Sustainability
Committee meeting

1. Call to Order

MOTION

2. Approval of Minutes of Legislative Committee Meeting of November 4, 2020

INFORMATIONAL

3. State and Federal Legislative Update
4. 2021 Draft Legislative Program
5. Adjourn

Committee Members: Ron Collins (Chair), Marina Fraser, Peter Ratto

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.

BOARD OF DIRECTORS 2020

KARYL MATSUMOTO, CHAIR
PETER RATTO, VICE CHAIR
RON COLLINS
MARINA FRASER
CAROLE GROOM
ROSE GUILBAULT
DAVE PINE
JOSH POWELL
CHARLES STONE

JIM HARTNETT
GENERAL MANAGER/CEO

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

**MINUTES OF LEGISLATIVE COMMITTEE /
COMMITTEE OF THE WHOLE
NOVEMBER 4, 2020**

Committee Members Present: R. Collins (Committee Chair), M. Fraser, P. Ratto

Committee Members Absent: None

Other Board Members Present Constituting Committee of the Whole: R. Guilbault, K. Matsumoto, D. Pine, J. Powell, C. Stone

Other Board Members Absent: C. Groom

Staff Present: J. Hartnett, C. Mau, J. Cassman, D. Olmeda, A. Chan, J. Brook, D. Seamans

1. CALL TO ORDER

Committee Chair Ron Collins called the meeting to order at 3:27 pm.

2. APPROVAL OF MINUTES OF COMMITTEE MEETING OF OCTOBER 7, 2020

Motion/Second: Ratto/Fraser

Ayes: Collins, Fraser, Guilbault, Matsumoto, Pine, Powell, Ratto, Stone

Noes: None

Absent: Groom

3. STATE AND FEDERAL LEGISLATIVE UPDATE

Casey Fromson, Director, Government and Community Affairs, briefly summarized the highlights of recent federal legislation.

Committee Chair Collins said he heard from Congresswoman Jackie Speier that relief programs will provide transportation funding.

4. ADJOURN

The meeting adjourned at 3:32 pm.

An audio/video recording of this meeting is available online at www.samtrans.com. Questions may be referred to the District Secretary's office by phone at 650-508-6242 or by email to board@samtrans.com.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Transit District

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

ACTION

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

SIGNIFICANCE

The 2020 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board.

Prepared By: Casey Fromson, Government and
Community Affairs Director

650-508-6493

Holland & Knight

800 17th Street, NW, Suite 1100 | Washington, DC 20006 | T 202-955-3000 | F 202-955-5564
Holland & Knight LLP | www.hklaw.com

Samtrans Transportation Report As of November 19, 2020

Grant Opportunities & Award Announcements

- **Expedited Project Delivery Pilot Program**: FTA continues to announce the availability of \$100 million aimed at expediting delivery of new fixed guideway capital projects, small starts projects, or core capacity improvement projects. Applications will be accepted on a rolling basis until up to eight grants are awarded, subject to funding availability.
- **State of Good Repair Awards**: On October 28, Transportation Secretary Elaine L. Chao announced the investment of \$291 million for State of Good Repair Grants for 11 intercity passenger rail projects. The purpose of these grants is to improve the reliability and safety of America's rail network.

Post-Election Outlook

House

- Democrats maintained control of the U.S. House, but at least seven democrat incumbents lost their seats. House Speaker Nancy Pelosi (D-Calif.) will have less room to maneuver and will face questions from House Democrats about her strategy and priorities leading up the election.
- Speaker Nancy Pelosi, (Calif.) Majority Leader Steny Hoyer (Md.) and Majority Whip Jim Clyburn (S.C.) were all re-elected to House Democrats' top three positions, where they've been for more than a decade.

Senate

- Control of the Senate remains unclear, and Republicans and Democrats are both preparing for the possibility that the chamber's majority will remain in flux until January 5, when Georgia will hold a run-off election for their two Senate seats. Despite the uncertainty, committee leadership and priorities for the 117th Congress are taking shape.
 - Democrats' prospects for taking control of the Senate have decreased, with Republicans holding 50 seats and Democrats holding 48 seats. The party's winning scenario would require flipping both Georgia Senate seats on January 5, 2021 runoff elections and using Democratic Vice President Kamala Harris as the chamber's tie-breaking vote.

- The uncertainty of the Senate's majority clouds the picture of several committees' priorities, with major divides between Republican and Democratic agendas on government spending, campaign finance, energy, environmental protections, and pandemic relief. The direction of those panels will hinge on which party wields the gavels.

Senate Appropriators Unveil All 12 Fiscal 2021 Spending Bills, Talks Begin on Omnibus Package

- Congress faces a packed lame-duck session, with government funding at the top of the agenda.
- On November 10, Senate Republicans released the text of all 12 of the committee's annual spending bills to fund the government through next September, kicking off the lame-duck session negotiations with the House on an omnibus package of fiscal 2021 appropriations bills.
- According to Senate Appropriations Committee Chairman Richard Shelby (R-Ala.), the bills reflect some input from Appropriations Committee Democrats, though they were not marked up by the committee.
- Congressional staffers have begun the first steps of negotiating a final omnibus appropriations deal in an effort to agree soon on a set of top-line spending levels. Once there is an agreement on those basic spending figures, the 12 subcommittees will negotiate the details.
- Senate Majority Leader Mitch McConnell (R-Ky.) said he wants an agreement on the top-line spending figures for all 12 bills by the end of this week.
- Negotiators have until December 11, 2020, to fund the government, when current levels expire. Or another short term CR will be needed.
- House Democrats included \$234.9 billion in emergency spending, exempt from statutory spending limits, broadly related to the coronavirus response. Senate Republicans did not include any of those spending cap exemptions in their bills.
- White House Chief of Staff Mark Meadows visited with Senate Republicans on Wednesday, November 18 and stated an omnibus bill is high priority for White House though, President Donald Trump has stayed silent in public about the talks.
- Please find a chart with transportation provisions from the House and Senate bills on the last page of this report.

COVID Relief Prospects Remain Grim

- Negotiations could continue on a coronavirus stimulus package after pre-election talks did not yield an agreement. Several coronavirus response programs are set to expire at the end of the year, including emergency leave and pandemic unemployment assistance programs.

- Senate Majority Leader Mitch McConnell (R-Ky.) said in a post-election press conference that he wants another COVID aid package enacted this year, not next year. However, the Georgia senate elections have kept the Senate in campaign mode since it is unclear which party will hold the majority next year.
 - The Senate is unlikely to move a COVID-19 relief package bigger than the \$500 billion benchmark since both Republican Georgia Senators face a run-off election.
- House Speaker Nancy Pelosi (D-Calif.), has also said she sees a possibility for a post-election coronavirus stimulus deal but she has shown no signs of backing down from her push for a larger, all-inclusive measure rather than a piecemeal approach favored by Senate Republicans.
- Because both sides remain far apart, the possibility of getting a relief package in the lame duck remains very small. But because the COVID cases are sky-rocketing across the country and many states reinstating quarantine measures could put pressure on Congress and the Administration to get a deal done in the midnight hour.

