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AGENDA

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

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

WEDNESDAY, APRIL 2, 2014 – 2:00 p.m.

1. Call to Order (Committee of the Whole)
2. Pledge of Allegiance

ACTION

3. Approval of Minutes of Community Relations Committee Meeting of March 5, 2014
4. Recommend Appointment of Citizens Advisory Committee Members:
 - Sonny Koya, Representing Bus Riders (Incumbent)
 - Peter Loranger, Representing Bus Riders (Incumbent)
 - Holly Osborne, Representing Bus Riders
 - Juslyn Manalo, Representing Bus Riders
 - Nada Ballator, Representing Community Riders
 - Bob Gomez, Representing Community Riders
 - Peter Ratto, Representing Multimodal Riders (Incumbent)
 - Charlotte Laughon, Representing Multimodal Riders

INFORMATIONAL

5. Accessibility Update – Tina Dubost
6. PCC Update - Mike Levinson
7. Citizens Advisory Committee Liaison Report - Peter Ratto
8. Mobility Management Report – Caltrain
9. Multimodal Ridership Report – February 2014

Committee Members: Jerry Deal, Shirley Harris, Karyl Matsumoto

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

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

**MINUTES OF COMMUNITY RELATIONS COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 5, 2014**

Committee Members Present: J. Deal (Committee Chair), S. Harris, K. Matsumoto

Other Board Members Present, Constituting Committee of the Whole: J. Gee, C. Groom, R. Guilbault, S. Harris, Z. Kersteen-Tucker, A. Tissier

Staff Present: J. Averill, J. Cassman, A. Chan, T. Dubost, G. Harrington, C. Harvey, R. Haskin, M. Martinez, N. McKenna, M. Scanlon, M. Simon, S. van Hoften

Committee Chair Jerry Deal called the meeting to order at 2:02 p.m.

Approval of Minutes of Community Relations Committee (CRC) Meeting of February 5, 2014

The Committee unanimously approved the minutes (Tissier/Lloyd).

Accessibility Update – Tina Dubost

Tina Dubost, Manager, Accessible Transit Services, said the Accessibility Advisory Committee met on March 3 and received information about the new hybrid buses.

Paratransit Coordinating Council (PCC) Update – Mike Levinson

Mike Levinson, PCC Chair, said:

- The MV Transportation appreciation party is on April 8.
- The Education Committee has scheduled a presentation in April and two more have yet to be scheduled.

Citizens Advisory Committee (CAC) Liaison Report - Peter Ratto

Peter Ratto, CAC Chair, said at its February 26 meeting the CAC:

- Received a presentation on the 2014-2018 SamTrans Strategic Plan update. This is a new item for the entire CAC.
- Received a SamTrans Service Plan update. The CAC was informed that staff will be making a change to Route 252 traveling down Rand Street in San Mateo, as a result of a public comment received at the January 29 meeting.

Mobility Management Report – Shuttles

Chuck Harvey, Deputy CEO, reported:

- There are 31 Caltrain shuttle routes operating in three counties and serving 19 stations.
- There are eight SamTrans shuttle routes serving six stations.
- There are 12 shuttles sponsored by the San Mateo County Transportation Authority (TA) and two shuttles serve the South San Francisco Ferry terminal.

- More than 400 business partners participate in the “last mile” shuttle routes. Some of the partners include Genentech, Stanford University, Oracle, Google, and Facebook.
- Public partners include the Bay Area Air Quality Management District (BAAQMD), the City/County Association of Governments of San Mateo County (C/CAG), the Peninsula Traffic Congestion Relief Alliance, several cities on the Peninsula, the Peninsula Corridor Joint Powers Board (JPB) and the TA.
- The Fiscal Year (FY) 2014 Shuttle Program budget is \$8.7 million.
- Funding:
 - Employers pay 68 percent of the cost of the SamTrans shuttles that service Bay Area Rapid Transit stations.
 - Employers fund 36 percent of the cost of the Caltrain shuttles and JPB funds 21 percent.
 - TA Measure A funds 78 percent of the cost of its shuttles.
- Caltrain and SamTrans shuttles depend on many funding partnerships. The Intel sponsorship of the Bowers/Walsh Shuttle ended March 1. Intel will modify and continue sponsorship of the Mission College route.
- TA and C/CAG Joint Shuttle Call for Projects earlier this year.
 - Two-year program for FY2015 and FY2016.
 - \$7 million available, \$6 million from the TA and \$1 million from C/CAG.
 - Project criteria:
 - Meets local mobility needs and/or provides access to regional transit
 - Twenty-five percent minimum local match
 - Compliance with Americans with Disabilities Act
 - Must be a public agency or partnered with a public agency
- Average weekday ridership is 12,000.
- Shuttle contractors can adjust service rapidly to meet specific and/or changing needs by matching schedules to train arrival and departures as well as match vehicle size to capacity demand.
- FLX Pacifica is a weekday service operating every 45 minutes from 7 a.m. to 6 p.m. and follows Route 14 alignment with one half-mile deviation per trip.
- FLX San Carlos is a weekday service that operates as a circulator during peak hours and operates as a demand-responsive service between 9:30 a.m. and 3 p.m.
- Current issues:
 - Operator contract is out for bid with award of new contract effective July 1, 2015.
 - A \$1 million BAAQMD grant was approved for calendar year 2014.
 - C/CAG grant fluctuates each year based on license plate fees.

Director Rose Guilbault asked why the Intel sponsorship of the Bowers/Walsh shuttle is ending. Mr. Harvey said Intel has relocated some employees to locations outside the Bowers/Walsh service area. Director Guilbault asks what happens when a sponsor pulls out. Mr. Harvey said staff seeks other employers on the route interested in sponsoring the shuttle and analyzes costs to determine if the shuttle can operate without sponsorship.

Multimodal Ridership Report – January 2014 Compared to January 2013

Mr. Harvey reported:

- Average Weekday Ridership (AWR) was 41,210, an increase of 4 percent.
- Paratransit AWR was 997, a decrease of 0.1 percent.
- Caltrain AWR was 49,400, an increase of 9.5 percent.
- Caltrain shuttle AWR was 12,320, an increase of 24.1 percent.

Total Ridership – January 2014

- Bus ridership was 1,069,480, an increase of 4.6 percent.
- Paratransit ridership was up 25,150, an increase of 0.5 percent
- Caltrain ridership was 1,349,940, an increase of 9.5 percent.
- Caltrain shuttles was 277,690, an increase of 27.6 percent
- Total trips was 2,722,260, an increase of 9 percent.

Committee Chair Deal thanked Mr. Harvey for his work on getting the shelter replaced on El Camino Real in Burlingame.

Adjourned: 2:27 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

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

SUBJECT: **ACCESSIBILITY REPORT**

ACTION

This 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 Advocacy and Legislative Committee (AL-Com) is the advocacy arm of the PCC. The SamTrans Accessibility Advisory Committee (formerly the Americans with Disabilities Act Technical Advisory Committee or ATAC) is a SamTrans committee that advises on accessibility issues, particularly related to fixed-route service. Each group has requested that the Board be informed of the issues discussed at meetings.

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

The minutes from the February 11 PCC meeting and the January 6 SAAC meeting are attached.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

No additional information.

Prepared by: Tina Dubost, Manager, Accessible Transit Services

650-508-6247

**SAN MATEO COUNTY
PARATRANSIT COORDINATING COUNCIL**

**MEETING MINUTES
February 11, 2014**

ATTENDANCE: Members Present: Mike Levinson, Chair; Michal Settles, Vice-Chair; Dale Edwards, Consumer; Susan Capeloto, DOR; Maureen Dunn, Senior Focus; Aki Eejima, Consumer; Judy Garcia, Consumer; Dinae Cruise, Consumer; Stephanie Hill, Al-Com Chair; Barbara Kalt, Rosener House; Nancy Keegan, San Carlos Adult Day Services; Dan Mensing, Consumer; Sammi (Wilhelmina) Riley, Consumer; Marie Violet, Sequoia Hospital; Tina Dubost, SamTrans; Sandra Lang, COA.

ABSENTEES: None

GUESTS: John Murphy, MV Transportation; Vincent Merola, CiD; Diana Kim, Samuel Merritt University School of Nursing; Donna Falla, Samuel Merritt University School of Nursing; Dora Young, Samuel Merritt University School of Nursing; Jim Engvall, COD; Elly Colwell, SamTrans; Ashish John, SamTrans; Linda Rhine, Nelson-Nygaard; Lynn Spicer, MV Transportation; Erin Swartz, PCC Staff; Maxine Eastman, Consumer; Jocelyn Feliciano, MV Transportation.

(Member Attendance: 17, Quorum—Yes.)

WELCOME/INTRODUCTION

Chair Mike Levinson called the meeting to order at 1:30 p.m. and welcomed all to the February PCC meeting.

APPROVAL OF JANUARY PCC MINUTES

Maureen moved to approve the January minutes and Maxine seconded, with Dinae and Marie abstaining. Dale noted that the new November PCC meeting date should be 2014, not 2013. With the one correction, the minutes were approved.

COMMITTEE REPORTS

A. ADVOCACY- LEGISLATIVE COMMITTEE (AL-COM)

Stephanie reported that at the next Al-Com meeting scheduled for April 1, 2014 at 1:00 p.m. The guest speaker will be Shweta Bhatnagar from SamTrans who will talk about legislation.

B. GRANT/BUDGET REVIEW

Barbara gave an overview of the PCC budget status based on the PCC Expense Report through December 31, 2013.

C. EDUCATION COMMITTEE

Maureen reported that in January, Mike and Nancy gave a presentation on the PCC to the South San Francisco City Council. Mike added that a broadcast of the entire City Council meeting is available online. Nancy summarized the presentation and noted that it went very well. Mike was able to share his personal experiences using Redi-

Wheels. Going forward, she suggested that personal stories be included as part of the presentation. The PCC website and phone number were displayed on the screen during the presentation.

Mike explained that South San Francisco Councilwoman (and SamTrans Board member) Karyl Matsumoto had invited the PCC to make the presentation and had a few questions. Mike spoke to Councilwoman Matsumoto after the last SamTrans Board Meeting and was told that many people watch the City Council meetings on TV. Linda sent out a link to the broadcast so that all of the members can watch it at their leisure.

Nancy reminded everyone at the PCC meeting that the presentations are done as a team of one consumer and one agency representative. She encouraged people to consider volunteering for a presentation because there is a lot of support from the Executive Committee. Maureen noted that there are inquiries for future presentations. As a reminder, she said that the presentations were developed as an alternative to the newsletter. The goal is to reach more people and we are well on our way to accomplishing this goal. The next Education Meeting is scheduled for March 11, 2014 at 12:00 p.m.

D. EXECUTIVE COMMITTEE

Mike reported that the MV Appreciation Party is scheduled for Tuesday, April 8, 2014 and is being held at 6:00 p.m. on the 4th floor of the SamTrans building. The PCC meeting will be from 4-5:30 p.m. that day in the second floor auditorium. There will be pizza and dessert provided. Some token prizes will be given to MV employees that will be purchased with private donations. Michal added that one prize would be made available for the Coastside Appreciation Party, a separate event scheduled for February 19. Mike added that at the last Executive Committee meeting the group also discussed monitoring of taxi service that were brought forward previously. The cost of taxi service was also discussed. Linda requested that we place the 2014-15 Work Plan on the Agenda for the March PCC meeting and a copy of the plan will be included in the March PCC packet, so that everyone has time to review it beforehand.

Linda reported that Dale will be making a Consumer Corps presentation for the Coastside on February 19.

SAMTRANS/REDI-WHEELS REPORT

A. Operational Report

Tina reported that Pilot Programs that are part of the SamTrans Service Plan are being rolled out in San Carlos and Pacifica. Erin will send everyone a copy of the link from Tina that provides more information about the FLEX route in San Carlos which is a hybrid service, linking people to/from the Caltrain station during morning and afternoon commute hours. During off-peak hours, it will operate as a dial-a-ride (DAR) service for the general public. Customers can call one day in advance to reserve a ride. Nancy asked about the San Carlos service and Tina reported that ridership is a little low at this time. Nancy shared that the feedback she is getting is that the new route has not been advertised much and isn't very clear.

Nancy reported on changes to Route 130 that impacted riders who shared their

concerns after the SSF City Council Meeting. Barbara said that at the ERC meeting, they discussed that it would be interesting to know how many people apply for Redi-Wheels in the next 6 months, compared to the last 6 months when Route 130 was operating. She wanted to know about reaching out to the people who don't know Redi-Wheels exists. Tina responded by stating she thinks we have market penetration—service is in the area and people will see the vehicles. It was noted that if people who are served by a route cannot get to a bus stop, they could be eligible for Redi-Wheels. Mike added that the SamTrans Board will continue receiving comments about route changes, such as this one. Tina suggested that people use the 1-800 number to register comments. Barbara asked Tina to explain how awareness can be raised for bus riders who might be eligible for Redi-Wheels. Sandra asked about projections that might be available to analyze changes in ridership in the future. Tina said that this analysis has not been done at the neighborhood level, but overall projections have been made for the aging population. Stephanie added that when people see buses, they might think they are only for seniors and not for everyone's use.

Tina presented an overview of the SamTrans Paratransit Budget Summary. She reviewed current and cumulative year-to-date expenditures. The expenditures were categorized as Redi-Wheels Contract Costs, SamTrans Maintenance and Fuel, Coastside Paratransit, and Administrative Costs. Overall, year-to-date, most paratransit services are slightly under budget. Michal requested and Tina confirmed that she will present this information at the Coastside meeting on February 19.

Tina noted that there was an IVR problem on Sunday, due to a computer glitch. No Night Before Calls were made to riders. Lynn confirmed that no missed rides were reported. The problem has now been corrected.

B. Performance Summary

Tina provided the Performance Summary Report. Average Weekday Ridership increased 4% and ridership is up 3% overall. On-Time Performance exceeded the 90% standard. Productivity was 1.66 pass/hr. Average Phone Wait Time increased slightly to 1.9 minutes, in part due to staff being out sick. John Murphy explained that the lowest productivity occurs in the winter months; in late December there is no school and there are fewer subscription trips during this time period.

C. Customer Comments

Elly provided the Monthly Comment Statistics. In the Comments by Category report, all categories had fewer comments. Average Response Time is up slightly, but still under the 7-day turn-around limit. In the Comments by Type Report, both Customer Error and Driver Error Comments decreased by half. Mike asked if Jim Rusconi had identified a pattern with the comments. Tina replied that he works one-on-one with customers and no patterns have been determined. Tina reminded everyone that reservationists are supposed to repeat back to the customer the scheduled ride and date.

D. Safety Report

Jocelyn reported that in January there were 0 safety incidents on the Coastside. Redi-Wheels had 8 total, 2 were preventable (minor incidents) and 6 were non-preventable.

LIAISON REPORTS

A. COASTSIDE TRANSPORTATION COMMITTEE (CTC)

Michal reported that the Coastside will have their first quarterly meeting on Feb. 19 from 9:30-11:00 a.m. The meeting location is at 535 Kelly Avenue because they have not moved yet. First on the agenda is the SamTrans presentation, then agency announcements, and last is a report given by Santos on RediCoast. Michal requested that Tina give highlights from the SamTrans Board presentation and talk about new service changes on the coast, including preliminary impacts since the introduction of service changes. Following the meeting, Dale will immediately begin giving the Consumer Corps presentation. Michal noted that Dale's presentation is an effort to increase Coastside participation in the Consumer Corps. Erin will follow up with Michal to establish the current number of Consumer Corps members in order to track the increase in participation over time. Tina will provide Michal with the number of RediCoast riders. Stephanie asked about changing the meeting time to accommodate individuals who need assistance to get to the meetings early in the morning. Michal noted that a survey was taken to determine the time for meetings that worked best for everyone.

There are four follow-up items from the last Coastside meeting. First, Michal gave the San Mateo County Senior Service Directory to the librarian to ensure they are aware of the available services. Second, Michal thanked Tina for conducting the orientation. Third, orientation for the first quarter is scheduled for February 19. Fourth, the Coastside wants to set new targets with the goal of increasing Coastside participation in the Consumer Corps. Michal requested baseline numbers so they can monitor whether they will achieve their goal.

B. AGENCY

Barbara reported that a meeting is scheduled for Friday, February 14, 2014 at 1:30 p.m. She will provide a report at the March PCC meeting.

C. EFFICIENCY REVIEW COMMITTEE (ERC)

Aki reported that the last ERC meeting was on February 3. The IVR update was discussed, along with eligibility and taxi service. SamTrans is still working on updating Trapeze, a prerequisite for testing Imminent Arrival Calls. Linda asked about testing timeframe for Imminent Arrival Calls. Tina reported that summer 2014 is likely to be the time when testing will take place. Tina provided estimated average service costs. A Redi-Wheels ride costs \$45.00, compared to \$40.00 for a taxi. The next meeting will be March 4 at 11:00 a.m.

D. COMMISSION ON AGING (COA) REPORT

Sandra reported that the COA met on February 10. Sandra shared about Tina's comprehensive budget report given to the Board. The COA continues to focus on Elder Abuse issues. The Adult Abuse Prevention Committee organizes theatrical productions on this topic. They are holding rehearsals on Thursday, February 13 at 1:30 at the SV Foundation for people interested in elder abuse; making the invisible visible. Details can be obtained from Sandra. She said there is an acting Chair now and a new Chair will be appointed in the near future. Sandra added that there is renewed interest in Redi-Wheels as the population ages and transportation needs change.

E. COMMISSION ON DISABILITY (COD) REPORT

Jim Engvall reported that there is no new information to report. Jim will follow up with Erin to update his contact information.

F. CENTER FOR INDEPENDENCE OF INDIVIDUALS WITH DISABILITIES (CID)

Vincent Merola introduced himself as a Systems Change Advocate at CiD. He is also new to California and said he is looking forward to working with the PCC. Mike shared information about AI-Com with Vincent and invited him to attend the AI-Com meeting to explore advocacy issues. Linda noted that new PCC members will be nominated in March and orientation will take place in March or April.

G. DEPARTMENT OF REHABILITATION (DOR)

Susan noted that there is no new information to report. She shared that Dale was at Myria's retirement party representing the PCC. There was a good turnout and the food was wonderful. The DOR transferred a supervisor in Myria's unit, so there is a vacancy in the San Francisco office. Susan noted that the DOR is fortunate to be able to hire people to fill vacant positions.

H. METROPOLITAN TRANSPORTATION COMMITTEE (MTC)

No report or representative available.

OTHER BUSINESS

The next PCC meeting is scheduled for Tuesday, March, 11, 2014.

John Murphy announced that he is working in the paratransit division of the San Francisco MV Office. He mentioned some health issues that he has been dealing with and then said he went on a tour of the United States, then went back to work in some other divisions of MV Transportation. He is back for 3 months and was asked to return for another 5 years! He plans to attend as many PCC and Coastside meetings as possible. He will not serve as General Manager, as that is Lynn's position.

