

CITIZENS ADVISORY COMMITTEE
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 San Carlos Avenue, San Carlos CA 94070
Bacciocco Auditorium, 2nd Floor

MINUTES OF MAY 19, 2009

MEMBERS PRESENT: B. Arietta, J. Bigelow, P. Dixon (Chair), J. Fox, R. Hees, R. Hedges, S. Krause, A. Mader-Clark, D. Maez, L. Shaine, A. Vargas, G. Zimmerman

MEMBERS ABSENT: P. Young

STAFF PRESENT: G. Harrington, C. Harvey, J. Hurley, M. Knuckles, R. Lake, S. Murphy, T. Reavey, B. Welch

Chair Pat Dixon called the meeting to order at 4:33 p.m., and led the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion (Bigelow/Zimmerman) to approve the minutes of March 31, 2009 was passed.

ITEMS FOR REVIEW – MAY 21, 2009 TA BOARD AGENDA

There was no discussion on the following items:

1. Approval of Minutes of April 2, 2009 – TA Item 4a
2. Acceptance of Statement of Revenues and Expenses for March 2009 – TA Item 4b
3. Establishing Appropriation Limits for Fiscal Year 2010 in the Amount of \$513,907,103 – TA Item 4c
4. Annual Adoption of the Investment Policies; Eliminating the Investment Policy for the Paratransit Fund; and Authorization to Investment of Monies with the Local Agency Investment Fund– TA Item 4d
5. SamTrans Liaison Report – April 8, 2009 – TA Item 9a
6. Approval of Agreement with San Mateo County for Receipt and Distribution of Sales and Use Tax Revenues in Accordance with 2004 Measure A – TA Item 12c

Adoption of the FY2010 Operating Budget in the Amount of \$26,918,216 – TA Item 3a

Chief Financial Officer Gigi Harrington presented details of the budget:

- Total revenues of \$76.4 million include: sales tax-\$64.7 million; interest income-\$7.3 million; rental income-\$1.1 million; and grant proceeds-\$3.3 million. The State Board of Equalization (BOE) submitted a negative true-up last week, which will require a \$2 million downward adjustment sometime during FY10. TA revenue changes between FY09 and FY10: sales tax decreased \$654,000; interest income decreased \$4.5 million due to lower portfolio rates; rental income increased \$100,000; and grant proceeds decreased \$2.3 million for a net decrease of \$7.4 million.
- FY10 program expenditures total \$61.4 million and include: \$14.6 million for local entities; \$3.5 million for paratransit and TSM; \$0.9 for information and administration; \$1.4 million for San Mateo County shuttles; \$5.2 million transfer to San Mateo County Transit District for Caltrain; \$1.3 million for the BART/SFO extension and \$34.5 million for current

year capital. TA expenditure changes between FY09 and FY10 include: *Increases:* \$0.7 million for local entities; \$0.8 million for paratransit and TSM; \$0.1 million for San Mateo County shuttles; \$2.6 million for transfer to San Mateo County Transit District for Caltrain and \$0.7 million for the BART/SFO extension. *Decreases:* \$0.4 million for Dumbarton; \$14.9 million for current year capital; \$0.9 million for supplemental allocation, and a \$25 million transfer of the paratransit fund from the TA to the District.

George Zimmerman asked what the counties of San Francisco and Santa Clara provide to Caltrain. Ms. Harrington said Santa Clara County's payment totals \$15.9 million for FY10; San Francisco County's payment totals \$7 million and San Mateo County's payment totals \$16.5 million, of which 5.2 percent comes from the TA for FY10. Ms. Harrington said the formula agreement was negotiated years ago and has a 3 percent multiplier.

Mr. Zimmerman asked what other county or public agencies contribute to the operation of the BART/SFO extension. Ms. Harrington said she was not aware of any.

Doris Maez asked for an explanation of a negative total fund balance for the TSM alternative congestion line item. Ms. Harrington will investigate this and report back to Ms. Maez.

Ms. Maez asked about bond interest listed for FY08. Ms. Harrington said there was bond issued under the original Measure A that was issued in 1997 and was termed to expire with the end of the original Measure A. The TA was not allowed to bond against the new Measure A until the Measure was actually approved.

Rich Hedges said the Metropolitan Transportation Commission (MTC) and Valley Transportation Authority (VTA) are cutting back on paratransit to a federal minimum, which is three-quarters of a mile from a fixed bus route. He asked what will happen with paratransit in San Mateo County. Ms. Harrington said the paratransit budget with SamTrans is approximately \$13 million. The interest earnings on the paratransit fund are approximately \$995,000, which help support paratransit operations. Ms. Harrington said SamTrans has had a historical operating deficit. At its meeting last week, the SamTrans Board discussed a variety of options to close the current budget gap including options for the paratransit program. Any potential belt tightening for the paratransit program will go through a long public discussion with much public feedback.