OTHER CONGRESSIONAL NEWS

Republican Senators Sponsor a Bill to Reform NEPA

- Senators Ted Cruz (R-TX), Mike Lee (R-UT), and Kevin Cramer (R-ND) are sponsoring the [Undoing NEPA's Substantial Harm by Advancing Concepts that Kickstart the Liberation of the Economy \(UNSHACKLE\) Act](#) to make infrastructure and maintenance projects affordable. Sen. Lee said NEPA had "become a weapon used by special interests."
- Trump's plan to scale back on environmental requirements for infrastructure projects is facing multiple challenges in court and continues to be a top priority for the administration in the lame duck session.

TRANSITION NEWS

Biden Launches Transition, COVID Plan as Trump Eyes Court Fight

- President-elect Joe Biden has so far won 290 Electoral College votes, according to the Associated Press, 20 more than required to clinch the nomination.
- Joe Biden is moving forward as the president-elect, launching his transition effort and preparing a plan to curb the coronavirus pandemic while President Donald Trump weighs legal challenges and has so far refused to concede.
- President-elect Joe Biden announced his transition team's 12-member coronavirus task force on November 9, a step forward fulfilling his central campaign promise: He will make containing the pandemic his first priority.
 - The task force will be co-chaired by former Surgeon General Vivek Murthy, former Food and Drug Administration Commissioner David Kessler and Dr. Marcella Nunez-Smith, a professor of public health at Yale University. It will also include

FY 2021 TRANSPORTATION FEDERAL FUNDING PRIORITIES

Ezekiel Emanuel, a former Obama administration health adviser. The co-chairs of the task force are scheduled to brief Biden on Monday after the members are announced.

Biden's Transportation Team

- On November 10, President-elect Biden released a list of “agency review teams” to oversee the transition at federal agencies. The transition team for DOT, Amtrak, NTSB and the Federal Maritime Commission will be led by Phil Washington, CEO of the Los Angeles Metropolitan Transportation Authority.
- Other members of the transition team include:
 - **Dave Barnett**, United Association of Plumbers and Pipefitters of the U.S. and Canada
 - **Austin Brown**, University of California, Davis
 - **David Cameron**, International Brotherhood of Teamsters
 - **Florence Chen**, Generate
 - **Brendan Danaher**, Transport Workers Union of America, AFL-CIO
 - **Paul Kincaid**, The Association of Former Members of Congress
 - **Gabe Klein**, Cityfi
 - **Jeff Marootian**, District Department of Transportation
 - **Therese McMillan**, Metropolitan Transportation Commission
 - **Brad Mims**, Conference of Minority Transportation Officials
 - **Robert Molofsky**, Self-employed
 - **Patty Monahan**, California Energy Commission
 - **Mario Rodriguez**, Indianapolis Airport Authority
 - **Mike Rodriguez**, Texas A&M University System (Retired)
 - **Nairi Tashjian Hourdajian**, Figma
 - **Polly Trottenberg**, New York City Department of Transportation
 - **Vinn White**, State of New Jersey

Updated Fiscal Year 2021 Funding Chart on next page....

	FY 2020 Enacted	FY 2021 President's Request	FY 2021 House	FY 2021 Senate
Department of Transportation	\$86.1 B	\$89 B	\$ 107.2 B	\$87 B
BUILD	\$1 B	\$1 B	\$1 B	\$1 B
• Planning Grants	\$15 M	\$0	\$40 M	
Federal Aviation Administration (FAA)	\$17.6 B	\$17.5 B	\$18.1 B	\$18 B
• Airport Improvement Program (AIP)	\$400 M	\$0	\$500 M	\$3.8 B
Federal-Aid Highways (FAST Act levels)	\$46.36 B	\$49.98 B	\$61.13 B	\$48.7 B
• Highway Infrastructure (funded from General Fund vs. HTF)	\$2.166 B	\$0	\$1 B	\$2.37 B
Federal Motor Carrier Safety Grants	\$391.1 M	\$403.3 M	\$501.2 M	\$ 391.1 B
National Highway Traffic Safety Administration (NHTSA)	\$989.3 M	\$964.5 M	\$1.3 B	\$972.48 M
• Highway Traffic Safety Grants	\$623 M	\$647.2 M	\$855.4 M	\$623 M
Federal Railroad Administration (FRA)	\$2.79 B	\$1.99 B	\$2.99 B	\$2.8 B
• Amtrak – Northeast Corridor	\$700 M	\$325.5 M	\$750 M	\$680 M
• Amtrak – National Network	\$1.3 B	\$611 M	\$1.3 B	\$1.3 B
• Magnetic Levitation Technology Deployment (MAGLEV) Program	\$2 M	\$0	\$5 M	
• Federal-State Partnership for State of Good Repair	\$200 M	\$0	\$200 M	\$225 M
• Consolidated Rail Infrastructure Safety (CRISI) Grants	\$325 M	\$330 M	\$500 M	\$340 M
Federal Transit Administration (FTA)	\$12.910 B	\$13.211 B	\$18.9 B	\$13 B
• Transit Formula Grants (FAST Act levels)	\$10.1 B	\$11 B	\$15.9 B	\$ 10.2 B
• Transit Infrastructure (funded from Treasury vs. HTF)	\$510 M	\$0	\$510 M	\$701.7 M
• Capital Investment Grants	\$1.978 B	\$1.888 B	\$2.175 B	\$1.9 B
○ New Starts	\$1.458 B	\$0	\$1.25 B	\$1.1 B
○ Core Capacity	\$300 M	\$0	\$525 M	\$400 M
○ Small Starts	\$100 M	\$0	\$300 M	\$200 M
○ Expedited Project Delivery Pilot Program	\$100 M	\$0	\$100 M	\$150 M
MARAD Port Infrastructure Grants	\$225 M	\$0	\$300 M	



November 18, 2020

TO: Board of Directors, San Mateo County Transit District

FM: Joshua W. Shaw, Matt Robinson & Michael Pimentel, Shaw Yoder Antwih Schmelzer & Lange
Mike Robson & Trent Smith, Edelstein Gilbert Robson & Smith LLC

RE: **STATE LEGISLATIVE UPDATE – December 2020**

General Update

On November 3, the 2020 General Election took place and as of this writing, the votes are still being counted, with approximately one million ballots left to process. The Secretary of State has until December 11, 2020 to certify the results of the election. While it is likely not a surprise, Californians overwhelmingly supported President-elect Biden, with 64 percent of the electorate thus far voting for the former Vice-President. This year's General Election Ballot featured 12 statewide propositions, ranging from restoring affirmative action to easing the property tax burden for certain demographics to re-establishing the cash bail system.

Two propositions receiving a lot of interest in 2020: 1) Proposition 15, which would tax business properties differently than residential properties, potentially generating billions in new revenues for local governments (currently projected to fail), and; 2) Proposition 22, which would undo the worker protections for "gig workers" created by AB 5 (Gonzalez) and replace them with a more moderated set of wage and health benefit guarantees (currently projected to pass). For up to date results of all statewide ballot measures, please see this [link](#).