Dale provided an update on his wife's health issues. After being in the Cardiac Care Unit in December, she returned home and is recovering. Dale expressed his appreciation for everyone's support and well wishes.

Mike said that he has been in touch with Bill Welch. There is a plan to go to lunch with Bill in the next month or so. Mike took a straw poll to identify the number of interested people and 17 people responded. Linda and Erin will coordinate a doodle poll for organizing it and Stephanie will follow up with Bill.

MEETING ADJOURNED: Mike adjourned the meeting at 2:56 p.m.

SAMTRANS ACCESSIBILITY ADVISORY COMMITTEE

MEETING SUMMARY – January 6, 2014

PRESENT: Alec Karp (Chair), Jim Engvall, Donald Jacobberger, Doris Maez, Judy McKie, Karen Vanderwoert

ABSENT: Cam Acker, Jennifer Sutton

GUEST: Rogan Farfan, Laura Lorenger

SAMTRANS STAFF: Tina Dubost, Chuck Harvey, Richard Lesser

I. Introductions

II. Agenda

III. Approval of Minutes

Fixed Route Bus and Caltrain

A. Potential Improvements to ease use of the Clipper Tagging Device on the Caltrain Platform by Passengers with Visual Impairments

Deputy CEO Chuck Harvey said that the District has been working for some time to address concerns raised by people with low vision who ride Caltrain using the Clipper system.

An improvement has been made as of early January 2014. Previously, people with low vision did not have an auditory indication of whether they were tagging on or tagging off, because the Clipper CID (Card Interface Device) tone was identical. The CID's have been reprogrammed to add a fourth tone. Information on the different tones is available on the Caltrain web site.

[The four tones are:

- 1.) 1 beep – tagged on successfully - you have appropriate fare and can board the train
- 2.) 2 beeps – successfully tagged on, but the card is low on fare and may need to be reloaded before the next trip
- 3.) 3 beeps – the card doesn't have a valid fare on it
- 4.) 2 beeps (lower and slower than (2.)) – the new tone – indicates that you are tagging off

Another concern is that it can be difficult for people with low vision to find the Clipper CID on the Caltrain platform, in order to tag their card. Caltrain is a fully accessible system. The ticket vending machines (TVM's) are equipped with a ten-key pad and auditory prompts. Separate tactile paths lead to the TVM's and to the blue boarding assistance squares on train platforms. MTC (Metropolitan Transportation Commission)

required Caltrain to install Clipper, and Caltrain is continuing to work with them to examine different options to help people find the CID's, which are located at varying locations on Caltrain platforms. It is challenging to come up with solutions that are both technically feasible and cost effective.

The solution currently being pursued is for Cubic (the Clipper Card vendor) to develop a locator tone for the CID. Caltrain and MTC worked closely with the disability community on this option. Cubic is in the process of preparing the feasibility and price analysis for this solution. That information is due by the end of February.

One difficulty with the locator tones is for Cubic to configure the CID to beep only during service days and service hours. Cubic is determining if this is feasible.

Attaching a device to the CID's to generate a locator tone has been considered as well, but there are difficulties with this approach.

Another possible alternative being studied is to work with MTC to install CID's close to the blue square at each station, where there is an existing tactile path. This is an elegant solution, but very costly, as it would require much concrete work and re-wiring.

In response to questions from SAAC committee members, Chuck Harvey said that Cubic does not currently have the ability to use solar power. It is necessary to connect the Cubic system to electricity and to internet so that data can be transmitted. Future upgrades of the Clipper system might have additional features. In response to a suggestion about a proximity sensor, Chuck Harvey said that because the stations have open access, it would be difficult to orient the sensor.

Doris Maez asked about the protocol if the elevator to an elevated station goes out of service. Richard Lesser said that in the event of an elevator outage, train conductors are notified so that they can offer alternatives to any rider who would need the elevator. For instance, a passenger might be advised to continue to the next station to de-board and take the bus back. Another alternative may be a free Caltrain shuttle, depending on the station and time. Notifications will be put on the website and through social media. Customer service agents are informed so that they can advise passengers who call.

Our new San Bruno station will have both ADA ramps and elevators, so that the station will remain accessible even during an elevator outage.

B. New Free Daly City Bayshore Shuttle

Planner Michael Eshleman explained how this free, fixed-route shuttle is designed to connect the Bayshore community, in the area near Cow Palace, to services and destinations that were hard to reach via public transit. A 20-passenger, fully accessible vehicle with two wheelchair spaces will provide transportation to Safeway, North Peninsula Food Pantry, Serramonte Shopping Center, Seton Medical Center, and Balboa and Daly City BART.

C. New Alternative Services – Pacifica, San Carlos

Michael Eshleman described these pilot services. SamTrans worked with communities, city staff, and public meetings to come up with two alternative pilot programs that will be monitored and adjusted in a quest to improve service to communities in these areas.

The FLX Pacifica follows the old route 14 alignment, using a 25-foot, 16 passenger vehicle, fully accessible, with two wheelchair spaces. It runs every 45 minutes, from 7 AM to 6 PM, on weekdays. Customers can call one day in advance, and the bus will make one deviation per trip, within a ½ mile radius, to pick up or drop off at the location of the customer's choice. The fare follows the standard SamTrans fare structure.

Don Jacobberger asked about the many winding roads in the area and whether the bus might not be able to navigate some of them. Michael replied that there are locations that the bus may not be able to reach, and this is a reason that we are using a 25-foot bus rather than the standard 40-foot bus, to maximize flexibility.

In answer to a question from Alec Karp, Michael replied that the reservation calls will go through the existing dispatch center that currently handles SamCoast and RediCoast. The one day ahead reservation requirement and other details could change as it becomes clearer how the service works in practice.

The FLX San Carlos has a different structure. It is also a weekday service, linking employment areas and residents with Caltrain. It will be a fixed-route circulator during commute hours – from 6:45 AM to 9:30 AM, and from 3 PM to 6:30 PM – with four morning trips, five afternoon trips.

During the midday period the FLX San Carlos becomes a dial-a-ride service for the general public, going from any point to any other within its service area, with reservations one day in advance. It uses a 25-foot, accessible 16-passenger vehicle with two wheelchair spaces, and the fare follows the standard SamTrans fare structure.

Laura Lorenger asked if the FLX San Carlos would get her to Sequoia Hospital. It does serve that area about every 40 minutes during commute hours, and by dial-a-ride during midday.

Alec Karp asked whether the service was advertised. Michael responded that, in addition to the community meetings leading up to its inception, new signs went up, and information was disseminated on buses and via the SamTrans.com website.

Doris Maez suggested that outreach to senior centers in San Carlos and Pacifica would help spread the word to people it could serve.

Judy McKie mentioned that the *Daily Journal* ran an article about the new Daly City Shuttle.

V. Paratransit Update

Tina Dubost stated that despite some recent on-time performance issues, it looks like Redi-Wheels will exceed our standard for the month of December.

Comment cards on Coastside vans have been stamped "RediCoast", to easily separate from Redi-Wheels comments.

Efforts continue in the process to upgrade the scheduling software for more accurate time of arrival predictions, so that we can add imminent arrival calls.

VI. Citizens Advisory Committee Update

Judy McKie reported regarding the December 4th meeting. The bus ridership for the year was about five million passengers. The on-time performance for the ECR route was very good, and weekend ridership continues to go up. There may be additional outreach to senior centers to offer information about obtaining and using the Clipper card. The day pass has gone down in price (to \$5, or \$2.50 eligible discount), and is the most economical option if a passenger will take more than two buses that day.

VII. Valley Transportation Authority Committee of Transportation Accessibility Update

No update as our VTA member was out.

VIII. Announcements and Other Business

Alec Karp mentioned his client had a problem picking up the 250 bus. The stop had cars parked in front of it, and the bus did not see the passenger, who was passed up. They did call in a consumer report. Richard Lesser said it was good that the report was called in so that the operator can be reminded to look more carefully. Alec Karp suggested it would help if a memo went out to drivers, to remind them that visually impaired customers may not appear to be looking for the bus. A discussion followed in which it was mentioned that in the East Bay, a bus will take pictures of a car blocking a bus stop, and a citation would be sent. It was pointed out that, unfortunately, many bus stops do not have red curbs prohibiting parking, which is often at a premium.

IX. Set Date for Next Meeting

Monday, March 3rd, 2014 – followed by Appreciation Luncheon

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

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

SUBJECT: **MOBILITY MANAGEMENT REPORT: CALTRAIN**

ACTION

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

SIGNIFICANCE

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

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

Staff will report on the major indices involving the Caltrain operations, on-time performance, ridership, fare collection, and project updates.

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

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

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

SUBJECT: **MULTIMODAL RIDERSHIP REPORT – FEBRUARY 2014**

ACTION

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

SIGNIFICANCE

Table "A" summarizes the average weekday ridership (AWR) statistics for all modes of transportation for which SamTrans is responsible and Table "B" summarizes the total ridership figures for all SamTrans transportation modes. Chart "A" features year-to-date comparisons of AWR for Fiscal Year (FY) 2012, FY2013, and FY2014. Chart "B" has figures for total ridership year-to-date for FY2012, FY2013, and FY2014.

Tables "A" and "B" also provide the corresponding data for the Bay Area Rapid Transit San Francisco International Airport Extension as a separate line.

AVERAGE WEEKDAY RIDERSHIP – FEBRUARY 2014 COMPARED TO FEBRUARY 2013

Total District Modes – 106,100, an increase of 4.6 percent.

Bus – 41,370, a decrease of 0.8 percent.

Paratransit – 1,070, an increase of 1.9 percent.

Caltrain – 51,260, an increase of 6.7 percent.

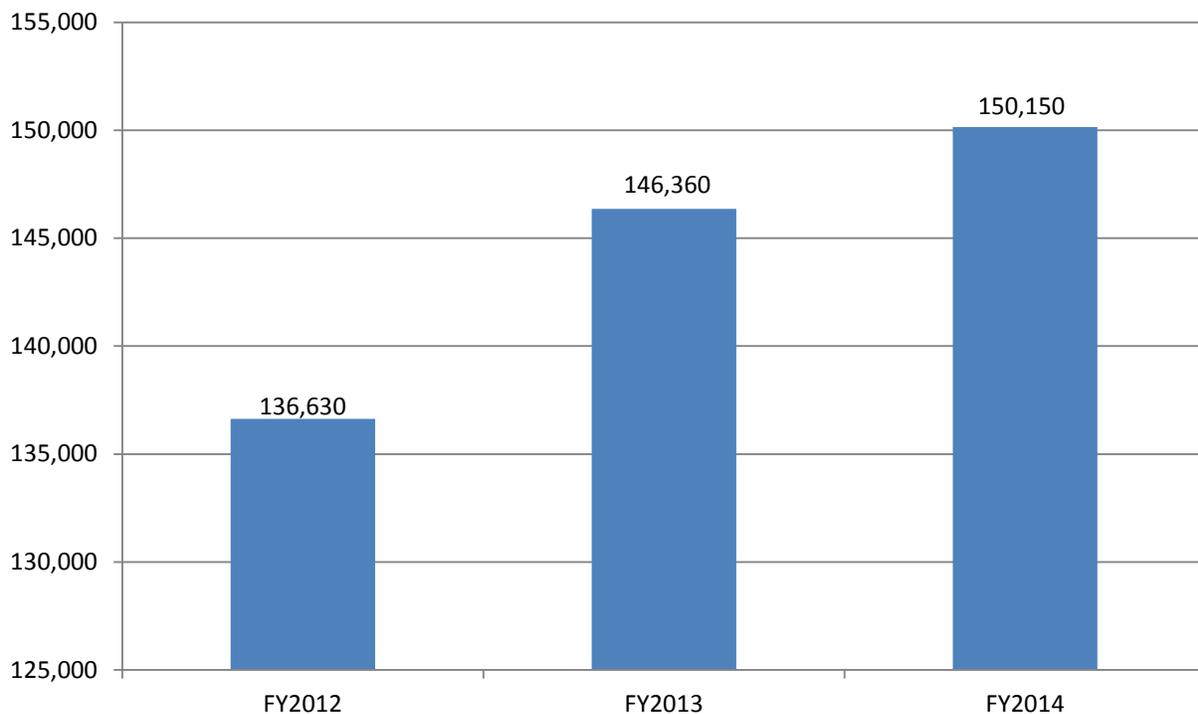
Shuttles – 12,410, an increase of 15.9 percent.

Table A
Average Weekday Ridership

February 2014 Average Weekday Ridership				Percent Change FY2013/FY2014
Mode	FY2012	FY2013	FY2014	
Bus	42,620	41,690	41,370	-0.8%
Paratransit	1,030	1,050	1,070	1.9%
Caltrain	42,960	48,030	51,260	6.7%
Shuttles	9,830	10,710	12,410	15.9%
Total	96,440	101,480	106,100	4.6%
BART Extension (No Daly City)	40,950	44,370	41,830	-5.7%
Grand Total	137,390	145,850	147,930	1.4%
Weekdays	21	20	20	0.0%

February 2014 Year-to-date				Percent Change FY2013/FY2014
Mode	FY2012	FY2013	FY2014	
Bus	42,140	40,870	41,560	1.7%
Paratransit	1,050	1,050	1,060	1.0%
Caltrain	42,790	47,870	52,020	8.7%
Shuttles	8,850	10,720	10,880	1.5%
Total	94,830	100,500	105,520	5.0%
BART Extension (No Daly City)	41,800	45,860	44,630	-2.7%
Grand Total	136,630	146,360	150,150	2.6%

Chart A
Average Weekday Ridership (FYTD)



The following summary and exhibits include total ridership for all modes of transportation for which SamTrans is responsible. These numbers are a gross count of each boarding across all modes and all service days for the month of February for the past three fiscal years.

MONTHLY TOTAL RIDERSHIP – FEBRUARY 2014 COMPARED TO FEBRUARY 2013

All District Modes – 2,496,270, an increase of 4.6 percent.

Bus – 969,530, a decrease of 1 percent.

Paratransit – 24,010, an increase of 1.5 percent.

Caltrain – 1,247,350, an increase of 6.9 percent.

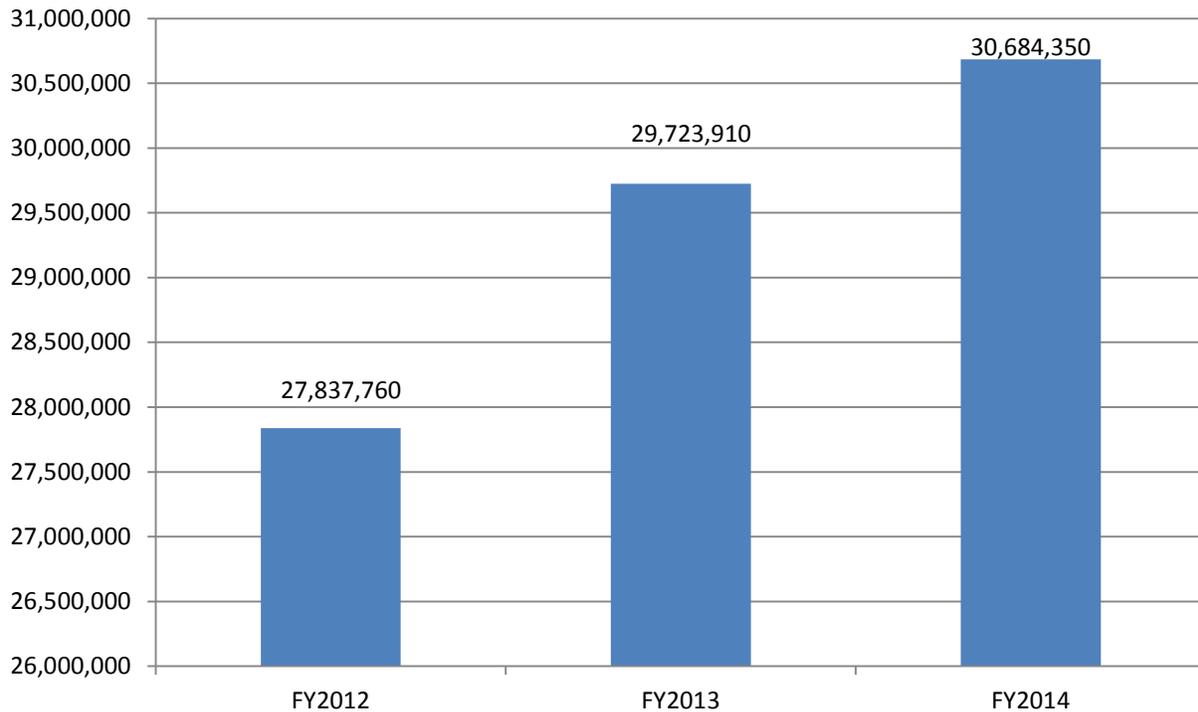
Shuttles – 255,370, an increase of 18 percent.

**Table B
Total Ridership**

February 2014 Total Monthly Ridership				Percent Change FY2013/FY2014
Mode	FY2012	FY2013	FY2014	
Bus	1,039,730	979,580	969,530	-1.0%
Paratransit	24,320	23,660	24,010	1.5%
Caltrain	1,088,160	1,166,990	1,247,350	6.9%
Shuttles	202,340	216,340	255,370	18.0%
Total	2,354,560	2,386,560	2,496,270	4.6%
BART Extension (No Daly City)	1,002,770	1,034,470	1,032,470	-0.2%
Grand Total	3,357,330	3,421,040	3,528,740	3.1%
Weekdays	21	20	20	0.0%

February 2014 Year-to-date				Percent Change FY2013/FY2014
Mode	FY2012	FY2013	FY2014	
Bus	8,477,470	8,223,270	8,447,520	2.7%
Paratransit	202,730	201,770	206,310	2.3%
Caltrain	9,097,900	10,126,790	11,024,790	8.9%
Shuttles	1,497,740	1,872,780	1,880,970	0.4%
Total	19,275,840	20,424,600	21,559,600	5.6%
BART Extension (No Daly City)	8,561,910	9,299,310	9,124,750	-1.9%
Grand Total	27,837,760	29,723,910	30,684,350	3.2%

**Chart B
Total Ridership (FYTD)**



SamTrans Promotions – February 2014

Open House – SamTrans held an open house on a Saturday in late February to give customers and the public a chance to see how SamTrans dispatches buses and maintains its fleet. The event started at the SamTrans administrative offices where attendees visited various booths regarding employment opportunities, transit information and trip planning, accessible transit services, and Transit Police, including its K-9 unit. Attendees boarded a new hybrid bus for the short trip to the South Base Operations and Maintenance Facility. Once there, they got a behind-the-scenes view of how SamTrans dispatches buses, maintains its fleet, and washes buses. Open house promotional elements included English and Spanish newspaper ads, social media, onboard electronic messages, and onboard take ones.

Day Pass – Marketing staff continued to promote the discounted Day Pass as a great bargain. Promotional elements included newspaper ads in English and Spanish, social media and website posting. The ads focus on the unlimited travel available with the pass at its new reduced price. Day Pass sales have increased.