Mr. Hedges asked if the state will ever pay back money taken from Proposition 42. Ms. Harrington did not know about possible payback; it is not included in the FY10 operating or capital budgets.

Larry Shaine asked about the BOE's true-up report. Ms. Harrington said the report typically shows sales tax revenue on a monthly basis. In each quarter they usually have an estimate of 30 percent at the beginning of a quarter, 30 percent for the second month, 40 percent for the third month and the following month a true-up is reported, which will be a plus or minus. She said there is a large negative in the May report because the BOE reported a true-up in the third month, which has never been done before.

Jim Bigelow said the TSM line item has doubled from the original Measure A and asked if this will help backfill shortfalls from the loss of State Transit Assistance (STA) funds.

Ms. Harrington said the shuttle program for SamTrans and Caltrain remains mostly unchanged in FY10. TSM funds are not programmed at this point because the TA hasn't gone through the process on how programming decisions might be made with the new Measure A.

A motion (Hees/Arietta) to recommend adoption of the FY10 operating budget was approved.

Adoption of the FY10 Capital Budget in the Amount of \$34,455,000 – TA Item 3b

Director of TA Programs Joe Hurley presented details of the budget.

- The proposed capital budget includes \$0.4 million for Dumbarton Rail; \$7 million for Caltrain; \$15 million for ferry service; \$0.2 million for local shuttles; \$11 million for grade separations and \$0.8 million for oversight.
- Total program category budgets of carryover plus FY10 include: \$19.7 million for Dumbarton Rail; \$47.3 million for Caltrain; \$0.2 million for local shuttles; \$38.8 million for grade separations; \$85.2 million for streets and highways and \$5.2 million for oversight.
- Projects for the proposed FY10 budget include: \$415,000 for maintenance of the Dumbarton Rail Corridor; \$7 million for San Mateo County Local Share Caltrain Capital Improvement Program (CIP); \$15,040,000 for the South San Francisco ferry terminal; \$200,000 for the local shuttle Needs Assessment Study; \$11 million for the Poplar/Tilton Bridge Safety Improvement Program; \$300,000 for the City/County Association of Government's (C/CAG) ramp metering program and \$500,000 for program planning and management oversight for the entire program.

John Fox asked for a breakdown of \$15 million for ferry service. Mr. Hurley said funding will be used for dredging activity, some for the float and terminal construction. He said the ferry vessels are funded through MTC.

Mr. Bigelow asked what funding would come from the VTA and San Francisco County for Caltrain. Mr. Hurley said, for system-wide improvements, the agencies would also fund the same amount as the TA, which is \$7 million.

Ms. Maez said information from the TA Board minutes said South San Francisco didn't meet the window for construction and apparently can't do dredging. Mr. Hurley said there was a holdup with the release of Proposition 1B funding. The Water Emergency Transportation Authority (WETA) is looking for other funds so they could complete the dredging by the end of November.

A motion (Hees/Bigelow) to recommend adoption of the FY10 capital budget was approved.

South San Francisco Ferry Allocation Update – TA Item 8

Chair Dixon said she and TA staff attended an outreach meeting on the ferry program last Thursday in Redwood Shores.

Mr. Hurley said there have been some disagreements with WETA in the terms and conditions of the agreement itself regarding insurance rates but South San Francisco has agreed to the TA insurance requirements. South San Francisco will be taking the agreement to their city council on May 27. If the agreement is accepted this would mean WETA, the TA and South San Francisco accept the agreement and the project can move forward. WETA must develop a business plan

that lays out what kind of service they will be running with ridership projections that will demonstrate it will be an effective service. This report needs to be completed and reviewed prior to any Measure A money going to the South San Francisco ferry project.

Mr. Bigelow said WETA emphasized emergency operations at the outreach meeting in Redwood Shores. Regional Measure 2 (RM2) money is not available for operating money for emergency response. WETA has been working with the Office of Emergency Services to figure out how WETA can operate when there is an emergency. Mr. Bigelow told the group that the Federal Emergency Management Agency (FEMA) pays 90 percent of emergency charges and the state pays 10 percent. He said WETA has vessels, equipment and docks but they need to find emergency operating money.

Acceptance of the Quarterly Report and Fixed Income Market Review and Outlook for the Quarter Ended March 31, 2009 – TA Item 12a

Mr. Zimmerman asked what the qualifications are for Tamalpais Wealth Management (TWM). Ms. Harrington said TWM has been helping the District with investment policies for about 10 to 15 years. The District takes a conservative approach to the portion of the portfolio that is managed by staff through the recommendations of TWM staff.