In San Mateo County, four of the five of County legislators were up for re-election – Senator Wiener and Assembly Members Berman, Mullin & Ting. All four will be returning to Sacramento in December for the 2021-22 Legislative Session. Additionally, Senator-elect Becker will replace Senator Hill in Senate District 13. Further to the south, Senator-elect Cortese will replace Senator Beall in Senate District 15 (which also means the Senate Transportation Committee Chair is currently vacant). Statewide, it seems the State Senate will add two additional Democratic members, bringing the Democrats super-majority to 31 members (out of 40 seats). Of note: the Senate Democratic Caucus looks to be welcoming back recently recalled Senator Josh Newman (D-Brea) to their ranks.

In the Assembly, it does not seem there will be any significant turnover, with a few members moving on to Congress or local office. That being said, the Assembly Democrats, which currently hold a 61-member super-majority, will likely lose one seat due to a member running for Congress and could lose another seat pending the outcome of a race in Southern California. Regardless, the Assembly Democrats would retain a significant majority in their house, well above the 54 seats needed for the coveted super-majority.

The Legislature is scheduled to return to Sacramento on December 7 for members to be sworn in. Members may begin to introduce bills on December 7, but will return to their districts until January 4, when the 2021-22 Legislative Session begins in earnest. The 2021 Legislative Calendars were recently released and can be found [here](#) (Senate) and [here](#) (Assembly). These contain deadlines and recess schedules. Also, we expect the Legislature will maintain most of the social distancing protocols used in 2020 for committee hearings and floor sessions through early- 2021.

Statewide Competitive Grant Programs:

At the request of SamTrans Staff, we have included in this report a list of major competitive grant programs administered by the State from which transit and rail projects are eligible/can be funded.

Note: the CTC is expected to announce its staff recommendations for the Solutions for Congested Corridors Program, Local Partnership Program (competitive and formulaic), and Trade Corridors Enhancement Program on Monday, November 16.

Transit and Intercity Rail Capital Program (TIRCP)

The TIRCP was created to fund capital improvements to modernize California’s intercity rail, bus, ferry, and rail transit systems to reduce emissions, expand and improve transit service and ridership, integrate rail services and improve transit safety. Funding from this program can be used to purchase zero-emission buses. Funds available are estimated at \$450-500 million for Cycle 4 but could change on auction proceeds and changing cash flow requirements of already awarded projects.

Important Dates:

April 2020 – CalSTA Awards Announced

Solutions for Congested Corridors Program (SCCP)

The SCCP provides funding to achieve a balanced set of transportation, environmental, and community access improvements to reduce congestion throughout the state. The program makes \$250 million available annually (programmed in 2-year increments) for projects that implement specific transportation performance improvements.

Important Dates:

October 2019 – Guidelines Adopted

July 2020 – Applications Due

December 2020 – Program Adoption

Local Partnership Program (LPP)

The LPP is intended to provide local and regional transportation agencies that have passed sales tax measures, developer fees, or other imposed transportation fees with a continuous appropriation of \$200 million annually from the Road Maintenance and Rehabilitation Account to fund road maintenance and rehabilitation, sound walls, and other transportation improvement projects. The Competitive program is funded at \$100 million annually.

Important Dates:

October 2019 – Guidelines Adopted

June 2020 – Applications Due

December 2020 – Program Adoption

Trade Corridor Enhancement Program (TCEP)

The TCEP provides funding for infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network as identified in California Freight Mobility Plan, and along other corridors that have a high volume of freight movement. There is approximately \$300 million provided per year (programmed in 2-year increments) for the competitive program.

Important Dates:

January 2020 – Guidelines Adopted

July 2020 – Applications Due

December 2020 – Program Adoption

Volkswagen Environmental Mitigation Trust

The Volkswagen (VW) Mitigation Trust provides \$130 million in incentives to transit agencies, shuttle bus companies and school districts for the purchase of zero-emission buses and the installation of charging and/or refueling infrastructure on a first-come/first-served basis. The VW Environmental Mitigation Trust is a one-time funding opportunity resulting from a consent decree between the United States Environmental Protection Agency, ARB and VW. Funding from the Trust will be released to transit agencies, shuttle bus companies and school districts in two tranches. The first tranche of \$65 million is still being drawn down; the second tranche is expected to be released in late 2021.

Current Guidelines: See Beneficiary Mitigation Plan found [here](#) and certifications found [here](#)

Status: [Funding cycle open](#)

Carl Moyer

The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer) offers grants to owners of heavy-duty vehicles and equipment to reduce emissions from heavy-duty engines on a first-come/first-served basis. Carl Moyer is funded through tire fees, smog abatement vehicle registration fees and AB 617 investments.

Current Guidelines: Found [here](#)

Status: [Funding cycle open](#)

Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (\$142 million in FY 2019-20)

The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) provides point-of-sale discount vouchers to fleet owners to reduce the purchase cost of zero- and near-zero emission trucks and buses operated in California on a first-come/first-served basis. HVIP is funded through the state's Greenhouse Gas Reduction Fund and is subject to an annual appropriation. The Legislature did not adopt a Cap and Trade Expenditure Plan for Fiscal Year 2020-21; as such, the HVIP program did not receive additional funding this fiscal year.

Current Guidelines: Found [here](#); an update to the guidelines for FY 2019-20 is pending

Status: [Funding cycle is currently oversubscribed](#)

Alternative and Renewable Fuel and Vehicle Technology Program – Zero-Emission Bus Infrastructure and Planning

The Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP) promotes the accelerated development and deployment of advanced transportation and fuel technologies. In 2020,

the California Energy Commission released funding new opportunities for transit agencies for large-scale infrastructure demonstrations for zero-emission buses and infrastructure planning blueprints.

Current Guidelines:

- Blueprint guidelines [here](#)
- Infrastructure Deployment guidelines [here](#)

Status:

- [Blueprint solicitation open, closes November 13](#)
- [Infrastructure Deployment solicitation open, closes November 13](#)

Grade Separation Funding

At the December 5, 2018 SamTrans Board meeting, we were asked to include in the SamTrans Board Report a list of state funding options for rail grade separations. Below is a list of the funding sources that we are aware of and/or that have been used to fund grade separations in the recent years. The funding sources below are managed across various state agencies and departments, including the Public Utilities Commission (PUC), the California State Transportation Agency (CalSTA), the California Transportation Commission (CTC), and Caltrans.

PUC Section 190 Grade Separation Program – The Program is a [state funding program](#) to grade separate crossings between roadways and railroad tracks and provides approximately \$15 million annually, transferred from Caltrans. Agencies apply to the PUC for project funding.

State Transportation Improvement Program – The STIP, managed by Caltrans and programmed by the CTC, is primarily used to fund highway expansion projects throughout the state, but also supports grade separations. The STIP is programmed every two years (currently the 2018 STIP added \$2.2 billion in new funding). Local agencies receive a share of STIP funding, as does the State. The STIP is funded with gasoline excise tax revenues.

