

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

**MINUTES OF MEASURE W CITIZENS OVERSIGHT COMMITTEE (COC) MEETING  
JULY 22, 2021**

**MEMBERS PRESENT (Via Teleconference):** M. Adler, L. Bennett, A. Brandt, R. Foust, R. Hedges, S. Lang, A. Levin, J. Lind Rupp, J. Londer, A. Madrid, E. Mizzi, L. Normandy, M. Rendon, M. Robinson

**MEMBERS ABSENT:** E. Gonzalez

**STAFF PRESENT:** A. Linehan, A. Chan, D. Hansel, J. Cassman, S. van Hoften, G. Martinez, M. Salazar, A. Mohammed, J. Ye, D. Seamans, P. Skinner, P. Ledezma, J. Brook, M. Johnston

**1. Call to Order/Pledge of Allegiance**

Chair Rosanne Foust called the meeting to order at 10:01 am and Vice Chair Julie Lind Rupp led the Pledge of Allegiance.

**2. Roll Call**

Amy Linehan, Public Affairs Specialist, called the roll. A quorum was present.

Joan Cassman, Legal Counsel, shared that the Governor's order to relax Brown Act requirements to allow remote meetings will continue through the end of September and that starting in October, public agencies and cities will be expected to resume meeting in the normal course. She added that there are laws being considered to allow and continue hybrid means by which members of the public can continue to comment remotely.

The public comment item which had been moved to the end of the agenda was by consensus of committee members moved to the beginning of the agenda to allow members of the public share their comments without having to stay for the entire meeting.

**3. Public Comment for Items Not on the Agenda** (previously item 6)

Roland requested that closed captioning be enabled during meetings for those who may have hearing deficiencies.

**4. Approval of Meeting Minutes from April 19, 2021** (previously item 3)

Sandra Lang requested the inclusion of a clarifying sentence regarding the general cadence of the proceedings of the committee to distinguish between the cadence of the first year and subsequent years.

Motion/Second: Lind Rupp/Hedges

Ayes: Adler, Bennett, Brandt, Foust, Hedges, Lang, Levin, Lind Rupp, Londer, Mizzi, Normandy, Rendon

Abstentions: Robinson

Absent: Gonzalez, Madrid

**5. Public Hearing on Annual Audit of Measure W Tax Revenues and Expenditures in Accordance with Congestion Relief Plan** (previously item 4)

Chair Foust opened the Public Hearing at 3:22 pm.

Derek Hansel, Chief Financial Officer, provided an overview of Measure W and how proceeds are to be spent by the District and the Transportation Authority, and the role of the COC in providing information on how the tax proceeds are being spent through their receipt of the District's annual audit report, including the holding of an annual public hearing on the audit report, and issuance of an annual COC report on the audit results themselves. The Committee- approved audit work plan included the following 1) a financial statement review confirming receipts and auditing disbursements under Measure W to ensure the segregation of funding was appropriate; 2) an audit of the District's compliance with laws and regulations relevant to Measure W, applying government auditing standards; and 3) sampling transactions as an audit of actual expenditures to ensure compliance with the Measure.

a. Independent Auditor's Presentation

Joe Escobar, Manager, Eide Bailey LLP, explained that the audit is a clean, unqualified opinion in terms of the District's financial statements, affirming the financial statements as being fair and reasonably stated, that compliance and other matters as they affect San Mateo County Transit District Measure W fund did not have any sort of exceptions, meaning that nothing was found and that the appropriate governmental auditing standards were applied.

b. Committee Questions

Ms. Lang asked for clarification of what was showing as unspent of the bicycle segment under the TA report. April Chan, Chief Officer, Planning, Grants/Transportation Authority, explained that what has been allocated to a category by the TA may not yet have been spent, since funds are held in a number of the categories and are then programmed to recipients in call-for-projects cycles. When those funds are allocated and then spent by the grant recipients of the funds, that's when the funds are actually spent.

Rich Hedges asked if the number of projects that might be planned on in the future might increase, given that the amount of funds available in Measure W is significantly greater. Ms. Chan agreed that collection of Measure W funds in addition to Measure A would likely mean more money available for projects. Ethan Mizzi asked what counts as an Active Transportation project. Ms. Chan explained it as anything that allows and encourages more activity, including bicycling, walking, scooters, and possibly some micro-mobility projects.

Adrian Brandt added the additional definition of "the active transportation of people or goods through non-motorized means based around human physical activity".

Mr. Hedges asked about jurisdictions cutting deals with large entities that sell online to take all of the tax money that they get, such as eBay's agreement with San Jose. Mr. Hansel said that we do not yet have a comprehensive analysis on that and how that may impact the sales tax receipts. He noted that he will be reviewing with the District's sales tax consultant.