FLX Pacifica & San Carlos – Staff promoted the new one-year pilot FLX routes in Pacifica and San Carlos through newspaper ads, a dedicated SamTrans web page, web postings on the cities' websites, social media, and a direct mail piece to all residents and businesses in the targeted areas.

Cómo Viajar en SamTrans – SamTrans edited its *How to Ride* video to be in Spanish. The video breaks down riding the bus into five easy steps: Planning the trip, boarding the bus, paying the fare, taking a seat, and arriving at the destination. Visit www.samtrans.com/espanol to see the video.

Family Resource Fair – SamTrans participated in the Family Resource Fair sponsored by the Health Plan of San Mateo County and *The Daily Journal*. The fair, held at the Hillside Shopping Center, provided an opportunity for families to learn about resources offered by agencies throughout the county. SamTrans staffed a table and provided information on destinations served by SamTrans, the Summer Youth Pass, and Clipper fare card. The *Daily Journal* distributed flyers that included our sponsorship, ran eight ads in its paper, and included a SamTrans web banner on its site.

Partnership – SamTrans Market Research & Development staff works with a number of event organizers to co-promote events that will generate bus ridership and provide added value for current SamTrans customers. In February, the bus agency partnered with Disney on Ice. The event was promoted in the *Transit Fun Guide* brochure, through social media, news releases, and web postings. The promoter also included SamTrans in its promotional materials and offered a discount (\$5 for Disney on Ice).

Prepared by:

Rita P. Haskin, Executive Officer, Customer Service and Marketing
Michael Eshleman, Planner

650-508-6248
650-508-6227



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

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

WEDNESDAY, APRIL 2, 2014 – 2:20 p.m.

or immediately following previous Committee meeting

ACTION

1. Approval of Minutes of Finance Committee Meeting of March 5, 2014
2. Acceptance of Statement of Revenues and Expenses for February 2014
3. Authorize Revision of the Fuel Hedging Policy and Award of Contract to Orrick, Herrington & Sutcliffe LLP to Serve as Special Counsel for Not-to-Exceed Fee of \$150,000, Approve the Fiscal Year 2014 Fuel Hedging Program and Authorize Execution of Documents and Payment Premium for Commodity Price Cap for the Fiscal Year 2015 Fuel Hedging Program
4. Authorize Reaffirming the District Investment Policy, the Paratransit Trust Fund Investment Policy, and Reauthorizing Investment of Monies with the Local Agency Investment Fund
5. Authorize Entering into Memoranda of Understanding with the Cities of Daly City, South San Francisco and San Bruno to Finalize the Grand Boulevard Initiative Complete Streets Project

CONTRACTS

6. Authorize Execution of Contracts for Technology Related Products and Services to Vendors Under Cooperative Purchasing Agreements for Fiscal Year 2015 for an Aggregative Not-to-Exceed Amount of \$1.5 Million
7. Authorize Execution of Contracts Over \$100,000 for Information Technology License Renewals, Maintenance Services and Professional Services for Fiscal Year 2015 for an Aggregate Not-to-Exceed Amount of \$850,000
8. Authorize Amendment to the Contract with Ojo Technology, Inc. for Security System Maintenance and Repair Services by Extending the Contract on a Month-to-Month Basis for Up to 12 Months and Increasing the Estimated Total Contract Amount by \$48,000

9. Authorize Amendment of the Contract with Wipro, LLC to Provide PeopleSoft Systems Integration Services and Execution of Release of Claims Agreement in the Amount of \$1.35 Million

INFORMATIONAL

10. Assessment of the Fiscal Year 2014 Fuel Hedge Program

Committee Members: Zoe Kersteen-Tucker, Rose Guilbault, Adrienne Tissier

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

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

**MINUTES OF FINANCE COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 5, 2014**

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

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

Staff Present: J. Averill, J. Cassman, C. Cavitt, A. Chan, G. Harrington, C. Harvey, R. Haskin, M. Martinez, N. McKenna, M. Scanlon, M. Simon, S. van Hoften

Committee Chair Zoe Kersteen-Tucker called the meeting to order at 2:27 p.m.

Approval of Minutes of Finance Committee Meeting of February 5, 2014

The Committee unanimously approved the minutes (Lloyd/Harris).

Acceptance of Statement of Revenues and Expenses for January 2014

Gigi Harrington, Deputy CEO, said January revenue was over budget by \$5.1 million and expenses were under budget by \$2 million. Last week fuel was \$3.10 per gallon and year to date is \$3.05 per gallon. The San Mateo County Transit District (District) received \$12,500 from the fuel hedge in February.

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

Authorize the Filing of an Application for Transit Performance Incentive Funds to the Metropolitan Transportation Commission (MTC) in the Amount of \$687,240 to Help Fund the Implementation of the SamTrans Service Plan

April Chan, Executive Officer, Planning and Development, said this four-year program was set up by MTC to provide transit agencies funding to help meet the goals of the Transit Sustainability Project. This funding will be used for the capital improvements associated with the SamTrans Service Plan and offset the costs of the reduced Day Pass.

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

Authorize the Purchase of 14 Low-Floor Paratransit Minivans and 19 Paratransit Vehicles from Creative Bus Sales, Inc. for a Total Cost of \$2,566,933

Cheryl Cavitt, Director, Contracts and Procurement, said this purchase is being made through the California Association for Coordinated Transportation (CalAct) contract to take full advantage of the competitively bid contract the State has in place. She said

this is part of the normal replacement program for vehicles that have reached the end of their useful lives.

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

Authorize Award of Contract to NVB Equipment to Furnish Vehicle Fire Suppression System Inspection and Maintenance for a Total Estimated Cost of \$243,005 for a Five-Year Term

Ms. Cavitt said this was a sole bid. Staff did a price analysis and is receiving prices that are consistent with other transit agencies that have utilized this service. This is a small niche that only an authorized service representative can fill.

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

Authorize Award of Contract to Shaw/Yoder/Antwih, Inc. and Edelstein Gilbert Robson & Smith, LLC to Provide State Legislative Advocacy Services for a Firm-Fixed Price of \$293,178 for a Five-Year Term

Ms. Cavitt said the firms will provide services that will enhance the District's legislative needs at the State level. Shaw/Yoder/Antwih is the incumbent, but staff has worked with Edelstein Gilbert Robson and Smith on prior contracts.

Director Rose Guilbault asked how long they have worked with the District. Ms. Cavitt said they are concluding a five-year contract with the District.

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

Authorize an Amendment to On-Call Engineering Consulting Services with Gannett Fleming, Inc. in a Total Aggregate Not-to-Exceed Contract Amount of \$800,000 from \$1,750,000 to \$2,550,000

Ms. Cavitt said the District was successful in receiving grants that were unanticipated when the contract was first awarded. The grants were provided to the District for work relating to homeland security.

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

Authorize an Amendment of Contract with Wipro, LLC to Provide PeopleSoft Systems Integration Services and execution of Release of Claims Agreement in the Amount of \$1,350,000

Committee Chair Kersteen-Tucker said this item was removed from the agenda. Staff will present this item at the next meeting.

Adjourned: 2:36 p.m.

SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING
FEBRUARY 28, 2014 AND SUPPLEMENTAL INFORMATION**

ACTION

Staff proposes the Committee recommend the Board accept and enter into the record the Statement of Revenues and Expenses for the month of February 2014 and supplemental information.

SIGNIFICANCE

Revenues: *Total Revenues* (page 1, line 15) are \$3,233,101 or 2.9 percent **better** than budget. *Passenger Fares* (page 1, line 1) are **better** than budget by \$391,737 or 3.3 percent, *Measure A Fund* (page 1, line 4) is **better** than budget by \$172,069 or 3.1 percent, *Sales Tax* (page 1, line 9) is **better** than budget by \$2,943,064 or 6.2 percent and *Other Interest, Rent & Other Income* (page 1, line 12) are \$518,705 or 13.5 percent **better** than budget offset by *SM County Measure A* (page 1, line 6) which is **worse** than budget by \$732,522 or 20.1 percent and *Investment Interest* (page 1, line 10) is **worse** than budget by \$59,954 or 8.2 percent.

Expenses: *Total Expenses* (page 4, line 73) are \$3,454,872 or 4.2 percent **better** than budget. Within Total Expenses, *Total Motor Bus* (page 3, line 46) is **better** than budget by \$2,828,541 or 4.2 percent, *Total ADA Programs* (page 4, line 55) are **better** than budget by \$709,688 or 7.2 percent offset by *Total Multimodal* (page 4, line 71) is **worse** than budget by \$83,357 or 1.5 percent.

BUDGET IMPACT

There are no budget revisions for the month of February 2014.

Prepared By: Jeannie Chen, Senior Accountant 650-508-6259
Sheila Tioyao, Manager, General Ledger 650-508-7752

**SAN MATEO COUNTY TRANSIT DISTRICT
SUMMARY OF REVENUES AND EXPENSES
FISCAL YEAR 2014
FEBRUARY 2014**

% OF YEAR ELAPSED: **66.7%**

	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
SOURCES OF FUNDS								
Operating Revenues								
1 Passenger Fares	1,414,395	11,698,246	12,368,404	11,976,667	103.3	17,965,000	17,965,000	68.8
2 Local TDA and STA Funds	2,546,507	25,490,778	32,287,283	32,287,283	100.0	42,542,322	42,542,322	75.9
3 State/Federal Operating Grants	544,696	4,158,540	5,275,706	5,275,706	100.0	8,050,834	9,274,579	56.9
4 Measure A Funds	729,754	5,601,885	5,677,240	5,505,171	103.1	8,160,000	8,160,000	69.6
5 AB434 Funds	47,167	369,600	377,333	377,333	100.0	566,000	566,000	66.7
6 SM County Measure A	(251,237)	0	2,916,285	3,648,807	79.9	0	5,000,000	58.3
7 Subtotal - Operating Revenues	5,031,281	47,319,049	58,902,252	59,070,966	99.7	77,284,156	83,507,901	70.5
Other Revenue Sources								
9 District 1/2 Cent Sales Tax	6,561,700	41,199,368	50,568,064	47,625,000	106.2	68,000,000	70,000,000	72.2
10 Investment Interest	79,525	1,186,802	669,333	729,287	91.8	1,056,160	1,056,160	63.4
11 Pass through to Other Agencies	25,347	12,963	202,779	202,779	100.0	379,169	379,169	53.5
12 Other Interest, Rent & Other Income	483,709	4,051,094	4,353,525	3,834,820	113.5	6,346,565	6,438,107	67.6
13 Other Sources	0	6,309,262	0	0	0	0	0	0.0
14 Subtotal - Other Revenues	7,150,282	52,759,489	55,793,701	52,391,886	106.5	75,781,894	77,873,436	71.6
15 Total Revenues	12,181,563	100,078,538	114,695,953	111,462,852	102.9	153,066,050	161,381,337	71.1
16 Capital Assistance	736,185	2,721,996	21,691,933	21,691,933	100.0	6,336,651	58,719,891 A	36.9
17 Reserves Programmed for Capital	700,998	3,164,258	6,178,016	6,178,016	100.0	74,000	18,236,805 A	33.9
18 Total Revenues - All Sources	13,618,746	105,964,792	142,565,902	139,332,801	102.3	159,476,701	238,338,033	59.8
USES OF FUNDS								
Operations								
22 Motor Bus	7,215,812	61,023,690	64,752,025	67,580,566	95.8	100,725,200	102,226,138	63.3
23 A. D. A. Programs	1,102,162	8,985,634	9,118,628	9,828,316	92.8	14,780,900	14,774,755	61.7
24 Caltrain	453,334	10,043,852	3,626,669	3,626,669	100.0	5,440,000	5,440,000	66.7
25 Other Multimodal Programs	216,683	1,849,804	1,854,296	1,770,938	104.7	2,880,681	2,719,603	68.2
26 Subtotal - Operating Costs	8,987,991	81,902,979	79,351,617	82,806,489	95.8	123,826,781	125,160,496	63.4
Other Uses of Funds								
28 Pass through to Other Agencies	25,347	20,687	202,779	202,779	100.0	383,742	383,742	52.8
29 Transfer Out to Debt Service	2,037,807	14,264,508	16,302,461	16,302,461	100.0	24,453,287	24,453,287	66.7
30 Fiscal Agent Fees	4,940	18,593	17,748	20,010	88.7	26,410	26,410	67.2
31 Land Transfer Interest Expense	0	0	0	0	0	59,379	59,379	0.0
32 Subtotal - Other Uses	2,068,094	14,303,788	16,522,987	16,525,250	100.0	24,922,818	24,922,818	66.3
33 Capital Programs	1,573,268	6,402,370	28,699,245	28,699,245	100.0	11,682,276	82,302,321 A	34.9
34 Total Uses of Funds	12,629,353	102,609,137	124,573,849	128,030,984	97.3	160,431,875	232,385,635	53.6
36 NET SURPLUS / (DEFICIT)	989,393	3,355,655	17,992,052	11,301,817	159.2	(955,174)	5,952,398	302.3

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

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

SAN MATEO COUNTY TRANSIT DISTRICT									
STATEMENT OF REVENUES									
FISCAL YEAR 2014									
FEBRUARY 2014									
								% OF YEAR ELAPSED:	66.7%
	MONTH	YEAR-TO-DATE				ANNUAL			
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET	
OPERATING REVENUES - MOTOR BUS									
1	TOTAL MOTOR BUS FARES	1,351,610	11,173,430	11,832,661	11,437,333	103.5	17,156,000	17,156,000	69.0
2	LOCAL (TDA) TRANSIT FUND:								
3	General Operating Assistance	2,033,394	21,163,680	26,371,605	26,371,605	100.0	34,505,186	34,505,186	76.4
4	STATE TRANSIT ASSISTANCE:								
5	Local STA Operating Assistance	319,097	2,943,835	4,357,277	4,357,277	100.0	5,633,670	5,633,670	77.3
6	OPERATING GRANTS								
7	TOTAL OPERATING GRANTS	498,302	3,795,016	4,893,178	4,893,178	100.0	7,051,491	8,275,236	59.1
8	DISTRICT 1/2 CENT SALES TAX:								
9	General Operating Asst.	2,586,493	18,169,212	13,644,740	17,302,747	78.9	31,475,368	31,499,941	43.3
10	Accessibility Fixed Route	108,185	684,491	774,856	690,095	112.3	1,035,143	1,035,143	74.9
11	TOTAL 1/2 CENT SALES TAX	2,694,678	18,853,703	14,419,596	17,992,842	80.1	32,510,511	32,535,084	44.3
12	INVESTMENT INTEREST INCOME:								
13	Investment Interest Income	55,529	968,143	422,122	465,277	90.7	697,450	697,450	60.5
14	OTHER REVENUE SOURCES:								
15	Overnight Deposits Interest Income	0	42	0	0	0.0	0	0	0.0
16	Rental Income	97,357	713,407	778,018	724,960	107.3	1,087,440	1,087,440	71.5
17	Advertising Income	57,152	576,449	705,634	620,000	113.8	930,000	930,000	75.9
18	Other Income	108,692	835,985	971,933	718,094	131.3	1,153,452	1,406,072	67.1
19	TOTAL OTHER REVENUES	263,201	2,125,883	2,455,585	2,063,054	119.0	3,170,892	3,423,512	71.7
20									
21	TOTAL MOTOR BUS	7,215,811	61,023,690	64,752,025	67,580,566	95.8	100,725,200	102,226,138	63.3
22									
23	AMERICAN DISABILITIES ACT:								
24	Passenger Fares Redi-Wheels	62,784	524,816	535,743	539,333	99.3	809,000	809,000	66.2
25	Local TDA 4.5 Redi-Wheels	147,039	1,055,343	1,182,585	1,182,585	100.0	1,839,741	1,839,741	64.3
26	Local STA - Paratransit	46,977	327,920	375,817	375,817	100.0	563,725	563,725	66.7
27	Operating Grants	46,394	363,524	382,528	382,528	100.0	999,343	999,343	38.3
28	Sales Tax - District ADA Programs	0	2,892,657	0	0	0.0	4,846,042	0	0.0
29	Sales Tax - Paratransit Suppl. Coastside	(66,877)	830,220	700,713	829,559	84.5	1,244,339	1,084,236	64.6
30	Interest Income - Paratransit Fund	23,996	273,858	247,211	264,010	93.6	358,710	358,710	68.9
31	SMCTA Measure A Redi-Wheels	276,420	1,867,295	2,050,571	1,878,502	109.2	2,720,000	2,720,000	75.4
32	SM County Measure A	(251,237)	0	2,916,285	3,648,807	79.9	0	5,000,000	58.3
33	Measure M Paratransit	89,750	850,000	727,175	727,175	100.0	1,400,000	1,400,000	51.9
34	TOTAL ADA PROGRAMS	285,497	8,985,634	9,118,628	9,828,316	92.8	14,780,900	14,774,755	61.7
35									
36	MULTIMODAL TRANSIT PROGRAMS:								
37	Other Sources - Caltrain	0	6,309,262	0	0	0.0	0	0	0.0
38	Transfer from SMCTA for Caltrain	453,334	3,734,590	3,626,669	3,626,669	100.0	5,440,000	5,440,000	66.7
39	AB434 Funds - SamTrans Shuttle	47,167	369,600	377,333	377,333	100.0	566,000	566,000	66.7
40	Employer SamTrans Shuttle Funds	130,758	1,075,211	1,170,765	1,044,591	112.1	1,775,673	1,614,595	72.5
41	Sales Tax - SamTrans Shuttle Program	29,738	231,022	229,882	239,654	95.9	356,218	356,218	64.5
42	Sales Tax - Gen. Operating Asst.	9,019	173,972	76,315	109,360	69.8	182,790	182,790	41.8
43									
44	TOTAL MULTIMODAL	670,016	11,893,656	5,480,964	5,397,607	101.5	8,320,681	8,159,603	67.2
45									
46	TOTAL REVENUES	8,171,324	81,902,980	79,351,617	82,806,489	95.8	123,826,781	125,160,496	63.4