Transit and Intercity Rail Capital Program – The TIRCP is managed by CalSTA and is available to fund rail and transit projects that reduce greenhouse gas emissions. The program receives funding from Cap and Trade and the recently created Transportation Improvement Fee to the tune of approximately \$500 million per year. The TIRCP is programmed over 5 years, with the most recent cycle beginning in May 2018. Caltrain received \$160 million for the CalMod project.

Proposition 1A – This \$9.9 billion Bond Act is the primary funding source for the high-speed rail project and has been used to fund a very limited number of grade separation projects in the past, including in the City of San Mateo.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Legislative Committee

THROUGH: Jim Hartnett
General Manager/CEO

FROM: Seamus Murphy
Chief Communications Officer

SUBJECT: **2021 DRAFT LEGISLATIVE PROGRAM**

ACTION

This report is for information only. No Board action is required. At the January 6, 2021 Board meeting, staff will present the final 2021 Legislative Program for Committee review and Board adoption.

SIGNIFICANCE

The 2021 Legislative Program (Program) establishes the principles that will guide the San Mateo County Transit District's (District) legislative and regulatory advocacy efforts through the 2021 calendar year, including the first half of the 2021-2022 State legislative session and first session of the 117th Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the District to respond swiftly and effectively to unanticipated developments. Adoption of the Program provides our legislative delegation and our transportation partners with a clear statement of the District's priorities.

Objectives

The 2021 Program is organized to guide the District's actions and positions in support of three primary objectives:

1. Maintain and enhance funding opportunities to support the District's programs, projects, and services.
2. Seek a regulatory environment that streamlines project delivery and maximizes the District's ability to meet public transportation service demands.
3. Reinforce and expand programs that build and incentivize public transportation ridership and improve quality transportation choices.

The Program is structured to apply these core objectives to a series of issues detailed in the 2021 Legislative Program.

Should other issues surface that require the District's attention, actions will be guided by the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to the District's Board of Directors for consideration.

Advocacy Process

Staff will indicate on each monthly legislative update recommended positions for pending bills. Once the board has an opportunity to review the recommended position, staff will communicate the position to the relevant entity (such as the bill author, agency, or coalition). In rare circumstances, should a position on a bill be needed in advance of a board meeting, staff will confer with the Board Chair. If legislation falls outside of the scope of the Board's adopted Legislative Program, Board approval will be required prior to the agency taking a position.

The District and its legislative consultants will employ a variety of engagement tools to support the 2021 Legislative Program, including:

1. Direct Engagement
Engage policymakers directly and sponsor legislation, submit correspondence and provide public testimony that communicates and advances the District's legislative priorities and positions.
2. Coalition-based Engagement
Engage local and regional stakeholders to build awareness about specific issues and participate in local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2021 Program.
3. Media Engagement
Build public awareness and communicate legislative priorities by issuing press releases, organizing media events, and through the use of social media and other electronic media.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff actively monitors legislative and regulatory activity and will seek Board positions on selected bills as appropriate to further the District's legislative objectives and to provide support for our advocacy efforts. Staff will supply updated reports summarizing relevant legislative and regulatory activities, allowing the Board to track legislative developments and providing opportunities to take appropriate action on pending legislation.

Prepared By: Casey Fromson, Director Government and Community Affairs 650-508-6493

San Mateo County Transit District

2021 Legislative Program

Purpose

Legislative and regulatory actions have the potential to significantly benefit San Mateo County Transit District (Agency) programs and services. They also have the potential to present serious challenges that threaten the Agency's ability to meet the county's most critical transportation demands.

The 2021 Legislative Program establishes the principles that will guide the Agency's legislative and regulatory advocacy efforts through the 2021 calendar year, including the first half of the 2021-22 State legislative session and first session of the 117th Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the Agency to respond swiftly and effectively to unanticipated developments.

Objectives

The 2021 Legislative Program is organized to guide the Agency's actions and positions in support of three primary objectives:

- Maintain and enhance funding opportunities to support the Agency's programs and services;
- Seek a regulatory environment that streamlines project delivery and maximizes the Agency's ability to meet transportation service demands; and
- Reinforce and expand programs that build and incentivize public transportation ridership, improve quality transportation choices, and better incorporate SamTrans service with other agencies in the Bay Area.

Issues

The Legislative Program is structured to apply these core objectives to a series of State and Federal issues falling in these categories:

- Budget and Transportation Funding Opportunities
- Transportation Projects Funding Requests and Needs
- Regulatory, Legislative, and Administrative Issues

Within these categories are a detailed list of specific legislative initiatives and corresponding set of policy strategies.

Should other issues surface that require the Board's attention, actions will be guided by the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to the Board for consideration.

Advocacy Process

Staff will indicate on each monthly legislative update recommended positions for pending bills. Once the board has an opportunity to review the recommended position, staff will communicate the position to the relevant entity (such as the bill author, agency, or coalition). In rare circumstances, should a position on a bill be needed in advance of a board meeting, staff will confer with the Board Chair. If legislation falls outside of the scope of the Board's adopted Legislative Program, Board approval will be required prior to the agency taking a position.

Public Engagement Strategies

Staff, led by the Communications Division and its legislative consultants, will employ a variety of public engagement strategies to support the 2021 Legislative Program, including:

- Direct Engagement
Engage policymakers directly and sponsor legislation, submit correspondence and provide public testimony that communicates and advances the Agency's legislative priorities and positions.
- Coalition-based Engagement
Engage local and regional stakeholders to build awareness about specific issues and participate in local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2021 Legislative Program.
- Media Engagement
Build public awareness and communicate the Agency's legislative priorities by issuing press releases, organizing media events, and through the use of social media.

The adopted legislative program will guide the agency's legislative advocacy efforts until approval of the next program.

State and Regional

Funding Opportunities and Challenges

<i>Issue / Background</i>	<i>Strategy</i>
<p>General Funding In 2020, transit agencies were hit hard by the loss of ridership and revenue due to the COVID-19 pandemic. Caltrain and SamTrans ridership dropped by 95% and 65%, respectively. While federal funding has provided some relief in the near-term, significant additional funding is needed to mitigate the pandemic’s impact.</p> <p>In 2017, the State enacted SB1, which provides \$5.2 billion to maintain local streets and roads and highways, ease traffic congestion, and provide mobility options through investments in public transportation and bicycle and pedestrian programs.</p> <p>In 2014, the Legislature called for, via SB 1077, a pilot program to study a road charge model as an alternative to the gas tax. The nine-month pilot began in July 2016, with over 5,000 participating vehicles statewide. The California State Transportation Agency (CalSTA) reported its findings from the Legislature to the CTC and the Legislature in 2018.</p>	<ul style="list-style-type: none"> ● Direct advocacy for additional resources and support efforts by the California Transit Association and other stakeholders to secure additional state funding for transit systems in response to COVID-19. ● Ensure that COVID relief funding is sub allocated through the region is based on revenue losses. ● Protect against the elimination or diversion of any State or regional funds that support the agency’s transportation needs. ● Support State funding allocation requests for investments that benefit the agency’s transportation programs and services. ● Work with statewide transit coalitions to identify and advance opportunities for funding that would support the agency’s transportation priorities. ● Support efforts to provide funding for the deployment of zero emission transit vehicles and infrastructure. ● Monitor recommendations of the Road Usage Charge (RUC) Technical advisory Committee and implementation of a RUC program by the California State Transportation Agency (CalSTA). ● Monitor efforts to implement a mileage-based user fee as a potential revenue source.
<p>Formula Funding In 2020, transit formula funding suffered due to the COVID-19 pandemic as fuel consumption declined.</p> <p>After years of diversion to support the State’s</p>	<ul style="list-style-type: none"> ● Support CTA efforts to provide formula funding flexibility as part of a larger response to COVID-19 impacts. ● Support the full funding of the STA program at levels called for in the 2011 reenactment of the 2010 gas-tax swap legislation.