Mr. Shaine asked what types of external audit procedures TWM is subject to. Ms. Harrington said TWM is subject to a yearly audit by the Vavrinek, Trine, Day and Co. LLP (VTD) audit firm, which examines the Bank of New York records against what the TA records indicate. The TA reconciles the records and the external auditors review all the TA work at the end of the year. She said funds are not held by TWM; funds are held in a trust account with the Bank of New York. The only money TWM receives is a quarterly fee.

Mr. Bigelow said a well-known local attorney is trying to recover money from the Lehman Brothers collapse and asked if he is successful would he still go after the shortfall. Finance Director Trish Reavey said that is a separate case with the county and not related to the bank settlement. If the bank settles, the TA will be returned their proportional share from that loss they incurred to tenfold.

Authorize Amendment of Fiscal Year 2009 Operating Budget from \$23,307,086 to \$21,262,081 – TA Item 12b

Mr. Zimmerman said there has been a decrease of TA revenues in the amount of \$28.5 million. He asked if the majority of that amount is due to the Lehman Brothers collapse. Ms. Harrington replied yes. The San Mateo County Pool lost approximately \$155 million of funds in Lehman floaters on September 15, 2008 when Lehman Brothers declared bankruptcy. Ms. Harrington said the TA has written off the asset and anything recovered will be shared proportionally as the shares were on that day.

Verbal Update on State/Federal Legislative Program – TA Item 13a

Government Affairs Manager Seamus Murphy reported:

State:

- AB116 – The Sacramento:SamTrans-sponsored bill to improve contracting efficiency and increasing contracting threshold from \$25,000 to \$100,000 was unanimously approved by the Assembly Appropriations Committee. If passed SamTrans could save \$70,000 per year and

the TA could benefit if it chooses to adopt SamTrans contract and procurement standards. The governor vetoed this last year in his blanket veto.

- There are two budget propositions on today's state election ballot – Propositions 1A and 1B. There is an additional \$15 billion shortfall in addition to the \$42 billion shortfall that the legislature filled in February. If the ballot measures fail today, there will be an additional \$6 billion shortfall on top of the existing \$15 billion for the next fiscal year. The concern is that budget problems will once again delay bond sales and affect infrastructure issues.

Federal:

- Reauthorization of High Priority Projects (HPP) focuses on liveable communities. SamTrans requested \$8 million for Grand Boulevard Initiative funds through the offices of Congresspersons Anna Eshoo, Zoe Lofgren and Mike Honda. The TA has requested \$8 million for Woodside Road improvements through Congresswoman Eshoo's office; Caltrain requested \$15 million per office for Electric Multiple Unit (EMU) procurement, and if successful can procure an additional \$14 million as part of the 2025 program. SamTrans requested funding for paratransit vehicles.
- San Mateo County representatives testified at Congressman Barney Frank's Troubled Asset Relief Program (TARP) hearing on Tuesday. The TA lost \$25 million in funds due to the Lehman Brothers collapse in the County Pool and hopes to receive reimbursement from TARP funds.
- High Speed Rail Recovery Act Funds: Several Caltrain projects including electrification, positive train control, North Terminal station improvements and the San Bruno grade separation project fit into the first two phases. Caltrain is waiting for the Federal Railroad Administration (FRA) to issue criteria for grant applications for recovery funds, which will flow through Caltrans and possibly be available in August or September.

Mr. Zimmerman asked if TARP reimbursement is focused mainly on transportation funding. Mr. Murphy said it actually focuses on all local government losses, which have been estimated at \$10 billion across the country. San Mateo County has about \$125 million in losses.

Mr. Shaine asked if the FRA has approved use of EMUs. Mr. Murphy said staff continues to work with the FRA on this issue.

PROGRAM REPORT: PARATRANSIT – TA Item 13b

Manager of Accessible Services Bill Welch discussed the program mission; demographics; expenses and funding; TA Measure As; service features and eligibility.

1. The program must comply with the American Disabilities Act (ADA) regulations, serve all trip requests, and provide safe, efficient and high quality service and regional connections.
2. Demographics compare growth of the senior population from 2000 to 2020 between the United States and San Mateo County, which indicates a greater growth rate in San Mateo County. The percentage of population over age 65 by Bay Area counties from 2000 and 2020 indicates San Mateo County has the greatest growth rate.
3. There were more than 300,000 trips in FY08, which cost more than \$12 million annually. This represents an average cost of \$39 per customer trip. This is about eight times the cost to operate regular bus service. Standard fares are \$3 per ride: low-income, Life Line fares are \$1.50 per ride.