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

**SAN MATEO COUNTY TRANSIT DISTRICT
OPERATING EXPENSES
FISCAL YEAR 2014
FEBRUARY 2014**

% OF YEAR ELAPSED: **66.7%**

EXPENSES	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
DISTRICT OPERATED BUSES								
1 Wages & Benefits	3,327,528	31,809,191	33,938,652	33,996,132	99.8	50,777,535	50,471,448	67.2
2								
3 Services:								
4 Board of Directors	2,807	28,667	29,242	34,600	84.5	51,800	51,800	56.5
5 Contracted Vehicle Maintenance	214,239	313,244	449,415	674,050	66.7	696,080	1,316,477	34.1
6 Property Maintenance	129,664	734,604	815,628	822,500	99.2	1,273,500	1,233,500	66.1
7 Professional Services	255,847	1,924,572	2,030,170	3,065,984	66.2	4,173,153	5,128,083	39.6
8 Technical Services	385,920	2,870,458	3,509,360	3,560,819	98.6	5,280,779	5,561,725	63.1
9 Other Services	76,950	517,036	602,711	625,091	96.4	1,507,128	1,507,994	40.0
10								
11 Materials & Supply:								
12 Fuel & Lubricants	397,904	3,566,084	3,590,278	4,327,773	83.0	6,491,659	6,491,659	55.3
13 Bus Parts & Materials	(12,151)	1,262,619	1,212,839	1,357,690	89.3	1,886,670	1,886,670	64.3
14 Uniforms & Driver Expense	14,614	233,912	272,541	355,390	76.7	443,122	439,122	62.1
15 Timetables & Tickets	20,577	87,769	72,867	114,667	63.5	172,000	172,000	42.4
16 Office Supplies / Printing	56,227	150,975	165,252	245,181	67.4	369,267	360,267	45.9
17 Other Materials & Supply	18,050	79,416	78,142	104,967	74.4	156,500	156,500	49.9
18								
19 Utilities:								
20 Telephone	36,451	233,232	248,188	401,647	61.8	602,470	602,470	41.2
21 Other Utilities	83,598	655,379	746,262	659,333	113.2	989,000	989,000	75.5
22 Insurance Costs	329,369	1,762,489	2,262,506	1,760,040	128.5	2,640,150	2,640,150	85.7
23 Workers' Compensation	256,402	2,130,771	1,935,139	2,154,040	89.8	3,231,060	3,231,060	59.9
24 Taxes & License Fees	30,035	319,803	327,609	379,406	86.3	569,109	569,109	57.6
25 Fixed Route Accessibility	108,185	684,491	774,856	690,095	112.3	1,035,143	1,035,143	74.9
26 Leases & Rentals	9,694	74,020	75,570	82,989	91.1	124,483	124,483	60.7
27 Promotional & Legal Advertising	54,811	112,513	137,553	184,133	74.7	275,200	275,200	50.0
28 Training & Business Travel	8,833	93,654	102,004	151,712	67.2	207,765	228,585	44.6
29 Dues & Membership	7,788	58,406	60,490	61,756	97.9	91,652	91,652	66.0
30 Postage & Other	2,755	29,275	32,056	106,064	30.2	200,049	157,115	20.4
31								
32 Total District Operated Buses	5,816,097	49,732,580	53,469,331	55,916,059	95.6	83,245,274	84,721,212	63.1
33								
34 CONTRACTED BUS SERVICES								
35 Contracted Urban Bus Service	1,137,009	9,861,294	9,704,808	10,027,595	96.8	15,041,393	15,041,393	64.5
36 Other Related Costs	34,272	224,108	270,366	243,055	111.2	347,720	372,720	72.5
37 Insurance Costs	73,246	417,242	435,256	436,648	99.7	655,000	655,000	66.5
38 Coastside Services	113,198	459,145	566,524	571,702	99.1	857,553	857,553	66.1
39 Redi Coast Non-ADA	20,039	153,613	147,512	169,473	87.0	254,209	254,209	58.0
40 Other Related Costs	4,322	27,743	43,172	67,600	63.9	101,400	101,400	42.6
41 La Honda - Pescadero	3,500	35,000	36,313	36,750	98.8	55,125	55,125	65.9
42 SamCoast - Pescadero	14,130	90,351	77,850	107,264	72.6	160,896	160,896	48.4
43 Other Related Cost - SamCoast	0	22,615	894	4,420	20.2	6,630	6,630	13.5
44 Total Contracted Bus Service	1,399,715	11,291,111	11,282,694	11,664,507	96.7	17,479,926	17,504,926	64.5
45								
46 TOTAL MOTOR BUS	7,215,812	61,023,690	64,752,025	67,580,566	95.8	100,725,200	102,226,138	63.3

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

**SAN MATEO COUNTY TRANSIT DISTRICT
OPERATING EXPENSES
FISCAL YEAR 2014
FEBRUARY 2014**

% OF YEAR ELAPSED: **66.7%**

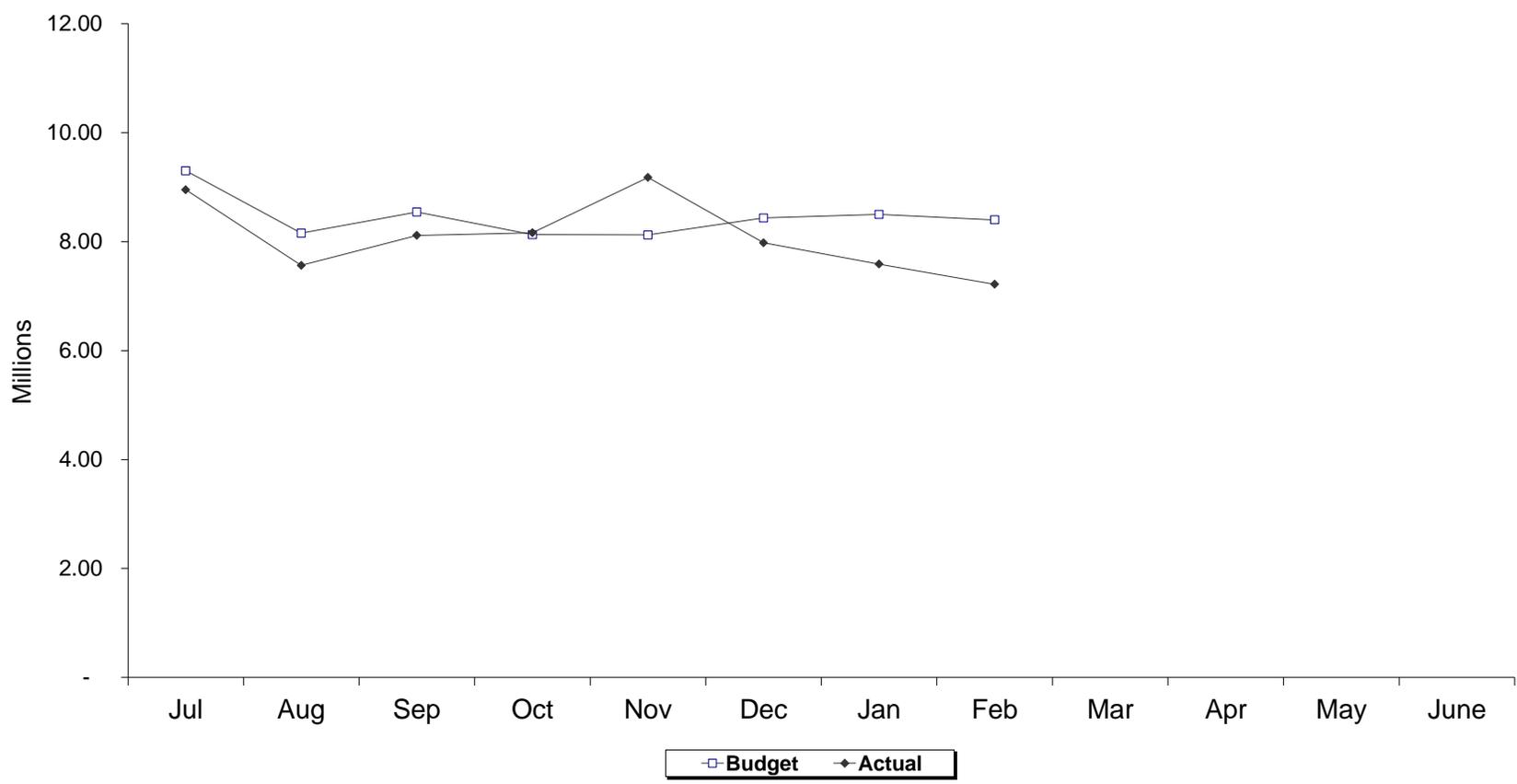
<u>EXPENSES</u>	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
AMERICAN DISABILITY ACT PROGRAMS								
Elderly & Disabled/Redi-Wheels	467,048	3,728,261	3,758,038	3,777,467	99.5	6,359,982	5,682,082	66.1
Other Related Costs	187,000	1,652,079	1,579,544	1,955,201	80.8	2,937,197	2,931,052	53.9
Sedan Service	237,004	1,932,174	2,078,636	2,146,390	96.8	2,534,802	3,212,702	64.7
ADA Accessibility Support	59,195	504,925	507,904	776,370	65.4	1,189,580	1,189,580	42.7
Coastside ADA Support	105,192	830,220	872,782	829,559	105.2	1,244,339	1,244,339	70.1
Insurance Costs	46,724	337,974	321,724	343,328	93.7	515,000	515,000	62.5
TOTAL ADA PROGRAMS	1,102,162	8,985,634	9,118,628	9,828,316	92.8	14,780,900	14,774,755	61.7
MULTIMODAL TRANSIT PROGRAMS								
CALTRAIN SERVICE								
Peninsula Rail Service	453,334	10,043,852	3,626,669	3,626,669	100.0	5,440,000	5,440,000	66.7
Total Caltrain Service	453,334	10,043,852	3,626,669	3,626,669	100.0	5,440,000	5,440,000	66.7
OTHER SUPPORT								
Dumbarton Express Service	0	98,297	-	-	0.0	0	0	0.0
SamTrans Shuttle Service	207,664	1,675,832	1,777,981	1,661,578	107.0	2,697,891	2,536,813	70.1
Bicycle Coordinating Activities	0	0	0	4,167	0.0	0	25,000	0.0
Maintenance Multimodal Facilities	9,019	75,675	76,315	105,193	72.5	182,790	157,790	48.4
Total Other Support	216,683	1,849,804	1,854,296	1,770,938	104.7	2,880,681	2,719,603	68.2
TOTAL MULTI-MODAL PROGRAMS	670,016	11,893,656	5,480,964	5,397,607	101.5	8,320,681	8,159,603	67.2
TOTAL EXPENSES	8,987,991	81,902,980	79,351,617	82,806,489	95.8	123,826,781	125,160,496	63.4

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

SAN MATEO COUNTY TRANSIT DISTRICT

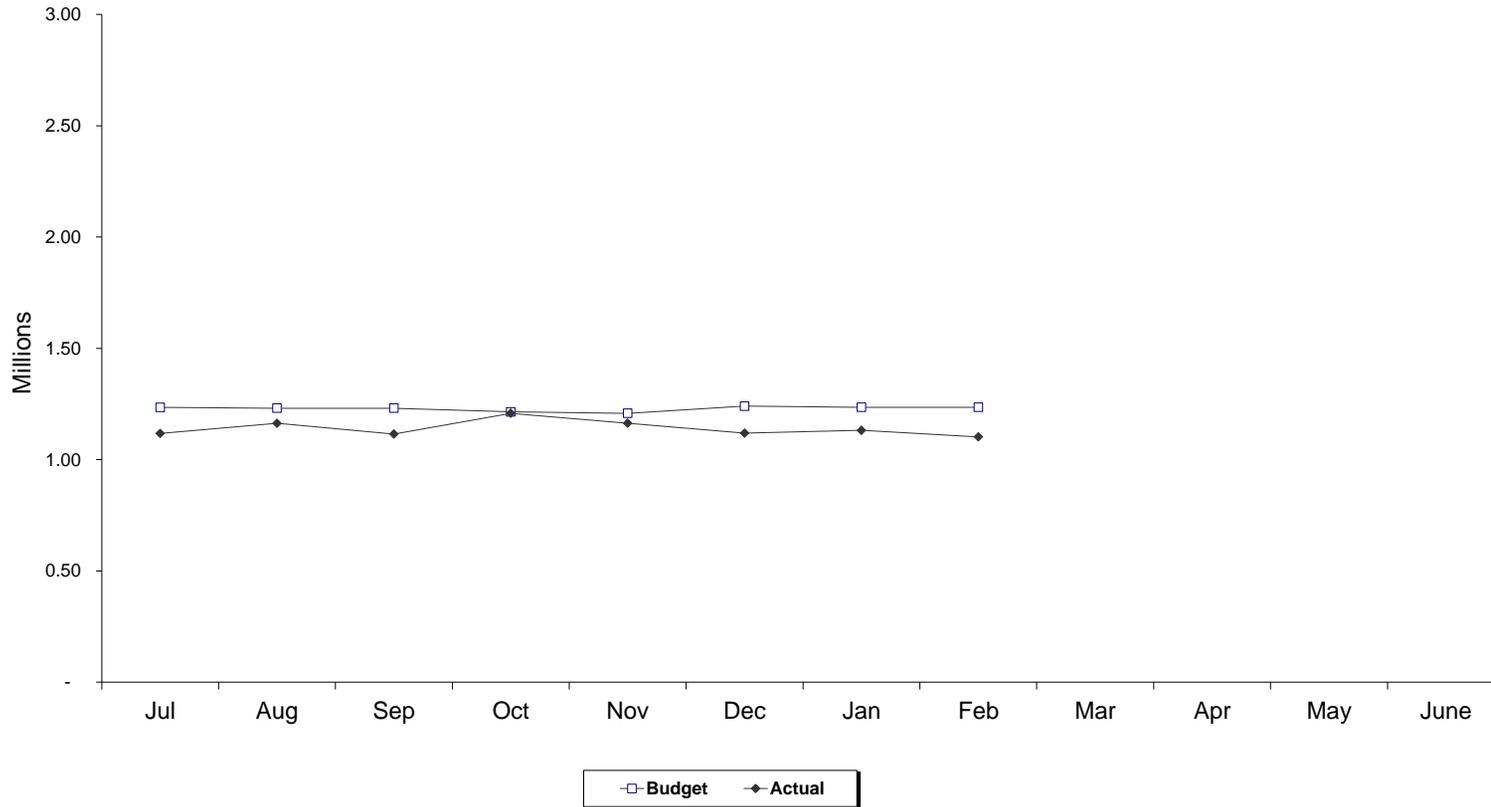
MOTOR BUS MONTHLY EXPENSES - BUDGET VS ACTUAL

FISCAL YEAR 2014



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	9,300,130	8,153,495	8,544,786	8,127,273	8,122,834	8,433,540	8,498,045	8,400,464				
Actual	8,951,662	7,563,066	8,115,120	8,162,116	9,178,840	7,977,153	7,588,256	7,215,812				
CUMULATIVE EXPENSES												
Budget	9,300,130	17,453,625	25,998,410	34,125,684	42,248,518	50,682,057	59,180,103	67,580,566				
Actual	8,951,662	16,514,728	24,629,848	32,791,963	41,970,804	49,947,957	57,536,213	64,752,025				
Variance - F(U)	348,468	938,897	1,368,563	1,333,720	277,714	734,101	1,643,890	2,828,541				
Variance %	3.75%	5.38%	5.26%	3.91%	0.66%	1.45%	2.78%	4.19%				

SAN MATEO COUNTY TRANSIT DISTRICT
ADA PROGRAM MONTHLY EXPENSES - BUDGET VS ACTUAL
FISCAL YEAR 2014

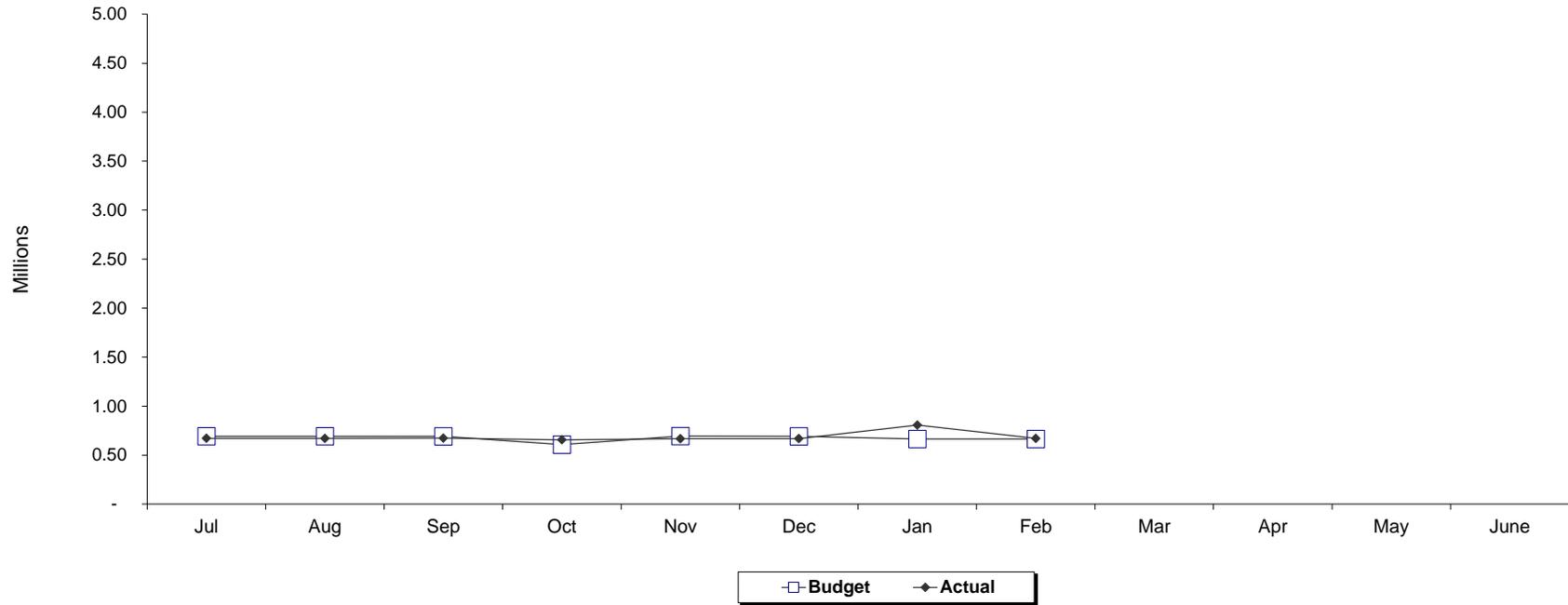


	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
MONTHLY EXPENSES													
Budget	1,234,437	1,230,937	1,230,937	1,214,257	1,207,937	1,239,937	1,234,937	1,234,937					
Actual	1,117,158	1,163,018	1,115,023	1,208,337	1,163,393	1,118,398	1,131,140	1,102,162					
CUMULATIVE EXPENSES													
Budget	1,234,437	2,465,374	3,696,312	4,910,568	6,118,505	7,358,442	8,593,379	9,828,316					
Actual	1,117,158	2,280,176	3,395,198	4,603,535	5,766,929	6,885,326	8,016,466	9,118,628					
Variance - F(U)	117,279	185,199	301,113	307,033	351,577	473,116	576,913	709,688					
Variance %	9.50%	7.51%	8.15%	6.25%	5.75%	6.43%	6.71%	7.22%					

SAN MATEO COUNTY TRANSIT DISTRICT

MULTIMODAL MONTHLY EXPENSES - BUDGET VS ACTUAL

FISCAL YEAR 2014



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
MONTHLY EXPENSES												
Budget	693,110	693,110	691,026	606,585	694,387	691,027	664,180	664,184				
Actual	671,817	670,256	672,440	655,465	666,001	668,556	806,414	670,016				
CUMULATIVE EXPENSES												
Budget	693,110	1,386,220	2,077,246	2,683,830	3,378,217	4,069,244	4,733,423	5,397,607				
Actual	671,817	1,342,073	2,014,513	2,669,977	3,335,979	4,004,535	4,810,948	5,480,964				
Variance - F(U)	21,293	44,147	62,733	13,853	42,238	64,709	(77,525)	(83,357)				
Variance %	3.07%	3.18%	3.02%	0.52%	1.25%	1.59%	-1.64%	-1.54%				