<p>General Fund, funding for the State Transit Assistance (STA) program has remained stable over the last few budget cycles thanks to successful legal, legislative and political efforts on behalf of the transportation community. Still, more revenue is needed in order to meet the demand of increased ridership, reduce highway congestion and adhere to the State’s mandate of reducing greenhouse gas emissions, and creating livable communities.</p> <p>In 2019, the California Transit Association convened a working group, at the request of the Senate and Assembly Transportation Committees to review and provide potential changes to the Transportation Development Act (TDA). The Agency is part of the working group.</p>	<ul style="list-style-type: none"> • Advocate for the regularly scheduled issuance of State infrastructure bonds that support the Agency’s services and programs. • Support full and timely allocation of the Agency’s STIP share. • Participate in the California Transit Association’s TDA taskforce and support CTA efforts to engage the Legislature on TDA reform and the review of performance measures for transit.
<p>Cap-and-Trade Revenues In 2012, the State began implementing the cap-and-trade market-based compliance system approved as a part of the California Global Warming Solutions Act of 2006 (AB 32). Since the program began selling allowances, the program has generated billions of dollars. In 2014, legislation was enacted creating a long-term funding plan for cap-and-trade which dedicates 60 percent of cap-and-trade revenues to transportation. The remaining 40 percent is subject to annual appropriation through the state budget process. In 2017, the legislature extended the program from 2020 to 2030.</p> <p>The programs require a certain percentage of funds be expended in state defined</p>	<ul style="list-style-type: none"> • Work with the Administration and like-minded coalitions to secure the appropriation of additional cap-and-trade revenues to support the Agency’s transportation needs. • Support legislation and regional action that makes a broad array of the Agency’s emissions-reducing transportation projects, programs and services eligible for investment. • Protect existing cap-and-trade appropriations for transit operations, capital projects and sustainable communities strategy implementation. • Work to direct additional revenues to transit-eligible programs, including efforts to secure funding from the remaining discretionary funds and revenues dedicated to the high-speed-rail project. • Support efforts to revise the State’s definition on “disadvantaged communities” to encompass a larger proportion of disadvantaged communities on the Peninsula.

<p>“disadvantaged communities” (as defined by CalEnviroScreen). This can prove difficult in jurisdictions with a small number of disadvantaged communities.</p>	
<p>Voter Threshold Legislation has been considered in recent years that provide a framework for lowering the thresholds for the State or a city, county, special JPB or regional public agency to impose a special tax.</p>	<ul style="list-style-type: none"> • Support efforts to amend the State Constitution to reduce the voter threshold required for the State or a city, county, special district or regional transportation agency to impose a special tax for transportation projects or programs.
<p>Other State or Local Funding Options Local and regional governments continue to seek methods for funding new infrastructure, facility needs, sustainability initiatives, and projects that will support ridership growth through a variety of methods such as managed lanes and local ballot measures.</p> <p>In 2020, there was the potential for a regional transportation measure (called FASTER Bay Area), led by the Bay Area Council, Silicon Valley Leadership Group and SPUR. They may be working towards a future ballot and many details about the timing, funding mechanism and expenditure plan are still being discussed.</p> <p>In 2014, the Federal Aviation Administration’s (FAA) issued a rule called the “Policy and Procedures Concerning the Use of Airport Revenue, proceeds from Taxes on Aviation Fuel.” The rule would require that local taxes on aviation fuels must be spent on airports is contrary to states’ rights to control their general application sales tax measures. The State of</p>	<ul style="list-style-type: none"> • Advocate for legislation that would create new local funding tools to support transportation infrastructure and services. • Support innovative local and regional funding options that will provide financial support for the agency. • Support legislation that works to ensure revenues generated through express lane projects remain in the County of origin. • Advocate for funding sources that would assist transit agencies in obtaining funds for sustainability initiatives including water conservation, waste reduction, long-term resource efficiency of facilities and equipment, and greenhouse gas reductions. • Support funding for workforce development, retention and housing to attract and retain quality personnel. • Support efforts that allow for public private partnerships that benefit the implementation of capital projects, efficient operation of transit services, or enhanced access to a broad range of mobility options that reduce traffic congestion. • Work to ensure the agency is at the table and appropriately funded as part of any potential regional funding measure. • Support efforts to ensure sales tax revenues generated from aviation fuel continue to fund planned transportation projects. Support the State of California in its efforts to respond and address FAA’s requests.

<p>California has been active in addressing this issue.</p>	
<p>Transportation & Housing Connection Given the housing shortage crisis, there have been efforts at the State and regional level to link housing and zoning with transportation funding.</p>	<ul style="list-style-type: none"> • Evaluate state or regional efforts that directly link transportation funding to housing and provide for higher density housing projects near transit stations. • Advocate for solutions that appropriately match decision making authority with funding (i.e – An agency shouldn't be financially penalized for decisions that are outside the authority of the agency). • Monitor the implementation of the Surplus Lands Act and advocate for clarifying language on the disposition of properties subject to the Act.
<p>Transportation Projects</p>	
<p>General As the Bay Area's population continues to grow, the region's transportation infrastructure is being negatively impacted. Highways, local streets and roads are becoming heavily congested, Caltrain is nearing its capacity limits, and the demand for housing with easy access to public transit is increasing.</p>	<ul style="list-style-type: none"> • Work with partners in the region to bring business, community, and transportation stakeholders together to enhance, support and advocate for transportation and mobility in the Bay Area.
<p>Dumbarton Rail Corridor In 2018, the District kicked off a process with Cross Bay Transit Partners (Facebook and Plenary Americas) to evaluate the technical and financial feasibility of a transit project along the Dumbarton rail bridge. In Spring 2020, the project was put on hold due to the global pandemic. In fall 2020, the project was recently restarted through a partnership with Facebook to compile and document pre-environmental work of the alignment and technology options under consideration. The District is also maintaining a partnership with CBTP, now owned by Plenary Americas.</p>	<ul style="list-style-type: none"> • Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases. • Support policies that will allow for effective public private partnerships. • Support policies that will promote long-term transit use and access in the Dumbarton Corridor.