4. FY08 funding sources of \$12,680,800 include: \$589,700 from passenger fares; \$1,635,000 from local Transportation Development Act; \$383,000 from local State Transportation Assistance; \$7,293,400 from sales tax and \$2,779,700 from Measure A. The new Measure A estimated funding for paratransit in 2004 dollars is \$2.4 million per year and \$60 million over a 25-year period.
5. Service area and rides mirror fixed routes. Paratransit is a shared ride system. Oversight is provided by the San Mateo County Paratransit Coordinating Council.
6. A new eligibility center has recently opened in Foster City with in-person functional testing. On-site assessment is available for groups. Automatic recertification is available.

Questions

Mr. Hees asked if ADA geographic limits may be coming to paratransit. Mr. Welch said paratransit exceeds the service required under ADA; there may be service changes but there are no plans to do that at this time.

Mr. Zimmerman asked if there has been a greater assessment of patron's ability to pay higher costs. Mr. Welch said paratransit has reduced costs by more than half by moving to competitive bidding with the new assessment process.

Mr. Zimmerman asked about assessment of the ability to pay. Mr. Welch said three criteria are used: Medi-cal or county assistance and Supplemental Security Income (SSI). Applicants must supply a copy of a letter of certification for the Life Line fare.

Ms. Maez asked how long it takes for a stroke patient to complete the eligibility process from the initial call. She asked if social workers are aware of SamTrans' requirements. Mr. Welch said ADA legislation requires providers make a decision in 21 days. Staff typically makes a decision in eight to nine days. SamTrans does presumptive eligibility for chemotherapy and radiation requests. Social service is aware of the requirements.

Barbara Arietta asked when a manual wheelchair patron is moving to an electric wheelchair, will staff try to move them to fixed route service. Mr. Welch said the goal is to increase mobility, which can be enhanced with an electric wheelchair.

Ms. Arietta asked if an applicant's location in a rugged area with inclement weather is considered. Mr. Welch said an environmental assessment can be completed.

Ms. Arietta said the \$3 fare could be increased to \$7 or \$14 per ride to increase revenue: she didn't think it was a problem to ask for income tax information similar to the process with Pacific Gas and Electric (PG&E) and the phone company. Mr. Welch said it was a huge political and administrative issue and fare increases might have to be done for all public transit customers. The ADA states that paratransit must not have a fare more than twice the base fare of regular bus customers. This limits paratransit at the moment to a fare of \$3.50. In the course of future fare increases, the District seeks to achieve a 2:1 ratio. The challenge is to achieve that ratio without disproportionately increasing the paratransit fare.

Mr. Bigelow asked how the vehicle pick-up process works. Mr. Welch said ADA requires curb-to-curb service. Paratransit provides door-to-door or door-to-bus door assistance on request.

Austin Mader-Clark said from personal family experience, customers can be in a situation where they are not capable of providing income tax returns. She asked how long it takes to complete an in-person assessment. Mr. Welch said the functional testing, bus environmental assessment and questionnaire completion take approximately 40 minutes.

Mr. Hedges asked for an explanation of how customers are trained to travel on transit. Mr. Welch said customers who agree to the training have two contractors available for training: training for the cognitively impaired and developmentally disabled and a contractor for the blind and visually impaired. In-house staff can train customers with physical mobility impairments. Training includes getting on a bus, taking a trip to a specific destination and repeating the process for actual travel on a fixed route.

Chair Dixon asked if there was free transportation to the eligibility facility in Foster City. Mr. Welch replied yes.

REPORT OF THE CHAIR – PAT DIXON

Chair Dixon commented on the excellent functional assessment and training available at the paratransit facility in Foster City.

REPORT FROM STAFF

Mr. Hurley said the July TA Board meeting scheduled for July 2 may be cancelled. Staff will update the CAC on any meeting changes.

COMMITTEE COMMENTS

April Vargas asked about the status of naming some type of panel to determine criteria assessment for TA project consideration. Mr. Hurley said a consultant has been hired to advise staff on the process of what groups should be involved in the selection process.

Mr. Hees said there is funding in the capital budget for bridge replacement in San Mateo. He asked how the issue of track development and High Speed Rail (HSR) will be settled. Mr. Hurley said two options are being discussed: a seismic retrofit which has a lower cost or a full bridge replacement. A seismic retrofit may be considered due to concerns with HSR.

NEXT MEETING

The next regular meeting of the TA CAC will be held on Tuesday, June 30, 2009 at 4:30 p.m. at 1250 San Carlos Avenue, Bacciocco Auditorium, 2nd Floor, San Carlos, CA 94070.

ADJOURNMENT

6:35p.m.