SAN MATEO COUNTY TRANSIT DISTRICT

INTEREST ON INVESTMENTS

February 28, 2014

DESCRIPTION	TOTAL INVESTMENT 02-28-14	INTEREST RECEIVABLE 1-31-14	PREPAID INT RECEIVABLE 1-31-14	INTEREST EARNED 02-28-14	INTEREST RECEIVED 02-28-14	ADJ.	INTEREST RECEIVABLE 02-28-14
RESERVE FOR CAPITAL PROJ	8,064,928.00	11,139.79	0.00	4,060.72	5,931.00	(33.76)	9,235.75
LAIF -- CAPITAL PROJ	76,400.32	15.36	0.00	13.83	0.00	0.00	29.19
REIMB SECURITIES -- L76R	77,656,787.71	189,190.23	0.00	52,327.69	23,400.00	(48.63)	218,069.29
LAIF -- REIMB FUNDS L76R	27,228,348.28	2,752.22	0.00	3,649.23	0.00	0.00	6,401.45
PARATRANSIT FUNDS	20,375,196.06	58,922.15	0.00	24,940.01	0.00	(11.01)	83,851.15
LAIF -- PARATRANSIT	4,797,440.71	835.14	0.00	868.53	0.00	0.00	1,703.67
BANK OF AMERICA	10,330,499.85	0.00	0.00	1,574.63	1,574.63	0.00	0.00
WELLS FARGO	2,589,470.68	0.00	0.00	0.00	0.00	0.00	0.00
Debt Service Reserves							
Held by Trustee:	13,226,923.79	2,874.41	0.00	711.56	0.00	0.00	3,585.97
	<u>164,345,995.40</u>	<u>265,729.30</u>	<u>0.00</u>	<u>88,146.20</u>	<u>30,905.63</u>	<u>(93.40)</u>	<u>322,876.47</u>

FEBRUARY 2014 -- SUMMARY OF INTEREST & CAPITAL GAIN

Interest Earned 02/28/14	88,052.80
Add:	
CEO Interest	2,000.00
Less:	
Commissions	(8,953.21)
Capital Gain(Loss)	0.00
Total Interest & Capital Gain(Loss)	<u>81,099.59</u>

YEAR TO DATE -- SUMMARY

Interest Earned	736,526.43
Add:	
CEO Interest	11,833.33
Less:	
Commissions	(70,248.75)
Capital Gain(Loss)	(3,952.90)
Total Interest & Capital Gain(Loss)	<u>674,158.11</u>
Balance Per Ledger as of 02/28/14	
Deferred Int Acct. 210852/3	4,825.40
Interest Acct. 409102	5,720.67
Interest Acct. 409101	667,564.94
Gain(Loss) Acct. 405210	(3,952.90)
	<u>674,158.11</u>

**SAN MATEO COUNTY TRANSIT DISTRICT
BOND REIMBURSED FUNDS -- INTEREST ON SECURITIES -- L76R
February 28, 2014**

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	GASB 31 ADJUSTED 06-30-13	MARKET VALUE 02/28/14	MATURITY DATE	INT RATE	RATE/DAY	APPL. DAYS	INTEREST REC'VBLE 01/31/14	PREPAID INT REC'VBLE 02/28/14	INTEREST EARNED 02/28/14	INTEREST RECEIVED 02/28/14	PP INTEREST RECEIVED DATE	INTEREST REC'VBLE 02/28/14	INT REC'VBLE LESS PREPAID 02/28/14	PAR VALUE
<u>U.S. TREASURY NOTES AND BONDS</u>																	
US TREASURY NOTE	912828V11	12-19-13	2,005,781.25	2,002,500.00	2,007,820.00	07-15-16	0.625%	34.7222	28	587.02		972.22			(5.37)	1,553.87	2,000,000
																	2.19%
<u>GOVERNMENT BONDS</u>																	
FHLMC	3134G2WG3	2-15-12	9,686,631.75	9,671,151.60	9,648,075.60	09-22-14	0.750%	200.3125	30	25,840.31		6,009.38				31,849.69	9,615,000
FHLMC	3134G3SD3	03-28-12	9,996,000.00	10,034,200.00	1,004,300.00	09-28-15	0.750%	208.3333	30	25,625.00		6,250.00				31,875.00	10,000,000
FHLMC	3134G4HZ4	10-28-13	4,999,750.00	5,011,600.00	5,010,000.00	10-28-15	0.500%	69.4444	30	6,458.33		2,083.33	0.01		8,541.67	5,000,000	
FHLMC	3134G3W55	03-12-13	8,502,380.00	8,475,605.00	8,516,490.00	11-24-15	0.450%	106.2500	30	7,118.75		3,187.50			10,306.25	8,500,000	
FFCB	31331H5L7	5-11-07	1,020,404.50	1,078,478.00	1,049,626.50	12-29-15	6.125%	161.6319	30	5,172.22		4,848.96			10,021.18	950,000	
FNMA	3135G0UB7	12-23-13	5,000,000.00	4,991,850.00	5,001,050.00	02-22-16	0.520%	72.2222	21	11,483.33	0.00	1,516.67	13,000.00		0.00	0.00	5,000,000
FNMA	3135G0UM3	5-29-13	3,999,600.00	3,981,120.00	4,007,200.00	02-26-16	0.520%	57.7778	30	8,955.56		1,733.33	10,400.00		288.89	288.89	4,000,000
FNMA	3135G0VH3	5-30-13	6,031,500.00	6,011,700.00	6,032,700.00	03-04-16	0.750%	125.0000	30	18,375.00		3,750.00			22,125.00	6,000,000	
FHLMC	3134G3SE1	03-21-12	8,505,312.50	8,529,410.00	8,503,230.00	03-21-16	1.000%	236.1111	30	30,694.44		7,083.33	0.01		37,777.78	37,777.78	8,500,000
FNMA	3135G0VA8	5-15-13	15,026,145.00	14,916,000.00	15,025,200.00	03-30-16	0.500%	208.3333	30	25,208.33		6,250.00			31,458.33	31,458.33	15,000,000
FNMA	3135G0XH1	10-15-13	7,962,000.00	7,985,200.00	7,995,760.00	05-20-16	0.500%	111.1111	30	7,888.89		3,333.33			11,222.22	11,222.22	8,000,000
FNMA	3135G0XP3	12-10-13	4,979,900.00	4,965,350.00	4,979,600.00	07-05-16	0.375%	52.0833	30	1,354.17		1,562.50			2,916.67	2,916.67	5,000,000
																	93.60%
<u>TREASURY INFLATION PROTECTED SECURITIES</u>																	
TREAS INFLATION INDEX	912828KM1	01-21-10	3,737,186.68	3,898,301.13	3,876,785.61	04-15-14	1.250%	133.8264	28	14,428.88		3,747.14			(43.28)	18,132.74	3,854,200
																	4.22%
<u>CASH INVESTMENT</u>																	
LAIF			27,228,348.28	27,228,348.28	27,228,348.28					2,790.27		3,649.23	0.00		6,439.50	6,439.50	27,228,348
TOTAL LAIF			27,228,348.28	27,228,348.28	27,228,348.28												
TOTAL A/C 121100 & 112010			91,452,591.68	91,552,465.73	82,657,837.71												
<u>MATURED/CALLED</u>																	
FNMA	3135G0UB7	12-23-13	(5,000,000.00)	(4,991,850.00)	(5,001,050.00)												(5,000,000)
TOTAL			86,452,591.68	86,560,615.73	77,656,787.71					189,190.23	0.00	52,327.69	23,400.00		(48.63)	218,069.29	91,419,200

**SAN MATEO COUNTY TRANSIT DISTRICT
RESERVE FOR CAPITAL PROJECTS -- INTEREST ON SECURITIES
February 28, 2014**

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	GASB 31 ADJUSTED 06-30-13	MARKET VALUE 02-28-14	MATURITY DATE	INT RATE	RATE/DAY	APPL. DAYS	INTEREST REC'VBLE 01-31-14	PREPAID INT REC'VBLE 02-28-14	INTEREST EARNED 02-28-14	INTEREST RECEIVED 02-28-14	ADJ.	INTEREST REC'VBLE 02-28-14	INT REC'VBLE LESS PREPAID 02-28-14	PAR VALUE
<u>U.S. TREASURY NOTES AND BONDS</u>																	
US TREASURY NOTE	912828VG2	12-30-13	7,889,816.35	7,891,942.00	7,914,220.00	06-15-16	0.500%	109.7222	28	5,208.79		3,072.22		(33.76)	8,247.25	8,247.25	7,900,000
<u>GOVERNMENT BONDS</u>																	
HOUSING URBAN DEVEL	911759EB0	12-23-08	155,581.50	150,873.00	150,708.00	08-01-17	7.908%	32.9500	30	5,931.00		988.50	5,931.00		988.50	988.50	150,000
LAIF			76,400.32	76,400.32	76,400.32					15.36		13.83	0.00		29.19	29.19	76,400
MATURED/CALLED CALLED																	
TOTAL LAIF			76,400.32	76,400.32	76,400.32												
TOTAL A/C 121100 & 112010			8,045,397.85	8,042,815.00	8,064,928.00												
TOTAL			8,045,397.85	8,042,815.00	8,064,928.00					11,139.79	0.00	4,060.72	5,931.00	(33.76)	9,235.75	9,235.75	8,050,000

17-Mar-14

**SAN MATEO COUNTY TRANSIT DISTRICT
PARATRANSIT FUNDS -- INTEREST ON SECURITIES
February 28, 2014**

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	GASB 31	MARKET	MATURITY DATE	INT	RATE/	APPL. DAYS	INTEREST	PP INTEREST	INTEREST	INTEREST	PP INTEREST	ADJ.	INTEREST	INT REC'BLE	PAR VALUE
			PURCHASE PRICE	ADJUSTED	VALUE		RATE	DAY		REC'BLE	REC'BLE	EARNED	RECEIVED	RECEIVED		REC'BLE	LESS PREPAID	
<u>GOVERNMENT BONDS</u>																		
FHLM	3137EACB3	3-26-10	2,510,690.00	2,546,825.00	2,508,400.00	04-23-14	2.500%	173.6111	30	17,013.89	0.00	5,208.33				22,222.22	22,222.22	2,500,000
FNMA	31398AU34	2-15-12	5,299,150.00	5,197,600.00	5,147,250.00	07-28-15	2.375%	329.8611	30	989.58	0.00	9,895.83		0.01		10,885.42	10,885.42	5,000,000
FHMLC	3134G3SD3	03-28-12	4,998,000.00	5,017,100.00	5,002,150.00	09-28-15	0.750%	104.1667	30	12,812.50	0.00	3,125.00				15,937.50	15,937.50	5,000,000
FHMLC	3134G3SE1	03-21-12	5,503,437.50	5,519,030.00	5,502,090.00	03-21-16	1.000%	152.7778	30	19,861.11	0.00	4,583.33				24,444.44	24,444.44	5,500,000
																		89.10%
<u>TREASURY INFLATION PROTECTED SECURITIES</u>																		
TREAS INFLATION INDEX	912828KM1	03-26-10	2,111,329.89	2,227,600.65	2,215,306.06	04-15-14	1.288%	78.7970	27	8,245.07	0.00	2,127.52		(11.02)		10,361.57	10,361.57	2,202,400
																		10.90%
<u>CASH INVESTMENT</u>																		
LAIF			4,797,440.71	4,797,440.71	4,797,440.71					797.09	0.00	868.53	0.00			1,665.62	1,665.62	4,797,441
MATURED/CALLED																		
TOTAL LAIF			4,797,440.71	4,797,440.71	4,797,440.71													
TOTAL A/C 122010			20,422,607.39	20,508,155.65	20,375,196.06													
TOTAL			<u>20,422,607.39</u>	<u>20,508,155.65</u>	<u>20,375,196.06</u>					<u>58,922.15</u>	<u>0.00</u>	<u>24,940.01</u>	<u>0.00</u>	<u>0.00</u>	<u>(11.01)</u>	<u>83,851.15</u>	<u>83,851.15</u>	<u>20,202,401</u>

17-Mar-14

SAN MATEO COUNTY TRANSIT DISTRICT
SUMMARY OF BUDGET ACTIVITY FOR FEBRUARY 2014

BUDGET AMENDMENTS

	Amount	Line Item		Description
Feb-14				No Budget Amendments in February 2014.
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

BUDGET REVISIONS

	Amount	Line Item		Description
Feb-14				No Budget Revisions in February 2014.
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

SAN MATEO COUNTY TRANSIT DISTRICT
 1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS
 FY2013 & FY2014
 FEBRUARY 2014

2/25/14 4:24 PM

Date	Approved Budget	Revised Approved	Receipts		Over/(Under)	Current Projection
	Amount		Date	Amount	Budget/Projection	
FY2013:						
1st Quarter	16,181,800		1st Quarter	18,855,582	2,673,782	18,855,582
2nd Quarter	17,084,000		2nd Quarter	18,954,017	1,870,017	18,954,017
3rd Quarter	17,782,200		3rd Quarter	17,437,422	(344,778)	17,437,422
4th Quarter	16,952,000		4th Quarter	18,612,162	1,660,162	18,612,162
FY2013 Total	68,000,000		FY2013 Total	73,859,183	5,859,183	73,859,183
FY2014						
Jul. 13	4,400,000		Sep. 13	5,504,500	1,104,500	5,504,500.00
Aug. 13	4,400,000		Oct. 13	5,504,500	1,104,500	5,504,500.00
Sep. 13	6,100,000		Nov. 13	7,339,300	1,239,300	7,339,300.00
1st Qtr. Adjustment	1,650,000		Dec. 13	735,964	(914,037)	735,963.50
3 Months Total	16,550,000			19,084,264	2,534,264	19,084,263.50
Oct. 13	4,700,000		Dec. 13	5,519,200	819,200	5,519,200.00
Nov. 13	4,700,000		Jan. 14	5,447,900	747,900	5,447,900.00
Dec. 13	6,330,000		Feb. 14	7,141,700	811,700	7,141,700.00
2nd Qtr. Adjustment	1,795,000		Mar. 14			1,795,000.00 (1)
6 Months Total	34,075,000			37,193,064	4,913,064	38,988,063.50
Jan. 14	5,140,000	5,300,000	Mar. 14			5,300,000.00 (1)
Feb. 14	5,140,000	7,250,000	Apr. 14			7,250,000.00 (1)
Mar. 14	5,600,000	5,000,000	May 14			5,000,000.00
3rd Qtr. Adjustment	1,500,000	1,500,000	Jun. 14			1,500,000.00 (1) Jan & Feb Portion
9 Months Total	51,455,000	53,125,000		37,193,064	4,913,064	58,038,063.50
Apr. 14	4,500,000	5,130,000	Jun. 14			5,130,000.00
May 14	4,500,000	5,130,000	Jul. 14			5,130,000.00
Jun. 14	5,900,000	5,250,000	Aug. 14			5,250,000.00
4th Qtr. Adjustment	1,645,000	1,365,000	Sep. 14			1,365,000.00
FY2014 Total	68,000,000	70,000,000	FY2014 Total	37,193,064	4,913,064	74,913,063.50
	19,084,264		1st Quarter			
	19,903,800		2nd Quarter			
	11,580,000		3rd Quarter			
	0		4th Quarter			
	<u>50,568,064</u>		YTD Actual Per Statement of Revenues & Expenses			
						(1) Accrual

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **ADOPT THE REVISED FUEL HEDGING POLICY AND AUTHORIZE AWARD OF
CONTRACT TO ORRICK, HERRINGTON & SUTCLIFFE LLP**

ACTION

Staff proposes that the Committee recommend that the Board:

1. Adopt the attached revised Fuel Hedging Policy; and
2. Authorize appointment of Orrick, Herrington & Sutcliffe LLP (Orrick) to serve as special counsel to the San Mateo County Transit District (the "District") in connection with the Fiscal Year (FY) 2015 fuel hedging program. Fees for special counsel are not to exceed \$150,000, and are to be allocated to the District and the Peninsula Corridor Joint Powers Board (JPB) based upon proportional shares.
3. Authorize any additional actions by the General Manager/CEO or the Deputy CEO, Finance and Administration of the District to maintain a competitive bidding process for the District's fuel hedging program.

SIGNIFICANCE

On April 3, 2013, the Board revised the District's Fuel Hedging Policy (the Fuel Hedging Policy), originally adopted in March 2010 and revised initially in May 2012, to address certain business conduct standards applicable to and procedures required by providers of commodity fuel caps (counterparties) by legislation and related regulations commonly referred to as Dodd-Frank. As a result of ongoing implementation of Dodd-Frank and other changes in the regulatory environment affecting counterparties, counterparties have revised their policies, practices and procedures, including their policies concerning document provisions. Further revisions to the Fuel Hedging Policy are required to enable counterparties meeting the credit criteria in the Fuel Hedging Policy to bid on the District's commodity price caps, thereby maintaining a competitive bidding process.

Staff recommends updating the Fuel Hedging Policy with the following changes:

1. Counterparty Credit Criteria provisions relating to collateralization will be revised to require that the counterparty must collateralize the amount of its exposure in connection with the commodity price cap, by delivering collateral to the District in the form of either USD Cash or U.S. Treasuries, subject to a ratings-based threshold that declines with the counterparty's lowest rating at any time. However, if the counterparty is downgraded to or below "A3" by Moody's, to or below "A-" by S&P, or to or below "A-" by Fitch (or is not rated or is in default), then the counterparty must post collateral to secure the full amount of its exposure in connection with the commodity price cap, without any threshold.
2. Certain clarifying changes to the discussion of "Risks" will flow from the change to the Counterparty Credit Criteria.

The revised collateral requirement in the Fuel Hedging Policy reflects a change in fuel hedging documents that counterparties also will require to bid on the District's commodity price cap. The revised document provision will provide for "two way collateral," technically requiring both the District and the counterparty to collateralize exposure. This revised provision will not pose additional risk to the District because the District pays its commodity price cap premium upfront and therefore cannot generate any exposure under the cap that would need to be collateralized.

The revised Fuel Hedging Policy continues to include the following provisions providing protection to the District against counterparty risk: (a) the District is authorized only to enter into fuel hedge transactions in the form of a commodity price cap for a period limited to one fiscal year; and (b) the District retains the right to terminate the commodity price cap if a rating of the counterparty declines below BBB (or its equivalent).