<p>Continuation of pre-environmental work is expected through 2021. MTC is leading an effort related to the Dumbarton Highway called Dumbarton Forward.</p> <p>These efforts are building on the 2017 San Mateo County Transit District “Dumbarton Transportation Corridor Study” that looked at short- and long-term strategies that reduce traffic congestion and improve mobility between Alameda, San Mateo and Santa Clara counties.</p>	
<p>The Grand Boulevard Initiative (GBI) The GBI is a collaboration of 19 cities, counties, local and regional agencies united to improve the performance, safety and aesthetics of El Camino Real. Starting at Daly City and ending near the Diridon Caltrain Station in central San Jose, the initiative brings together for the first time all of the agencies having responsibility for the condition, use and performance of the street.</p>	<ul style="list-style-type: none"> • Support funding for GBI projects such as complete streets, bike and pedestrian projects, parking improvements, signal improvements, sustainability features like storm water capture, and transportation demand management features.
<p>101 Express Lanes The project includes the connection of existing auxiliary lanes between interchanges; reconstructing ramp connections to US 101; and installing electronic toll collection infrastructure on US 101 between Whipple Road to the I-380 interchange in San Mateo County. Construction of Phase 1 (Northern and Southern Sections) is expected to be complete in 2022. Phase II of the project, extending the managed lane to San Francisco county will be ramping up</p>	<ul style="list-style-type: none"> • Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases. • Support policies that will allow for effective public private partnerships.

<p>planning and environmental efforts in 2021.</p>	
<p>Transit Oriented Development / First and Last Mile First and last mile projects, as well as transit oriented development projects are an important part of the broad transit ecosystem that will help support robust ridership in the corridor.</p>	<ul style="list-style-type: none"> • Support efforts to provide commuters with easy and convenient options to travel to and from major transit centers to their final destination. • Support the development of new and innovative first and last mile options. • Support increased funding opportunities for first and last mile projects. • Advocate for policies that promote transit-oriented developments in ways that with compliment transit services. • Support the State’s GHG reduction goals by supporting transit oriented developments. • Support state funding incentives and streamlining processes for transit oriented development.
<p>Transportation Demand Management (TDM) TDM is the application of strategies and policies to reduce travel demand of single-occupancy vehicles or to redistribute this demand in space or time.</p>	<ul style="list-style-type: none"> • Support efforts that provide more TDM tools and funding opportunities. • Support policies that encourage use of TDM.
<p>Caltrain Modernization (CalMod) Program In 2012, the State Legislature appropriated \$705m in Prop 1A high-speed rail funds to modernize the Caltrain corridor and lay the foundation for future high-speed rail service. Under a multi-party regional funding agreement, this investment was matched with a variety of local, regional, state and federal funding sources to electrify the corridor, install an advanced signaling system and replace Caltrain’s aging diesel trains with electric trains that will dramatically improve service between San Francisco and San Jose. The CalMod program is a transformational first step in the realization of a larger future for Caltrain that will be guided by the Caltrain 2040 Business Plan</p>	<ul style="list-style-type: none"> • Advocate for the sale and allocation of Proposition 1A bonds to meet the commitments specified in SB 1029 with respect to the Caltrain corridor and work to include funding for Caltrain in any future Proposition 1A appropriations. • Support the allocation of cap-and-trade funding to advance implementation of the CalMod Program. • Work with state, local and regional partners to advance policies and actions that will help secure funding needed to fulfill local, regional and state commitments to the CalMod Program. • Work to address regulatory challenges that limit the implementation of solutions that will maximize Caltrain capacity and service benefits. • Advocate for funding and policies to support grade separation projects. • Support the allocation of cap-and-trade or other state / regional funding to advance implementation of Caltrain projects. • Work to address regulatory actions or policies that negatively impact Caltrain future capacity or service improvements. • Support the implementation of the Caltrain Business Plan associated projects and

efforts.

Caltrain 2040 Business Plan In October 2019, the Caltrain Board adopted a long-term 2040 Service Vision, defining an ambitious plan for growing service over the next 20-plus years. The service vision outlines the capital and operating needs to achieve this vision and includes projects such as longer EMU fleet, longer platforms, level boarding, passing tracks, grade separations and station upgrades. It also identified needs to prepare the railroad to expand and integrate into a regional rail network. **The plan is expected to be complete early 2021.**

Caltrain Equity and Growth Framework In 2020, Caltrain developed a policy to advance equity within the system and neighboring communities. **The policy will help address systemic inequality by taking steps to ensure the Caltrain system is accessible and useful to all. The policy also advances efforts to improve Caltrain connections to the regional transit network and provide direction on service priorities during and after the COVID-19 pandemic.**

High-Speed Rail Blended System In 2016, a new round of HSR Blended System planning, outreach and environmental clearance work kicked-off in the corridor. HSR anticipates releasing a Draft EIR in 2020. While this project is not being led by the JPB, the agency owns the right-of-way and has a significant interest in the process and success of the project that will “blended” with Caltrain service. **HSR may ask for another Prop 1A**

policies. Continue to educate the Caltrain legislative delegation and key members of the Administration on the Plan.

- Ensure relevant state and regional agencies incorporate relevant elements of the Caltrain business plan in their long-term plans.
- **Support funding and regulations that are consistent with Caltrain’s equity and growth policy.**
- Consistent with existing agreements between JPB and CHSRA, support efforts to plan, engage stakeholders, and implement the Blended System project on the Caltrain corridor.
- Ensure Caltrain is positioned to receive funding if there is an appropriation of Cap and Trade funds and/or bond funds in support of the state’s rail modernization efforts.

allocation in 2021.	
Regulatory and Administrative Issues	
<p>General Every year a variety of legislation or regulatory action is pursued that would affect regulations governing transportation-related service operations, administration, planning and project delivery. In addition, opportunities exist to reform or update existing regulations that are outdated, or can be improved to address potential burdens on transportation agencies without affecting regulatory goals. Recently, there have been calls for a more coordinated and streamlined transit system in the Bay Area.</p> <p>State is providing guidance on COVID related transit measure to protect the public health and reduce virus transmission during the pandemic.</p>	<ul style="list-style-type: none"> • Support opportunities to remove barriers to, and improve the ability to conduct, safe, efficient transportation operations, administration, planning and project delivery efforts, including alternative project delivery methods that provide flexibility to the agency. • Oppose efforts to impose unjustified and burdensome regulations or restrictions on the Agency’s ability to conduct efficient transportation operations, administration, planning and project delivery efforts. • Engage with MTC, the Legislature, and stakeholders on policies stemming from MTC’s Blue Ribbon Transit Recovery Task Force and the “Seamless” Bay Area efforts. • Ensure that new requirements impacting transit agencies don’t result in tradeoffs that have unintended consequences for key transit riders and stakeholders. • Work with the Administration to ensure guidance considers impacts on transit operations and the ability to meet transit rider mobility needs.
<p>California Environmental Quality Act (CEQA) Several regional and statewide transportation organizations continue working to modernize CEQA and minimize unnecessary delays during the environmental review process. In 2020, legislation was passed (SB 288) providing a series of statutory exemptions for transit and active transportation projects under CEQA.</p>	<ul style="list-style-type: none"> • Closely monitor efforts to modernize CEQA. Without compromising CEQA’s effectiveness as an environmental protection policy, support proposals that advantage transportation projects, including bicycle, pedestrian and transit-oriented development projects. • Monitor the implementation and opportunities related to SB 288 (Wiener).
<p>Sustainable Communities Strategies Implementation In conjunction with AB 32 and SB 32 implementation, the Sustainable Communities and Climate Protection Act (SB 375) requires regions to develop Sustainable Communities</p>	<ul style="list-style-type: none"> • Advocate for policies that provide adequate and equitable funding to support increased demand and dependence on the Agency’s transportation services associated with the implementation of SB 375 and Plan Bay Area. • Ensure any planning, development, or policy proposals are consistent with the Agency’s policies and planning, especially the Caltrain Business Plan.