Ethan Mizzi asked that the Committee be given access to Mr. Hansel's presentation. Staff will make the presentation available.

c. Public Comment

There was no public comment.

d. Close Public Hearing

Motion/Second: Lind Rupp/Robinson

Ayes: Adler, Bennett, Brandt, Foust, Hedges, Lang, Levin, Lind Rupp, Londer, Madrid, Mizzi, Normandy, Rendon, Robinson

Absent: Gonzalez

*Alex Madrid joined the meeting at 3:36 p.m.*

e. Committee Comments/Committee Discussion on Drafting of Committee Report

Chair Foust and Vice Chair Lind Rupp in preparation for this discussion reviewed the District's "popular annual financial report," a high-quality, transparent, accessible and graphics-filled 10-page version of SamTrans' 150-page document which contains their audit report, their financial report, and other materials. The Committee directed staff to draft the report and make it available to the Committee before the next meeting to provide time for thoughts and comments.

Ms. Lang requested that the truncated, accessible document refer to the lengthy reports from the District and TA in a more summarized form with links to the full documents available. She asked for inclusion of the thought process to the original justification and the quality of the audit process itself, and an overview of how the audit was prepared as part of the shorter truncated document.

Mr. Hansel presented these questions to members to help guide the report:

- 1) Does this audit provide you the information you need in order to report out how Measure W funds were spent in Fiscal Year 2020? (Provide a history and purpose of Measure W to make it clear to the San Mateo County citizens);
- 2) How would you like to present the information in the report to San Mateo County citizens? (Make very clear what the charge of the committee is; identify the ballot in Resolution language; outline who the committee members are);
- 3) How should the initial draft of the report be produced? (Outline the responsibilities of the independent auditor making clear what they did);

The Committee members decided that included will be the front part of the report and, as an appendix, the independent auditor's report; hyperlinks will be included to both of the much longer annual financial reports of the District, and of the Transportation Authority.

Malcolm Robinson asked if it would be possible to add in what part of the County the money is spent, to look at whether some cities get more funding than others, looking to level it out to ensure that disadvantaged communities get their fair share. Mr. Hansel said it is not part of the scope for Fiscal Year 2020 and it could be looked at for Fiscal Year 2021, and that the information is more likely available from the TA than from the District. Ms. Chan said that hyperlinks can be included to TA reports that show allocation for the majority of programs, such as highway or bicycle/pedestrian.

Mr. Hedges stated that it is incumbent on jurisdictions to claim their fair share, and the COC needs to work with those localities as all cities need safe routes to school.

Adina Levin said that an element of the report should be including the principles at a summary level, as the principles are in the language of the ordinance itself, and this is the auditing process to confirm that the funds were expended in line with the ordinance in addition to the categories or buckets. Mr. Hansel added a line to include expenditure consistent with the principles of the ordinance.

Ms. Lang stressed that the type of criteria used in observing these findings should be included and included in the framework, and made very clear.

Chair Foust suggested that any member with things they would like to see included in the report pre-drafting should forward them to Ms. Chan.

Alex Madrid asked if additional information could be included relating to the expenditures. Ms. Chan said the report could include a link to the expenditure plans associated with Measures A and W.

Ms. Levin commented on reporting on spending by geography, saying that there are equity concerns in the principles of the Measure. She suggested having technical support for those jurisdictions and areas that do not have the highest level of capability to help them to pursue funding, and that a report that shows some deficiencies geographically potentially shows more opportunity. She asked if there had been an implementation strategy developed to address it. Ms. Chan affirmed that as part of the 2020-2024 TA strategic plan, it is noted that assistance is required by some jurisdictions. The TA will be assisting with workshops for providing technical help; these workshops will be built into the way projects are selected and evaluated. Ms. Levin stated that while these criteria that are being taken into account in evaluating the projects are beneficial, they do not take into account the projects that never reach the agency. She added that there are some jurisdictions that are so time-strapped out of resource constraints that they do not get the projects in to begin with, or they do not submit a quality application due to lack of resources. She said that this is how an audit showing geographic information and unevenness could make the process more equitable for everyone.

**6. Other Business** (previously item 5)

a. COC Handbook Review

1. Information on Rosenberg's Rules of Order <https://vimeo.com/25152753>  
Chair Foust encouraged watching the user-friendly video related to Rosenberg's Rules of Order.

The Committee approved a motion to move the public comment item from the end of the meeting to the beginning of the meeting.

Motion/Second: Hedges/Brandt

Ayes: Adler, Bennett, Brandt, Foust, Hedges, Lang, Levin, Lind Rupp, Londer, Madrid, Mizzi, Rendon, Robinson

Absent: Gonzalez, Normandy

**7. Committee Member Comments/Communications Regarding Transportation Matters**

Ms. Levin asked if this body would allow members of the public continue to have the ability to submit questions remotely to the COC meetings. Ms. Cassman said that it is being discussed by the District for all agencies, and will be added to the agenda for discussion at the next meeting.

Mr. Brandt remarked that there are a lot of gaps in safe bicycle transport in San Mateo County, and that he is chagrined by the fact that only 5 percent of the Measure W budget goes to bicycle-related activities.

**8. Next Meeting: Date To Be Announced**

**9. Adjournment**

The meeting adjourned at 4:45 pm.