In accordance with the Fuel Hedging Policy, staff has been working with the District's financial advisor to determine the interest of qualified counterparties in bidding on a commodity price cap, to develop a Request for Commodity Price Caps (the Request) and to verify that each counterparty expressing interest is prepared to bid based upon the agreed form of commodity price cap documents and, as applicable, amendments (such documents and amendments, being herein referred to as the Bid Documents) previously approved by the District, which are comprised of an ISDA Master Agreement, a Schedule to the Master Agreement, a Credit Support Annex and Dodd-Frank related documents for counterparties which have not provided commodity price caps to the District in prior years. In addition to the Bid Documents, a Confirmation (the Confirmation) setting forth the pricing and other economic terms will be prepared by the counterparty and executed after the winning bid is selected.

As staff and the District's Fuel Hedge Program advisor move through the process of updating Bid Documents to include new qualified counterparties and selecting one for

the FY2015 Fuel Hedging Program, special counsel is necessary to ensure proper review and execution and/or filing of the necessary documents. Orrick served as counsel on the fuel hedge transactions entered into over the past five fiscal years as well as bond counsel on the JPB's 2007 financing for Bombardier rail cars and brings a strong understanding of the JPB's history and requirements.

The primary goal for the FY 2015 Fuel Hedging Program is to reduce volatility and uncertainty in the fuel budget for FY 2015. Consistent with the Fuel Hedging Policy, Staff has proposed that the District hedge 1.2 million gallons, which currently represents approximately 65 percent of its expected annual fuel consumption. In order to maximize the hedging program's potential for economic efficiency, the District will partner with JPB, which is expected to hedge 2.3 million gallons, which currently represents approximately 50 percent of its expected annual fuel consumption.

Staff expects to return to the Board in May 2014 to obtain approval of the Bid Documents for the FY2015 fuel hedging program. Staff also expects to return to the Board at the first meeting subsequent to bidding with a report on the results of the bid for the FY2015 fuel hedging program and to return to the Board next year with an assessment of the FY2015 fuel hedging program.

BUDGET IMPACT

Orrick will be providing services to both the District and the JPB. The total cost of Orrick's services will not exceed \$150,000 and are to be allocated to the District and the JPB based upon proportional shares.

BACKGROUND

Revision of the Fuel Hedging Policy will enable the District to expand the pool of counterparties and increase competition for its commodity price cap while maintaining the same risk level in the implementation of a fuel hedging program with premium paid in advance for a fixed commodity price cap.

Prepared By: Aandy Ly, Senior Financial Analyst

650-508-6376

San Mateo County Transit District Fuel Hedging Policy

Revised: April 2, 2014

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

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

Index: The price that the District pays for fuel is based on the Oil Price Information Service (OPIS) index. With respect to the commodity price cap, the District will use an index that has a high historical positive correlation to the OPIS index. In addition, prior to entering into a transaction, staff will examine data from the prior five (5) years to measure the ongoing correlation. The index to be utilized in the commodity price cap is the Platt's Gulf Coast Ultra Low Sulfur Diesel (ULSD) index.

Duration: Each transaction will be effective for no more than 12 continuous months and will not extend beyond one fiscal year.

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

Counterparty Credit Criteria: As a condition for bidding, a counterparty or its guarantor (hereinafter referred to as a "counterparty") must be rated at least "A" (or any equivalent rating) by each of the nationally recognized statistical rating organizations (each, a "Rating Agency") then assigning a rating to the counterparty. After entering into a transaction with the District, the counterparty must collateralize the amount of its exposure in connection with the commodity price cap, by delivering collateral to the District in the form of either USD Cash or U.S. Treasuries, subject to a ratings-based threshold that declines with the counterparty's lowest rating at any time. However, if the counterparty is downgraded to or below "A3" by Moody's, to or below "A-" by S&P, or to or below "A-" by Fitch (or is not rated or is in default), then the counterparty must post collateral to secure the full amount of its exposure in connection with the commodity price cap, without any threshold. In addition, the District retains the right to terminate the commodity price cap with the counterparty if the counterparty's ratings are downgraded below "Baa2" by Moody's, below "BBB" by S&P, or below "BBB" by Fitch.

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

Counterparty Selection Criteria: It is the intent that a counterparty be rated at least "Aa3" or "AA-" by at least one Rating Agency as a condition for bidding.

Notwithstanding the foregoing, in the event that District staff, with the advice of its fuel hedge program advisors, determines that it is necessary to maintain a competitive bidding process, expressions of interest and bids may be solicited from counterparties meeting the rating requirements specified above under "Counterparty Credit Criteria" and a counterparty rated at least "A" (or the equivalent) by each Rating Agency then assigning a rating to the counterparty may be selected.

Conformance To Dodd-Frank: It is the intent of the District to conform this policy to the requirements relating to legislation and regulations for over-the-counter derivatives transactions under the Wall Street Transparency and Accountability Act of 2010, as supplemented and amended from time to time (herein collectively referred to as "Dodd-Frank"), enacted in response to the financial markets crisis of 2008. Pursuant to such intent, it is the policy of the District that: (i) each fuel hedge program advisor engaged or to be engaged by the District will function as the designated qualified investment representative of the District, referred to in Dodd-Frank as the Designated QIR; (ii) each fuel hedge program advisor agrees to meet and meets the requirements specified in Commodity Futures Trading Commission Regulation 23.450(b)(1) or any successor regulation thereto (herein referred to as the "Representative Regulation"); (iii) each fuel hedge program advisor provide a written certification to the District to the effect that such fuel hedge program advisor agrees to meet and meets the requirements specified in the Representative Regulation; (iv) District staff monitor the performance of each fuel hedge program advisor consistent with the requirements specified in the Representative Regulation; (v) District staff exercise independent judgment in consultation with the District's fuel hedge program advisor or fuel hedge program advisors in evaluating all recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this policy; and (vi) District staff rely on the advice of the District's fuel hedge program advisor or fuel hedge program advisors with respect to transactions authorized pursuant to this policy and do not rely on recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this policy.

Monitoring: Monthly monitoring of the Gulf Coast ULSD average price must be calculated by, or under the direction of, District staff to ensure payments are received from the counterparty if and when due. Hedging practices also should be monitored by District staff to ensure this policy remains up to date with current best practices, including, without limitation, practices relating to the provisions of Dodd-Frank.

Board Approval: Staff shall return to the Board annually to obtain approval to implement a fuel hedging program for the subsequent fiscal year or portion thereof and authorization for execution of documents necessary to implement such fuel hedging program.

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

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

Counterparty Risk – The risk that the counterparty fails to make required payments or otherwise perform pursuant to the terms of the agreement. This risk is mitigated by (i) requiring the counterparty or its guarantor to have at least an "A" rating (or its equivalent) from each Rating Agency then assigning a rating to a counterparty or its guarantor as a condition for bidding, (ii) requiring collateral as described above under "Counterparty Credit Criteria," (iii) limiting the term of the transaction to one fiscal year, (iv) providing for the right to terminate the transaction if the rating assigned by any Rating Agency then assigning a rating to a counterparty is at or below "BBB" (or its equivalent), and (iv) providing for monthly monitoring of counterparty rating.

Termination Risk – The risk that there will be a mandatory early termination of the transaction. This risk is mitigated in part by requiring the posting of collateral by the counterparty, as described above under "Counterparty Credit Criteria." The counterparty's collateral requirement is subject to a "sliding scale" based on its rating; as the counterparty's rating declines, its threshold of uncollateralized exposure declines, hence providing the District with enhanced protection.

Basis Risk – The risk that there is a mismatch between the commodity price cap rate and the amount actually paid for fuel. This risk is mitigated by selecting the Gulf Coast ULSD index, which is highly correlated to the rates the District pays for fuel. Mitigation is further enhanced by the staff's examination of five (5) years of data to confirm the strength of this correlation prior to execution of each transaction.

RESOLUTION NO. 2014-

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

* * *

**ADOPTION OF REVISED FUEL HEDGING POLICY AND AUTHORIZING OTHER ACTIONS
NECESSARY TO MAINTAIN A COMPETITIVE BIDDING PROCESS IN CONNECTION WITH THE
FUEL HEDGING PROGRAM**

WHEREAS, the Board of Directors of the San Mateo County Transit District (the District) adopted a Fuel Hedging Policy in March 2010, which was most recently revised in April 2013 (the Fuel Hedging Policy), which provides guidelines on fuel hedging transactions to ensure budget reliability; and

WHEREAS, in response to the financial markets crisis of 2008, various legislation has been adopted and various regulations have been enacted, commonly referred to as Dodd-Frank; and

WHEREAS, certain provisions of Dodd-Frank apply to fuel hedging transactions and are applicable to providers of commodity price caps (hereinafter referred to as counterparties); and

WHEREAS, as a result of changes in the regulatory environment, including as a result of the ongoing implementation of Dodd-Frank, counterparties have revised their policies, practices and procedures, which revisions are reflected in the forms of documents which counterparties generally require to enter into fuel hedging transactions, including commodity price caps; and

WHEREAS, it is necessary to further revise the Fuel Hedging Policy to harmonize the Fuel Hedging Policy with the changes in documentation which will be required to enable counterparties meeting the credit criteria specified in the Fuel Hedging Policy to bid on commodity price caps; and

WHEREAS, there has been prepared and made available to the Board of Directors of the District (the "Board of Directors") a proposed form of revised Fuel Hedging Policy (hereinafter referred to as the Revised Policy); and

WHEREAS, to maintain a competitive bidding process, it is now necessary for the Board of Directors to approve the Revised Policy and to authorize the taking of such other actions as shall be necessary or advisable to maintain a competitive bidding process.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Mateo County Transit District as follows:

Section 1. **Approval of the Revised Fuel Hedging Policy.** The Revised Policy in such form as has been made available to the Board of Directors and attached hereto is hereby approved and adopted.

Section 2. **Authorization of Additional Actions by Authorized Officer.** All actions, including without limitation, all filings or registrations or adherence to industry protocols required in connection with the provisions of Dodd-Frank, which may be required in order to maintain a competitive bidding process, may be taken by the General Manager/CEO of the District or the Deputy CEO, Finance and Administration of the District (each, an Authorized Officer), without further authorization or direction by the Board of Directors of the District, and each Authorized Officer is hereby authorized and directed to take any such action which such Authorized Officer may deem necessary or desirable to further the purposes of this Resolution.

Section 3. **Severability of Invalid Provisions.** If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution which shall continue in full force and effect.

Section 4. **Effective Date.** This Resolution shall take effect immediately upon its passage.

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

RESOLUTION NO. 2014-

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

* * *

**AUTHORIZING AWARD OF CONTRACT TO ORRICK, HERRINGTON & SUTCLIFFE LLP TO
SERVE AS SPECIAL COUNSEL IN CONNECTION WITH
THE FISCAL YEAR 2015 FUEL HEDGING PROGRAM**

WHEREAS, the San Mateo County Transit District (District) currently purchases approximately two million gallons of diesel fuel each year to conduct transit service operations; and

WHEREAS, consistent with the fuel hedging policy adopted by the Board in March 2010 and revised most recently on the date hereof (the Policy), the District will shortly begin the process of selecting a counterparty meeting the requirements specified in the Policy for the Fiscal Year (FY) 2015 Fuel Hedging Program; and

WHEREAS, the District requires the services of special counsel to assist it in the process of implementing a fuel hedge for the FY2015 Fuel Hedging Program; and

WHEREAS, Orrick, Herrington & Sutcliffe, LLP, has served as the District's special counsel in prior years, including advising on FY2010's, FY2011's, FY2012's, FY2013's and FY2014's Fuel Hedging Program, and has substantial experience with public transit financial transactions.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the San Mateo County Transit District hereby authorizes the General Manager/CEO to execute a contract in an amount not to exceed \$150,000 with Orrick, Herrington & Sutcliffe, LLP, to serve as special counsel to the District in connection with the proposed fuel hedge for FY2015, with the understanding that the not to exceed amount includes

services to be provided under a separate contract with the Peninsula Corridor Joint Powers Board, which is expected to pay 70 percent of the total cost of the special counsel services.

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **REAFFIRM THE DISTRICT INVESTMENT POLICY AND THE PARATRANSIT TRUST
FUND INVESTMENT POLICY, AND REAUTHORIZE INVESTMENT OF MONIES WITH
THE LOCAL AGENCY INVESTMENT FUND**

ACTION

Staff proposes the Committee recommend Board:

- Reaffirm the San Mateo County Transit District (District) Statement of Investment Policy, and the Paratransit Trust Fund (Paratransit) Statement of Investment Policy (Investment Policies). These Investment Policies provide guidelines for the investment of District and Paratransit funds and include delegations of authority to invest such funds.
- Reauthorize the investment of District monies in the Local Agency Investment Fund (LAIF).

SIGNIFICANCE

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

Staff, in conjunction with legal counsel, has reviewed the attached Investment Policies and no changes are recommended to the current Investment Policies.

BUDGET IMPACT

The reaffirmation of the Investment Policies will have no impact on the District's capital or operating budgets.

BACKGROUND

The District originally adopted its Statement of Investment Policy in October 1985 and has, from time to time, amended this policy. Most recently, in April 2012, the District amended the policy with two minor revisions.

- (1) To clarify an allowable investment provision.
- (2) To update the reference in one citation.

In addition, the District adopted a separate Statement of Investment Policy for the Paratransit Trust Fund in March 2009. This Policy was adopted to manage funds transferred to the District from the San Mateo County Transportation Authority after the expiration of the original Measure A.

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

Prepared By: Lori Snow, Treasury Manager

650-508-6425

EXHIBIT A

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

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

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

Amended March 2009
Reaffirmed March 2010
Amended April 2011
Amended April 2012
Reaffirmed April 2013

SAN MATEO COUNTY TRANSIT DISTRICT

STATEMENT OF INVESTMENT POLICY

PURPOSE

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

OBJECTIVE

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

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

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

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

POLICY

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

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

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

flow characteristics of the portfolio.

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

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

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

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

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

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

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

- a. **Time Deposits with Banks.** The District may invest in time deposits. In so doing, the following rules will be followed subject to the applicable statutory requirements:
 - (1) No more than 5 percent of the total portfolio will be placed in any one financial institution.
 - (2) The issuing bank must carry a short term rating of at least A-1/P-1/F-I whose long-term rating is A or better by two of the three nationally recognized rating services (Standard & Poor's, Moody's Investor Service and Fitch's Ratings).
 - (3) Prior to placing each deposit, the General Manager/CEO or his designee will survey the market in order to determine which stable financial institution offers the highest rate of interest.
 - b. **U.S. Treasury Obligations.** The investment of District funds in U.S. Treasury obligations may be undertaken in lieu of time deposits. Guaranteed by the U.S. Government, treasury obligations are considered one of the safest instruments, but the yield generally is lower than that of time deposits.
6. **Allowable Investment Instruments.** The District may also invest in any investment instrument as authorized by the *California Government Code*, as it may be amended from time to time, and subject to any conditions set forth in the *California Government Code* (with particular attention to the restrictions described in section 53601). These investment instruments may include:
 - a. United States Treasury notes, bonds, bills or certificates of indebtedness, or those for which the faith and credit of the United States

Government are pledged for the timely payment of principal and interest.

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

7. **Local Agency Investment Fund.** The Board of Directors also authorizes the District to invest in the Local Agency Investment Fund (LAIF) pursuant to *California Government Code Section 16429.1*.

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

REPORTING

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

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

1. Type of investment, issuer, date of maturity, par and dollar amount invested in all securities, investments and money held by the District;
2. Description of any of the District's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the District or under management by any outside party that is not a local agency, the State of California Local Agency Investment Funds

or the Investment Trust of California, a current market value as of the date of the report and the source of this valuation;

4. Statement that the portfolio complies with the Investment Policy or the manner in which the portfolio is not in compliance; and
5. Statement that the District has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to why sufficient money shall or may not be available.

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

March 2009
Reaffirmed March 2010
Amended April 2011
Reaffirmed April 2012

Reaffirmed April 2013

EXHIBIT B

SAN MATEO COUNTY TRANSIT DISTRICT

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

I. PURPOSE

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

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

II. OBJECTIVES

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

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

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

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

III. PRUDENCE

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

IV. DELEGATION OF AUTHORITY

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

V. BENCHMARKS

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

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

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

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

VI. INVESTMENT GUIDELINES

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

B. Eligible securities for investment shall be limited to:

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

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

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

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

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

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

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

D. Portfolio Transactions:
Managers of the District's investment portfolio are expected to seek best execution for all portfolio transactions. Best execution relates to the expected realized price net of commissions and is not necessarily synonymous with the lowest commission rate. Managers may incur realized capital losses in order to minimize the decrease in real purchasing power of the assets over an indefinite period of time subject, however, to the prior approval of the General Manager/CEO or his designee

E. Diversification and Maturity Guidelines:

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

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

VII. REPORTING

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

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

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

VIII. SAFEKEEPING AND DELIVERY OF SECURITIES

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

To protect against potential fraud or embezzlement, the assets of the District shall be held in safekeeping, or secured through third-party custody pursuant to the limitations set forth in the *Government code, Section 53608*. These procedures will be annually reviewed by an external auditor. All investments are to be held in the name of the District.

IX. DEFINITION OF TERMS

Investment Instruments:

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

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

minus any premium above par, or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

RESOLUTION NO. 2014 –

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

**AFFIRMING THE STATEMENT OF INVESTMENT POLICY
FOR THE SAN MATEO COUNTY TRANSIT DISTRICT AND AFFIRMING THE STATEMENT OF
INVESTMENT POLICY FOR THE PARATRANSIT TRUST FUND**

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

WHEREAS, in October 1985, pursuant to Resolution No. 1985-67, the District adopted a Statement of Investment Policy for the San Mateo County Transit District; and

WHEREAS, in April 2013, pursuant to Resolution No. 2013-10, the District reaffirmed the Statement of Investment Policy for the San Mateo County Transit District; and

WHEREAS, in March 2009, the District adopted a Statement of Investment Policy for the Paratransit Trust Fund to manage funds transferred to the District from the San Mateo County Transportation Authority after the expiration of the original Measure A; and

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

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

WHEREAS, staff recommends, and the Finance Committee concurs, that the Board affirm the aforementioned Statement of Investment Policy for the San Mateo County Transit District, affirmation of the Statement of Investment Policy for the Paratransit Trust Fund, and the appointment of the General Manager/CEO (or his designee) as trustee for purposes of placing investments pursuant to the aforementioned policies.

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

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

RESOLUTION NO. 2014 –

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

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

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

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

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

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

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: April Chan
Executive Officer, Planning and Development

SUBJECT: **AUTHORIZATION TO EXECUTE MEMORANDA OF UNDERSTANDING FOR
COMPLETE STREETS PROJECT**

ACTION

Staff proposes the Committee recommend the Board authorize the General Manager/CEO, or his designee, to do the following:

1. Enter into Memoranda of Understanding with the cities of Daly City, South San Francisco, and San Bruno to finalize the Grand Boulevard Initiative Complete Streets Project Caltrans Project Initiation Document for a grand total of \$165,000, utilizing \$132,000 in San Mateo County Transit District (District) Federal earmark and \$33,000 in city funds; and
2. Take such other actions as may be necessary, including executing any agreements, certifications and assurances or other documentation required in order to pass through the federal earmark funds to the aforementioned cities.