<p>Strategies (SCS) with integrated housing, land-use and transportation policies that will accommodate population growth and reduce regional greenhouse gas emissions by specific amounts. In 2017, regional authorities in the Bay Area approved the update to Plan Bay Area. MTC and ABAG are in the process of updating the Plan. The final Plan Bay Area 2050 is expected to be adopted in 2021.</p>	
<p>Transit Bus Electrification In December 2018, the California Air Resources Board adopted the Innovative Clean Transit regulation. This regulation, which aims to transition all transit buses operating in California to zero-emission bus technologies by 2040, presents transit agencies with new funding and operational challenges. Addressing these challenges requires ongoing engagement with regulatory bodies, including ARB, the California Energy Commission and the California Public Utilities Commission, to unlock new funding and to design programs supportive of compliance with the regulation.</p>	<ul style="list-style-type: none"> • Advocate for priority funding from the State Legislature, ARB, CEC and CPUC for zero-emission buses and charging infrastructure to facilitate compliance with the ICT regulation. • Continue to educate State Legislature, ARB, CEC and CPUC on any challenges to implement the ICT regulation. • Continue to monitor implementation of Pacific Gas & Electric’s Commercial Electric Vehicle Rate, determine whether further refinements to the rate are necessary.
<p>Executive Orders Related to GHG: Since taking office, Governor Newsom has issued two Executive Orders – N-19-19 and N-79-20 – calling for reduced emissions from the transportation sector and larger, coordinated investments in transit, active transportation and land-use. The executive orders highlight the need for expanding clean transportation options. The Administrative efforts on this issue are also being referred to as: Climate Action Plan for Transportation Infrastructure (CAPTI).</p>	<ul style="list-style-type: none"> • Engage in the State’s effort to address the transit-specific goals outlined in the executive orders. • Protect transit agencies from any negative impacts stemming from the executive orders (e.g. additional mandates without funding). • Work to ensure state and federal funds are made available to achieve the goals outlined in the orders.

Federal

Funding Opportunities and Challenges

Issue / Background

Strategy

Federal Appropriations In 2020, transit agencies were hit hard by the loss of ridership and revenue due to the COVID-19 pandemic. SamTrans and Caltrain saw ridership drop 95% and 65%, respectively. While federal funding (CARES Act) has provided some relief in the near-term, significant additional funding is needed to mitigate the pandemic's impact.

Every year, Congress adopts several appropriations bills that cover 12 major issue areas, including the Transportation, Housing and Urban Development bill. These measures provide the authority for federal agencies to spend money during the upcoming fiscal year for the programs they administer.

In September 2020, Congress passed a continuing resolution (CR) to keep federal agencies funded at the same level as the previous fiscal year, through December 11, 2020. Congress is expected to pass a CR or omnibus appropriations bill to fund the government for the fiscal year 2021.

Despite Administration budgets to limit funding for the Capital Investment Grant program (New Starts/Small Starts/Core Capacity), Congress continues to provide funding for the program and has include language in the annual

- Advocate directly as well as support broad stakeholders coalition efforts to secure additional federal funding for transit systems in response to COVID-19.
- Partner with local, regional, State and national coalitions to advocate appropriation of the maximum authorized amount for programs that benefit the agency's transportation services and needs.
- Work with local and regional coalitions to support requests for funding from discretionary programs, including the Capital Investment Grant program and BUILD.
- Communicate frequently with the agency's federal delegation and key appropriators on the needs or concerns of pending appropriation bills.

<p>Transportation/HUD Appropriations bills requiring the Federal Transit Administration (FTA) to allocate funding for projects and to continue to sign full funding grant agreements.</p>	
<p>Tax and Finance Congress considers legislation that governs tax and finance issues that impact transit agencies.</p>	<ul style="list-style-type: none"> • Support efforts to ensure tax provisions that benefit the agency’s priorities are included in any tax or finance proposal. • Protect against the elimination or diversion of any tax policies that support the agency’s transportation needs.
<p>Transportation Projects</p>	
<p>General Support the efforts of partnering agencies to obtain federal funding for the Agency’s related transit projects.</p>	<ul style="list-style-type: none"> • Work with federal delegation members, as well as local, regional, and state coalitions to support the federal funding requests for our partner transit agencies on projects that provide complimentary services for the agency.
<p>Caltrain Modernization (CalMod) Program The current Caltrain Electrification Project funding plan includes funding from several federal funding sources including the FTA Core Capacity Program.</p> <p>Positive Train Control (PTC) is a federal mandate. The current Caltrain Positive Train Control (PTC) project includes some funding from the Federal Railroad Administration (FRA).</p> <p>The CalMod program is a transformational first step in the realization of a larger future for Caltrain that will be guided by the Caltrain 2040 Business Plan efforts.</p> <p>Caltrain 2040 Business Plan In October 2019, the Caltrain Board adopted a long-term 2040 Service Vision, defining an ambitious plan for growing service over the next 20-plus years. The service</p>	<ul style="list-style-type: none"> • Advocate for the Caltrain Electrification Project FTA Core Capacity funding to be included in the President’s budget request and in the annual THUD Appropriations bills. • Work with federal delegation members, as well as local, regional, and state coalitions to support the Caltrain requests for funding. • Advocate for additional PTC funding for operating expenses. • Support efforts to streamline regulatory administrative hurdles to supporting full PTC operations. • Support the allocation of federal funding to advance implementation of Caltrain-related projects. • Advocate for funding and policies to support grade separation projects. • Work to address regulatory actions or policies that negatively impact future capacity or service improvements. • Support the implementation of the Caltrain Business Plan associated projects and policies. Continue to educate the Caltrain legislative delegation and key members of the Administration on the Plan. • Support funding and regulations that are consistent with Caltrain’s equity and growth policy. • Consistent with existing agreements between JPB and CHSRA, support efforts to plan, engage stakeholders, and implement the Blended System project on the Caltrain