SIGNIFICANCE

This action will allow the San Mateo County Transit District (District) to utilize \$165,000 of Federal earmark and local match funds for the Grand Boulevard Initiative Complete Street Project segments in the cities of Daly City, South San Francisco, and San Bruno. These funds will allow the cities to complete design to approximately 30 percent and secure the required Final Caltrans Project Initiation Document.

BUDGET IMPACT

These funds have been included in the Fiscal Year (FY) 2014 Revised Operating Budget approved by the Board on January 8, 2014. (Resolution No. 2014-02)

BACKGROUND

In 2007, the Board authorized the use of \$3 million in Federal earmark funds for the Grand Boulevard Project. These funds, along with Federal Transit Administration Transportation Investment Generating Economic Recovery Program II (TIGER II) funds, secured in 2010, allowed several cities in San Mateo County to begin planning towards

making the El Camino Real corridor a more livable, transit-friendly roadway through the Grand Boulevard Initiative.

The TIGER II grant provided funding for preliminary engineering designs for four Complete Street case study segments on El Camino Real in San Mateo County, as well as funding needed to prepare a Draft Caltrans Project Initiation Document. The segments are located in Daly City, South San Francisco, San Bruno, and San Carlos.

Of the original \$3 million Federal earmark, \$132,000 remains unspent, and it will now be used to finalize the Caltrans Project Initiation Document for the Daly City, South San Francisco, and San Bruno case study segments. The San Carlos segment is being developed under a separate Caltrans process. Completion of the Final Project Initiation Document is required in order for Daly City, South San Francisco, and San Bruno to move into the project approval, final design, and ultimately, construction phase with Caltrans.

Prepared By: Rebecca Arthur
Project Manager: Megan Wessel

650-508-6368
650-622-7815

RESOLUTION NO. 2014 –

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

* * *

**AUTHORIZING EXECUTION OF MEMORANDA OF UNDERSTANDING FOR THE
GRAND BOULEVARD INITIATIVE COMPLETE STREETS PROJECT**

WHEREAS, in 2007, the Board authorized the use of \$3 million in Federal earmark funds for the Grand Boulevard Project; and

WHEREAS, these funds, along with Federal Transit Administration Transportation Investment Generating Economic Recovery Program II (TIGER II) funds, secured in 2010, allowed several cities in San Mateo County to begin planning towards making the El Camino Real Corridor a more livable, transit-friendly roadway through the Grand Boulevard Initiative; and

WHEREAS, the TIGER II grant funded preliminary engineering designs for four Complete Street case study segments on El Camino Real in San Mateo County, as well as the preparation of a draft California State Department of Transportation (Caltrans) Project Initiation Document; and

WHEREAS, staff recommends and the Finance Committee concurs that Memoranda of Understanding be entered into between the San Mateo County Transit District (District) and the cities of Daly City, South San Francisco, and San Bruno in which \$132,000 in District Federal earmark funds and \$33,000 in city funds, for a grand total of \$165,000, will be used to complete the Caltrans Project Initiation Document for the cities' case study segments; and

WHEREAS, the \$165,000 was included in the Fiscal Year 2014 Revised Operating Budget approved by the Board on January 8, 2014.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the San Mateo County Transit District authorizes the General Manager/CEO, or his designee, to do the following:

1. Enter into Memoranda of Understanding with the cities of Daly City, South San Francisco, and San Bruno to finalize the Grand Boulevard Initiative Complete Streets Project Caltrans Project Initiation Document using \$165,000 in Federal earmark funds and city funds; and
2. Take such other actions as may be necessary, including executing any agreements, certifications and assurances or other documentation required in order to pass through the Federal earmark funds to the aforementioned cities.

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **AUTHORIZATION TO EXECUTE CONTRACTS FOR TECHNOLOGY RELATED PRODUCTS AND SERVICES TO VENDORS UNDER COOPERATIVE PURCHASING AGREEMENTS FOR FISCAL YEAR 2015 FOR AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$1.5 MILLION**

ACTION

Staff proposes the Committee recommend the Board authorize the General Manager/CEO or his designee to enter into contracts over \$100,000 with vendors under cooperative purchasing agreements as required, for the purchase, lease and/or rental of computer and telecommunications equipment and related services, digital reprographic equipment, hardware, software, licensing, installation and configuration of telecommunications equipment, maintenance agreements, and computer peripherals. Expenditures with vendors under these programs will not exceed the budgeted amount of \$1.5 million throughout Fiscal Year (FY) 2015.

SIGNIFICANCE

Approval of this contracting authority will provide the San Mateo County Transit District (District) with a cost effective means to support its standardization policy and provide the latest technology and services through cooperative intergovernmental purchasing programs. Contracts issued under this authority will address the District's requirements for equipment, services, licensing, maintenance agreements, and programmed replacement of equipment that has reached the end of its useful life or has become unsuited for future needs.

BUDGET IMPACT

Funds for these purchases are programmed in FY2015 capital and operating budgets.

BACKGROUND

Given the rapidly changing technology of information system hardware, software and related services, the State of California, among other State agencies nationwide, has established agreements with vendors under various cooperative purchasing programs such as the California Multiple Award Schedule, the State of California Strategic Sourcing Initiative and the Western States Contracting Alliance, the California Integrated Information Network 2, the National Intergovernmental Purchasing Alliance Company, the National Association of State Procurement Officials, and the National Joint Powers Alliance. Special Districts are given statutory permission to procure competitively priced goods and services arising out of these vendor agreements. The Federal government's own General Services Administration Schedules (also referred to as Multiple Award Schedules and Federal Supply Schedules) also will be utilized, as allowable. By utilizing such cooperative purchasing programs, the District saves considerable time and expense associated with independent procurements which would be unlikely to yield more favorable pricing or service.

All vendors selected will hold valid agreements under the corresponding cooperative purchasing program. Contracts will be executed only with vendors whose contracts were awarded under a cooperative buying agreement on a basis that complies with the District's statutory procurement authority and policy and will include the District's terms and conditions, as appropriate. Other cooperative purchasing consortia may be added to this program for acquisition of technology items during FY2015 but only to the extent each fully complies with the District's statutory procurement authority and policy.

Prepared by: David Verderosa, Director, Information Technology

650-508-7954

RESOLUTION NO. 2014 -

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

AUTHORIZING EXECUTION OF CONTRACTS FOR TECHNOLOGY RELATED PRODUCTS AND SERVICES TO VENDORS UNDER COOPERATIVE PURCHASING PROGRAMS FOR AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$1.5 MILLION FOR FISCAL YEAR 2015

WHEREAS, the San Mateo County Transit District (District) will require new personal computers, computer and telecommunications equipment and related services, digital reprographic equipment, software, hardware, licensing and maintenance agreements and computer peripherals throughout Fiscal Year (FY) 2015 to fulfill new technology requirements, to support the District's standardization policy and to replace technology equipment that has reached the end of its useful life; and

WHEREAS, in light of the need to standardize and purchase the latest technology in personal computers, telecommunications equipment, and other related equipment and services in the most cost-effective manner, the District has determined that a District-initiated solicitation process for the procurements described above is unlikely to be in the District's best interest; and

WHEREAS, the State of California and other cooperative purchasing consortiums including the California Multiple Award Schedule (CMAS), the State of California Strategic Source Initiative (CSSI), the National Intergovernmental Purchasing Alliance Company (National IPA), the National Joint Powers Alliance (NJPA), the National Association of State Procurement Officials (NASPO), the Western States Contracting Alliance (WSCA), the California Integrated Information Network 2 (CALNET 2), and the General Services Administration (GSA) have established programs in which the District can participate in order to procure favorably priced technology systems equipment and related services; and

WHEREAS, the General Manager/CEO recommends, and the Finance Committee (Committee) concurs, that the District may participate in the above mentioned program as well as additional cooperative purchasing programs, to the extent that such programs fully comply with the District's statutory procurement authority and policy; and

WHEREAS, the General Manager/CEO also recommends, and the Committee concurs, that the General Manager/CEO or his designee be authorized to enter into contracts that exceed \$100,000 with vendors under District-approved cooperative purchasing programs to meet its personal computer, telecommunications, and other related equipment and services requirements for FY2015, pursuant to the terms and conditions of each programs' vendor agreements, up to an aggregate, not-to-exceed amount of \$1.5 million.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the San Mateo County Transit District hereby takes the following actions:

1. Determines that a District-initiated solicitation for each purchase, lease and/or rental of new personal computers, computer and telecommunications equipment and services, digital reprographic equipment, hardware, software, licensing and maintenance agreements, and computer peripherals is unlikely to be in the District's best interest; and

2. Authorizes the procurement of technology systems equipment and related services through District-approved cooperative purchasing programs, including CMAS, CSSI, WSCA, CALNET 2, National IPA, NJPA, NASPO, and GSA vendors to meet its technology equipment and services requirements for FY2015 pursuant to the terms and conditions of each vendor agreement and to the extent that each vendor agreement fully complies with the District's statutory procurement authority and policy; and

3. Authorizes the General Manager/CEO or his designee to utilize additional cooperative purchasing programs for FY2015 to the extent that each additional individual program fully complies with the District's statutory procurement authority and policy; and

4. Authorizes the General Manager/CEO or his designee to enter into contracts exceeding \$100,000 with vendors under the District-approved cooperative purchasing programs up to an aggregate, not-to-exceed, amount of \$1.5 million for FY2015; and

5. Authorizes the General Manager/CEO or his designee to execute all necessary purchase orders and contracts to effectuate this resolution, including any agreements with the State of California or other agency program for administrative fees for processing these purchases; and

6. Requests the General Manager/CEO to present a report to the Board of Directors on a quarterly basis advising of actions taken pursuant to the authority conferred by this resolution.

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **AUTHORIZATION TO EXECUTE CONTRACTS OVER \$100,000 FOR
INFORMATION TECHNOLOGY LICENSE RENEWALS, MAINTENANCE SERVICES
AND PROFESSIONAL SERVICES FOR FISCAL YEAR 2015 FOR AN AGGREGATE
NOT-TO-EXCEED AMOUNT OF \$850,000**

ACTION

Staff proposes the Committee recommend the Board authorize the General Manager/CEO or his designee to enter into contracts for more than \$100,000 with original equipment manufacturers, product licensors and maintainers and their distributors or consultants, directly and without the utilization of cooperative purchasing agreements or competitive procurement, to procure recurring maintenance services and license renewals necessary to permit continued effective use and upkeep of San Mateo County Transit District (District)-owned computer and telecommunications hardware and software. Further, this authorization shall also include contracts for the provision of sole source professional services necessary to expand or modify previously competitively procured proprietary software when an original provider is the only source of such services. Expenditures with manufacturers, vendors and consultants under this authority will not exceed the budgeted amount of \$850,000 throughout Fiscal Year (FY) 2015.

SIGNIFICANCE

Delegation of this contract approval authority will allow the District to pay for recurring maintenance services, additional licenses, license renewal fees and professional services for proprietary software in excess of \$100,000 without bringing actions individually before the Board for approval. This delegation would not eliminate the requirement that all other procurement policies and procedures be followed with respect to these actions.

Recurring support and license agreements are, by their nature, repetitive and routine, and are required to ensure continued and effective operation of information technology assets owned by the District. The sole source purchase of additional modules to existing software or professional services to modify existing proprietary software will allow the District's changing business needs to be met in a timely manner.

Delegating this authority supports the District's ability to continue needed operations and services while reducing the time and resources otherwise required to obtain individual approval of recurring maintenance and license renewals.

BUDGET IMPACT

Funds for these purchases are programmed in FY2015 capital and operating budgets.

BACKGROUND

Software and hardware are typically sold with licenses and maintenance agreements that require periodic renewal. Failing to renew maintenance support means loss of software updates, problems obtaining resolution assistance, and repair services typically needed to keep a product in good operating order. In some cases, the product may not be legally used if a maintenance and license renewal has not been made.

It is not always possible to find cooperative purchasing agreements with contracts for the necessary maintenance support and license renewals. This is particularly true for transit industry-specific information technology products. The types of licensing and maintenance agreements contemplated are generally unobtainable under any other method because they are proprietary in nature to the manufacturers of the software. Similarly, many manufacturers do not allow third parties access to source code or to provide services. As a result, professional services to upgrade, modify, or add to existing software must be performed by the original manufacturer.

District assets requiring payment of recurring annual or multi-year maintenance services support and license fees in excess of \$100,000 that may need to be accommodated in FY2015 outside of cooperative purchase agreements or other pre-existing contracts include, but are not necessarily limited to:

- Oracle PeopleSoft ERP (Finance, Budget, HR management system) and Database
- Microsoft applications
- ACS Bus System

Issuance of contracts for maintenance and continued operation of assets like these will need to be brought individually before the Board for approval, unless authority is delegated to the General Manager/CEO or his designee.

Prepared by: David Verderosa, Director, Information Technology 650-508-7954

RESOLUTION NO. 2014 -

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

**AUTHORIZING EXECUTION OF CONTRACTS FOR INFORMATION TECHNOLOGY LICENSES,
MAINTENANCE SERVICES AND PROFESSIONAL SERVICES FOR AN AGGREGATE NOT-TO-
EXCEED AMOUNT OF \$850,000 FOR FISCAL YEAR 2015**

WHEREAS, the San Mateo County Transit District (District) will require continuing product support and licenses for computer and telecommunications hardware and software throughout Fiscal Year (FY) 2015 to permit the continued effective use and upkeep of information technology assets owned by the District; and

WHEREAS, maintenance support and software license agreements for the information technology assets in use are, by their nature, repetitive and routine; and

WHEREAS, the District will also require professional services necessary to expand or modify previously competitively procured proprietary software when an original provider is the only source of such services; and

WHEREAS, the General Manager/CEO recommends, and the Finance Committee concurs, that the General Manager/CEO or his designee be authorized to execute contracts that exceed \$100,000 with original equipment manufacturers, product licensors, and their authorized distributors and consultants pursuant to the District's statutory procurement authority and policy, up to an aggregate, not-to-exceed amount of \$850,000.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the San Mateo County Transit District hereby takes the following actions:

1. Authorizes the procurement of product support and annual or multi-year license renewal agreements for information technology assets owned by the

District for FY2015, pursuant to the District's statutory procurement authority and policy, in an aggregate not-to-exceed amount of \$850,000 for FY2015; and

2. Authorizes the General Manager/CEO or his designee to enter into contracts exceeding \$100,000 with original equipment manufacturers, product licensors, or their authorized distributors for recurring product support, additional licenses, and license renewals necessary to permit continued effective use and upkeep of District owned computer and telecommunications hardware and software; and

3. Authorizes the General Manager/CEO or his designee to enter into contracts orders exceeding \$100,000 with original equipment manufacturers, product licensors, or their authorized consultants for the provision of sole source professional services necessary to expand or modify previously competitively procured proprietary software when an original provider is the only source of such services; and

4. Authorizes the General Manager/CEO or his designee to execute all necessary purchase orders, contracts and other documents and to take such other actions as may be necessary to give effect to this resolution; and

5. Requests the General Manager/CEO to present a report to the Board of Directors on a quarterly basis advising of actions taken pursuant to the authority conferred by this resolution.

Regularly passed and adopted this 2nd day of April, 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

C.H. (Chuck) Harvey
Deputy CEO

SUBJECT: AUTHORIZING AMENDMENT TO THE SECURITY SYSTEM MAINTENANCE AND REPAIR SERVICES CONTRACT

ACTION

Staff proposes the Committee recommend the Board authorize the General Manager/CEO, or designee, to execute an amendment to the contract with Ojo Technology, Inc. (OJO) for provision of closed-circuit television (CCTV) security system maintenance and repair services (Services) that will extend the contract term on a month-to-month basis for up to 12 months for a not-to-exceed amount of \$48,000.

SIGNIFICANCE

Approval of the above action will ensure continued, uninterrupted provision of the Services by OJO, and will provide staff sufficient time to develop a Request for Proposals (RFP) that best addresses the requirements of the San Mateo County Transit District (District) and the Peninsula Corridor Joint Powers Board (JPB).

BUDGET IMPACT

This amendment will increase the estimated total contract amount by up to \$48,000 from \$297,617 to up to \$345,617. Funds for this amendment will be available under the approved and projected operating budgets for the District.

BACKGROUND

Pursuant to Resolution No. 2009-30, the Board awarded a three-year contract with two, one-year option terms to OJO to provide the Services at various District facilities, including the SamTrans North and South Maintenance Bases. The District has exercised the two, Board-authorized, one-year options to extend and the contract will expire July 7, 2014.

Extension of the contract with OJO on a month-to-month basis for up to 12 months will provide staff sufficient time to:

- a. Properly evaluate current and projected requirements for Services of the District and the JPB, investigate available and emerging technologies and solutions, and research potential cooperative purchasing alliances.
- b. Develop an RFP for the provision of the Services that best address the requirements of the District and the JPB.

The current approved contract amount is insufficient to provide the Services during the potential maximum 12-month contract extension. The required amount is estimated at up to \$48,000 for 12 months, which amount includes the provision of spare parts for the CCTV system, if needed. OJO has agreed to provide uninterrupted Services under the same terms and conditions of the existing Agreement on a month-to-month basis from July 8, 2014 through July 7, 2015. Staff anticipates issuing an RFP for CCTV security system maintenance and repair services in the fall of 2014.

OJO's performance to date has been satisfactory and in full accordance with the requirements of the contract.

Contract Officer: Luis F. Velásquez
Project Manager: Dave Triolo, Chief of Protective Services

650-622-8099
650-508-6237

RESOLUTION NO. 2014 -

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

* * *

**AUTHORIZING AMENDMENT TO THE CONTRACT WITH OJO TECHNOLOGY, INC. FOR
PROVISION OF SECURITY SYSTEM MAINTENANCE AND REPAIR SERVICES
TO EXTEND THE TERM OF THE CONTRACT AND
INCREASE THE ESTIMATED CONTRACT AMOUNT BY UP TO \$48,000**

WHEREAS, Pursuant to Resolution No. 2009-30, the Board of Directors of the San Mateo County Transit District (District) authorized the award of a contract (Agreement) to Ojo Technology, Inc. of Fremont, California (OJO) for provision of closed-circuit television (CCTV) security system maintenance and repair services (Services); and

WHEREAS, staff proposes to extend the Agreement for up to an additional 12 months on a month-to-month basis in order to allow sufficient time for the District to evaluate current and projected requirements for Services of the District and the Peninsula Corridor Joint Powers Board (JPB), investigate and evaluate available and emerging technologies and solutions, research potential cooperative purchasing alliances, and develop and issue a Request of Proposals to provide the Services for the District and the JPB; and

WHEREAS, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board authorize an amendment to the Agreement to extend the contract term on a month-to-month basis for up to 12 months, from July 8, 2014 through July 7, 2015, and increase the total contract amount by the estimated not-to-exceed amount of \$48,000.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the District authorizes an amendment to the Agreement with OJO to extend the contract term on a month-to-month basis for up to 12 months, from July 8, 2014 through July 7, 2015, and to increase the total contract amount by up to the estimated not-to-exceed amount of \$48,000; and

BE IT FURTHER RESOLVED the Board authorizes the General Manager/CEO, or designee, to execute the amendment in a form approved by legal counsel.