<p>vision outlines the capital and operating needs to achieve the this vision and includes projects such as longer EMU fleet, longer platforms, level boarding, passing tracks, grade separations and station upgrades. It also identified needs to prepare the railroad to expand and integrate into a regional rail network. The plan is expected to be complete early 2021.</p> <p>Caltrain Equity and Growth Framework In 2020, Caltrain developed a policy to advance equity within the system and neighboring communities. The policy will help address systemic inequality by taking steps to ensure the Caltrain system is accessible and useful to all. The policy also advances efforts to improve Caltrain connections to the regional transit network and provide direction on service priorities during and after the COVID-19 pandemic.</p> <p>High-Speed Rail Blended System In 2016, a new round of HSR Blended System planning, outreach and environmental clearance work kicked-off in the corridor. HSR anticipates releasing a Draft EIR in 2020. While this project is not being led by the JPB, the agency owns the right-of-way and has a significant interest in the process and success of the project that will “blended” with Caltrain service.</p>	<p>corridor.</p>
<p>Dumbarton Rail Corridor In 2018, the District kicked off a process with Cross Bay Transit Partners (Facebook and Plenary Americas) to evaluate the technical and</p>	<ul style="list-style-type: none"> • Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases.

<p>financial feasibility of a transit project along the Dumbarton rail bridge. In Spring 2020, the project was put on hold due to the global pandemic. In fall 2020, the project was recently restarted through a partnership with Facebook to compile and document pre-environmental work of the alignment and technology options under consideration. The District is also maintaining a partnership with CBTP, now owned by Plenary Americas. Continuation of pre-environmental work is expected through 2021. MTC is leading an effort related to the Dumbarton Highway called Dumbarton Forward.</p> <p>These efforts are building on the 2017 San Mateo County Transit District “Dumbarton Transportation Corridor Study” that looked at short- and long-term strategies that reduce traffic congestion and improve mobility between Alameda, San Mateo and Santa Clara counties.</p>	
<p>101 Express Lanes The project includes the connection of existing auxiliary lanes between interchanges; reconstructing ramp connections to US 101; and installing electronic toll collection infrastructure on US 101 between Whipple Road to the I-380 interchange in San Mateo County. Construction of Phase 1 (Northern and Southern Sections) is expected to be complete in 2022. Phase II of the project, extending the managed lane to San Francisco county will be ramping up planning and environmental efforts in 2021.</p>	<ul style="list-style-type: none"> • Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases. • Support policies that will allow for effective public private partnerships.

Regulatory and Administrative Issues	
<p>General Every year a variety of legislation or regulatory action is pursued that would affect regulations governing transportation-related service operations, administration, planning and project delivery. In addition, opportunities exist to reform or update existing regulations that are outdated, or can be improved to address potential burdens on transportation agencies without affecting regulatory goals.</p>	<ul style="list-style-type: none"> • Support opportunities to remove barriers to, and improve the ability to conduct, safe, efficient transportation operations, administration, planning and project delivery efforts, including alternative project delivery methods that provide flexibility to the agency. • Oppose efforts to impose unjustified and burdensome regulations or restrictions on the Agency’s ability to conduct efficient transportation operations, administration, planning and project delivery efforts.
<p>FAA Rule In 2014, the Federal Aviation Administration’s (FAA) issued a rule called the “Policy and Procedures Concerning the Use of Airport Revenue, proceeds from Taxes on Aviation Fuel.” The rule would require that local taxes on aviation fuels must be spent on airports is contrary to states’ rights to control their general application sales tax measures.</p> <p>The Senate FY2021 Transportation/HUD Appropriations bill includes report language encouraging the Department of Transportation “to continue working with State and local governments and the FAA to develop a path forward to allow the use of local sales tax revenues generated on the sale of aviation fuel to be used in a manner consistent with their enactment.”</p> <p>Congress is currently negotiating the FY2021 appropriations bills now and it unclear if this language remains in the final conference report.</p>	<ul style="list-style-type: none"> • Support efforts to protect the ability of local and state governments to determine how general sales tax measures are allocated. • Continue to advocate for report language in the annual appropriations bills and support legislative changes that would permanently clarify the issue. • Support the State of California in its efforts to respond and address FAA’s requests

FAST Act Reauthorization and other Regulations

In September 2020, Congress passed the extension of the FAST Act until September 2021.

During Congress’ consideration of the reauthorization bill next year, there will be an opportunity to change, increase funding, and implement new policy for highway, transit, and rail programs.

Both Senate and House authorization committees have stated that passing the FAST Act authorization bill is their top priority.

Background: In July 2019, the Senate Environment and Public Works (EPW) Committee passed, America’s Transportation Infrastructure Act of 2019. This bill will need to be introduced in the next Congress and will likely be the “base” bill that the Senate will use.

However, four committees in the Senate have jurisdiction of the bill: EPW (highways); Banking (transit); Commerce (rail and goods movement); and Finance (paying for the bill). EPW is the only committee that has written their portion of the bill. The other three committees need to draft their seconds and identify funding to pay for the bill.

In July 2020, the House passed Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act as part of a broader infrastructure bill. The INVEST Act authorized a \$494 surface transportation bill. The INVEST Act will require Congress to identify \$140

- Collaborate with local, regional, state and national transportation advocacy groups to coordinate comments and advocacy efforts that support regulations that maximize benefits for transportation programs, services and users.
- Collaborate with local, regional, state and national transportation advocacy groups to coordinate proposals and advocacy efforts for FAST Act reauthorization.
- Support efforts to increase authorization levels for transit programs – both discretionary and formula programs.
- Support efforts to increase access to additional federal funds for bus electrification and infrastructure.
- Support authorizing transit agencies to become direct subrecipients of Section 5310 for the Enhanced Mobility of Seniors and Individuals with Disabilities.
- Support securing authorization to implement low-cost solutions, such as dynamic envelope painting, to increase safety at at-grade rail grade crossings.
- Support additional funding for grade separations: Increase the annual funding for the Federal Highways Administration (FHWA) Railway-Highway Crossings (Section 130) Program by \$1B per year and authorize 50% of the annual funding set aside for a discretionary grant program that States, metropolitan planning organizations, local governments, special purpose districts or public authorities a transportation function, and tribal governments will be eligible.
- Monitor and review guidance and rulemaking proposals affecting FAST Act implementation and other transportation issues.

<p>billion for the Highway Trust Fund. This bill will likely be reintroduced in the new Congress and the “base bill” that the House Transportation & Infrastructure Committee uses as it advances surface transportation reauthorization next year.</p>	
<p>Infrastructure Proposals Congress and the Biden Administration could consider an infrastructure package in 2021 that would include increased funding for highways, transit, aviation, and water programs. House Speaker Nancy Pelosi has said that the House’s infrastructure bill, Moving America Forward, will be the base for the House infrastructure bill. It is unclear if the Senate will consider an infrastructure bill.</p>	<ul style="list-style-type: none"> • Monitor closely and take action as needed on the new Biden Administration or Congressional policies that may have a significant impact on transit / transportation projects and programs. • Advocate for funding for the Agency’s projects and needs in a broad infrastructure proposal.

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