Regularly passed and adopted this 2nd day of April 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

C. H. (Chuck) Harvey
Deputy CEO

SUBJECT: **AUTHORIZE EXECUTION OF CONTRACT AMENDMENT WITH WIPRO, LLC. TO PROVIDE PEOPLESFT SYSTEMS INTEGRATION SERVICES AND EXECUTION OF RELEASE OF CLAIMS AGREEMENT**

ACTION

Staff proposes the Committee recommend the Board:

1. Authorize the General Manager/CEO or designee to amend the contract with Wipro, LLC. (Wipro) for the Business Optimization Project (BOP) to (a) revise the Project Timeline and Payment Schedule as a result of scope of service changes and personnel requirements related thereto, and (b) update the liquidated damages clause to reflect the Project Timeline revisions.
2. Authorize the General Manager/CEO or designee to execute a Release of Claims Agreement with Wipro, in an amount of \$1.35 million, to settle all Wipro contractual claims as of the effective date of the proposed amendment, with the understanding that the Release of Claims Agreement will be in a form approved by Legal Counsel.

SIGNIFICANCE

Approval of the above actions will enable the San Mateo County Transit District (District) to:

1. Amend the BOP Contract's project and payment schedules, and liquidated damages clause in order to reflect scope of service changes and personnel requirements.
2. Allow the parties to resolve existing Wipro contractual claims in order to avoid any uncertainties and disagreements between the Parties and help ensure that the BOP is completed in a cooperative and timely manner.

BUDGET IMPACT

In order to fund the claims settlement of \$1.35 million, the proposed Fiscal Year (FY) 2015 Capital Budget will include an additional \$800,000 in funding to fully fund the project at \$21.6 million. The \$21.6 million includes \$20.8 million in funding that was previously approved in the FY2014 and prior year capital budgets.

BACKGROUND

Pursuant to Resolution No. 2011-02, the District entered into an agreement with Wipro to bring the District's business processes up to date and to leverage the latest in information technology, thereby initiating the BOP project. The goals of the BOP are to: (1) leverage advancements in technology and expand the use of the PeopleSoft applications; (2) increase efficiencies by re-engineering business processes to move to industry best practices; and (3) increase organizational capacity. The contract also contains an option for hosting and break-fix support for the PeopleSoft Application.

Over the course of the contract, the agreement has been amended several times to (1) increase the scope of services, (2) restructure the approach to the implementation of the BOP, (3) incorporate optional services, and (4) increase compensation associated with such amendments.

In August 2013, Wipro approached the District to discuss various contractual claims that Wipro asserted were due to District delays, scope of service changes and increases, and requirements for additional dedicated personnel. Wipro asserted that such claims totaled between \$6 million and \$7 million. During the months of August 2013 and January 2014, Wipro and the District negotiated Wipro's claims. Ultimately, the District determined that of the originally submitted claim amounts, \$1.35 million was justified due to District-driven changes in design and customization requirements and requirements for additional dedicated personnel to carry out such changes. The parties mutually agreed that \$1.35 million was adequate to satisfy all contractual claims as of the effective date of the seventh amendment. In order to memorialize this understanding, the parties have agreed to concurrently enter into a Release of Claims Agreement, in a form approved by legal counsel, whereby the parties will agree that District payment of \$1.35 million constitutes full payment for all Wipro contractual claims asserted or that could have been asserted as of the effective date of the seventh amendment.

Contract Officer: Brian Geiger
Project Manager: Karen Antion

650-508-7973
650-622-8013

RESOLUTION NO. 2014 -

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

* * *

**AUTHORIZING EXECUTION OF CONTRACT AMENDMENT WITH WIPRO, LLC. TO
PROVIDE PEOPLESOFT SYSTEMS INTEGRATION SERVICES AND EXECUTION OF
RELEASE OF CLAIMS AGREEMENT IN THE AMOUNT OF \$1,350,000**

WHEREAS, the San Mateo County Transit District (District) pursuant to Resolution No. 2011-02, entered into an agreement with Wipro, Inc. (Agreement) to provide PeopleSoft system integration services, referred to as the Business Optimization Project (BOP); and

WHEREAS, the Agreement has been amended previously in order to adjust the scope of services, adjust the implementation approach, incorporate optional services, and adjust the project schedule and manner of payment; and

WHEREAS, as a result of scope of service changes and personnel requirements related thereto, there is now a need to further amend the Agreement to revise the Project Timeline and Payment Schedule and update the liquidated damages clause to reflect the Project Timeline revisions; and

WHEREAS, in August 2013, Wipro approached the District to discuss various contractual claims that Wipro asserted were due to District delays, scope of service changes and increases, and requirements for additional dedicated personnel; and

WHEREAS, Wipro asserted that such claims totaled between \$6 million and \$7 million, however, following several months of negotiations between the parties, it was mutually agreed that of the originally submitted claim amounts, \$1,350,000 was justified due to District-driven changes in design and customization requirements and requirements for additional dedicated personnel to carry out such changes; and

WHEREAS, in order to memorialize this understanding, the parties have agreed to enter into a Release of Claims Agreement, whereby the parties will agree that District payment of \$1,350,000 constitutes full payment for all Wipro contractual claims asserted or that could have been asserted as of the effective date of the Seventh Amendment; and

WHEREAS, staff recommends and the Finance Committee concurs that the Agreement be amended to incorporate the aforementioned changes, and that the Release of Claims Agreement be executed to resolve all Wipro claims known and unknown as of the effective date of the seventh amendment.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the District authorizes the General Manager/CEO, or his designee, to take the following actions:

1. Amend the contract with Wipro to (a) revise the Project Timeline and Payment Schedule as a result of scope of service changes and personnel requirements related thereto, and (b) update the liquidated damages clause to reflect the Project Timeline revisions.
2. Execute a Release of Claims Agreement with Wipro, in an amount of \$1,350,000, to settle all Wipro contractual claims as of the effective date of the proposed seventh amendment, resulting in a total Project budget, through Fiscal Year 2015, of \$21.6 million, with the understanding that the Release of Claims Agreement will be in a form approved by legal counsel.

Regularly passed and adopted this 2nd day of April 2014 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transit District

ATTEST:

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Finance Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Gigi Harrington
Deputy CEO

SUBJECT: **ASSESSMENT OF THE FISCAL YEAR 2014 FUEL HEDGING PROGRAM**

ACTION

This item is presented for informational purposes only.

SIGNIFICANCE

A Fuel Hedging pProgram was instituted for Fiscal Year (FY) 2014 to cover 65 percent of the San Mateo County Transit District's (District) projected diesel fuel usage, which was approximately 1.2 million gallons.

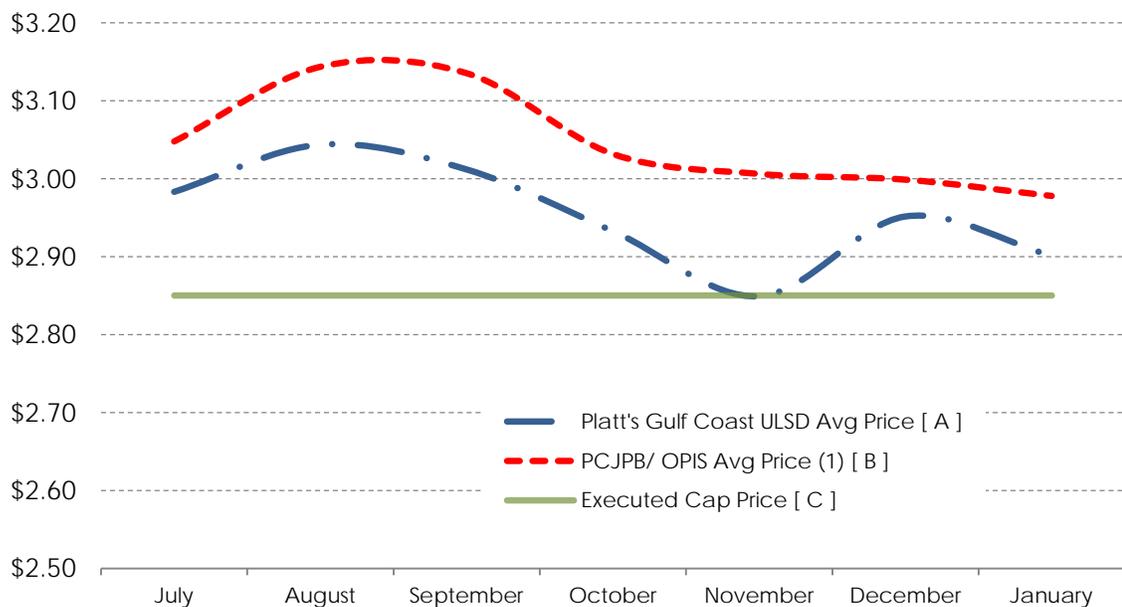
The Fuel Hedging Program allowed the District to reduce uncertainty in the fuel budget for FY2014 and to take advantage of the relatively low market prices at the time the fuel hedging transaction was executed.

Consistent with its Fuel Hedging Policy adopted on April 3, 2013, the District purchased a price cap of \$2.85 per gallon based on the Platt's Gulf Coast Ultra Low Sulfur Diesel (ULSD) index. The counterparty on the FY2014 transaction was Barclays Bank PLC. The estimated budget savings from the diesel fuel price cap was about \$660,000 over the fuel cost the District would otherwise have needed to assume for its fuel budget.

The price cap from the transaction was based on ULSD index while the actual District purchase price was based on the average weekly spot price from San Francisco Oil Price Information Service (OPIS) index. With the exception of November, the average price of the ULSD index has been consistently above the \$2.85 cap price. Due to local supply issues in the past six months, the ULSD index has a relatively lower correlation of 0.843 with the OPIS index compared to the same period last year. The correlation for the prior five years however continued to remain strong at 0.993. The District has thus far received a total year-to-date payment of \$72,370 from Barclays. The cost of the cap was \$218,280, which was paid by the District as an upfront premium. The following table and graph summarize the results of the FY2014 Program to date:

	Platt's Gulf Coast ULSD Avg Price [A]	SamTrans/ OPIS Avg Price ⁽¹⁾ [B]	Variance of ULSD Price & JPB's [A - B]	Executed Cap Price [C]	+Variance of ULSD Price & Cap Price [A - C]	Payment from Barclays [D]
July	2.9831	3.0477	(0.0646)	2.85	0.1331	13,310.00
August	3.0436	3.1436	(0.1000)	2.85	0.1936	19,360.00
September	3.0118	3.1353	(0.1235)	2.85	0.1618	16,180.00
October	2.9326	3.0316	(0.0990)	2.85	0.0826	8,260.00
November	2.8491	3.0061	(0.1570)	2.85	0.0000	0.00
December	2.9515	2.9987	(0.0472)	2.85	0.1015	10,150.00
January	2.9011	2.9778	(0.0767)	2.85	0.0511	5,110.00
YTD						72,370.00

⁽¹⁾ Excluding Taxes and Fees



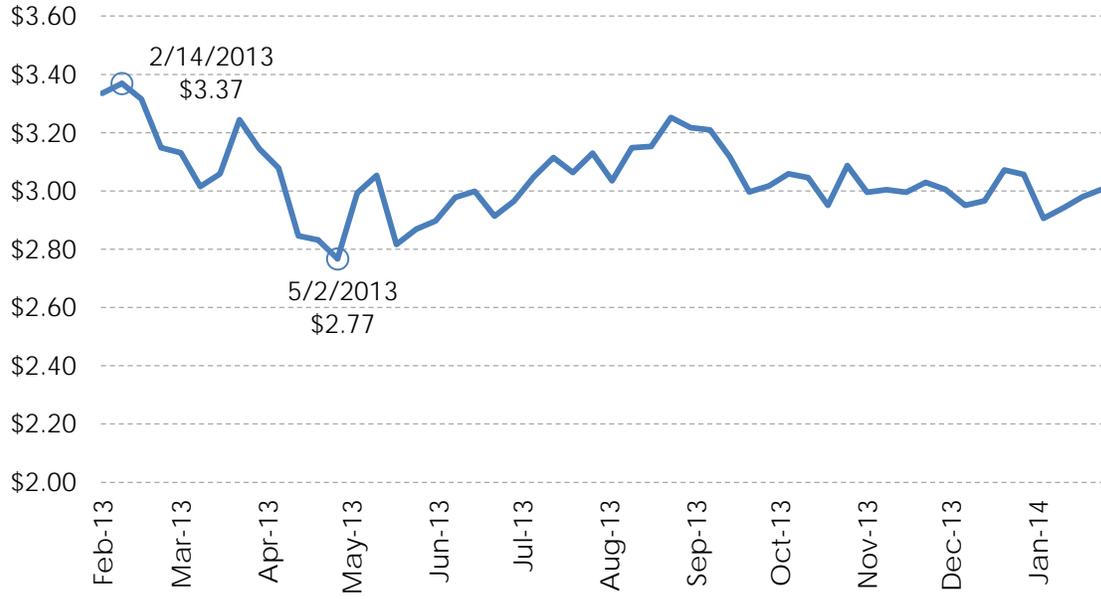
BUDGET IMPACT

There is no impact to the Budget.

BACKGROUND

The District purchases fuel from Pinnacle Petroleum based on the average weekly spot price from OPIS index, exposing the District to market price fluctuation. During the past 12-month period from February 2013 to January 2014, the price of OPIS has ranged from a high of \$3.37 per gallon in mid-February of 2013 to a low of \$2.77 in the first week of May 2013.

OPIS Weekly Index Average Fuel Price San Francisco



Prepared By: Andy Ly, Senior Financial Analyst

650-508-6376



BOARD OF DIRECTORS 2014

JEFF GEE, CHAIR
SHIRLEY HARRIS, VICE CHAIR
JERRY DEAL
CAROLE GROOM
ROSE GUILBAULT
ZOE KERSTEEN-TUCKER
KARYL MATSUMOTO
ADRIENNE TISSIER

MICHAEL J. SCANLON
GENERAL MANAGER/CEO

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

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

WEDNESDAY, APRIL 2, 2014 – 2:40 p.m.
or immediately following previous Committee meeting

ACTION

1. Approval of Minutes of Legislative Committee Meeting of March 5, 2014

INFORMATIONAL

2. State and Federal Legislative Update

Committee Members: Shirley Harris, Zoe Kersteen-Tucker, Art Lloyd

NOTE:

- This Committee meeting may be attended by Board Members who do not sit on this Committee. In the event that a quorum of the entire Board is present, this Committee shall act as a Committee of the Whole. In either case, any item acted upon by the Committee or the Committee of the Whole will require consideration and action by the full Board of Directors as a prerequisite to its legal enactment.
- All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

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

**MINUTES OF LEGISLATIVE COMMITTEE MEETING
COMMITTEE OF THE WHOLE
MARCH 5, 2014**

Committee Members Present: S. Harris (Committee Chair), Z. Kersteen-Tucker, A. Lloyd

Other Board Members Present, Constituting Committee of the Whole: J. Gee, J. Deal, C. Groom, R. Guilbault, K. Matsumoto, A. Tissier

Staff Present: J. Averill, J. Cassman, A. Chan, G. Harrington, C. Harvey, R. Haskin, M. Martinez, N. McKenna, S. Murphy, M. Scanlon, M. Simon, S. van Hoften

Committee Chair Shirley Harris called the meeting to order at 2:36 p.m.

Approval of Minutes of Legislative Committee Meeting of February 5, 2014

The Committee unanimously approved the minutes (Groom/Guilbault).

Update on the State and Federal Legislative Program

Seamus Murphy, Director, Government and Community Affairs, said Cap and Trade is the primary focus of the budget debate. The main set of programs being considered for the funds is within transportation. The San Mateo County Transit District (District) is supportive of the proposal to fund \$50 million for rail modernization. The District is also supportive of the proposal to implement Sustainable Communities Strategies but recommends increasing the amount of funding.

There was a proposal for a new carbon tax that would replace the fuels portion of the Cap and Trade revenue. The proposal is a carbon tax on gasoline at the pump, and the initial proposal states the funds would be used to fund some tax credits as well as transit and transportation infrastructure and services. Funding levels could potentially be more consistent and reliable as a result.

Federal Update

The U.S. Department of Transportation announced that \$600 million will be available under the Transportation Investment Generating Economic Recovery (TIGER) competitive grant program. Applications are due on April 28. Staff is working with the region to identify what San Mateo County priorities would be most competitive for the program. Whatever is selected needs to have coordinated support from the region in order to be successful.

President Obama's budget proposal includes a \$302 billion reauthorization proposal that would fully fund the Highway Trust Fund with \$150 billion generated through a business tax overhaul focused on taxing companies' overseas earnings. The president indicated that other revenue solutions would be viable.

Director Karyl Matsumoto asked if the president's \$302 billion reauthorization proposal is realistic. Mr. Murphy said there have been some positive comments from Republicans in Congress about a business tax overhaul. If there is an opportunity to enhance revenue at the Federal level by focusing it on corporate tax rates and, even more specifically, on overseas earnings, it potentially has some legs. There is not a lot of hope for individual tax rate reform, but more flexibility when it comes to business tax.

Chair Jeff Gee asked for an update on Senate Bill 1077. Mr. Murphy said he will follow-up with Chair Gee after speaking with the District's legislative advocates to get a full understanding of what the genesis is and the intent of the proposal.

Mr. Murphy said there is a bill at the Federal level that would increase the Federal gas tax to compensate for the reductions in funding that resulted from fuel efficiencies.

Michael Scanlon, General Manager/CEO, said there was pilot program introduced on vehicle miles traveled (VMT) in Portland and there is legislation to expand it to a statewide pilot program. He said VMT are down, but transit miles are up.

Director Carole Groom said the State Association of County Governments had a lengthy discussion on this issue at the Transportation Policy Committee.

Director Adrienne Tissier said the Metropolitan Transportation Commission has had the same discussion.

Adjourned: 2:48 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT
STAFF REPORT**

TO: Legislative Committee

THROUGH: Michael J. Scanlon
General Manager/CEO

FROM: Mark Simon
Executive Officer, Public Affairs

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

ACTION

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

SIGNIFICANCE

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

STATE ISSUES

Assembly Bill (AB) 2021 Construction Manager/General Contractor

Assembly Member Rich Gordon introduced AB 2021 on behalf of the San Mateo County Transit District (District). This bill will allow the District to continue to operate its existing labor compliance program when utilizing a Construction Management General Contractor project delivery approach. The bill passed out of the Assembly Committee on Transportation on March 24 and will be heard next in the Assembly Committee on Local Government.

Senate Bill (SB) 785 Design-Build Authority

Senator Lois Wolk amended SB 785 in an attempt to consolidate existing local and state design-build statutes and eliminate inconsistencies in statutory language by creating a uniform design-build contracting statute. The bill will apply to state agencies, counties, cities, water municipalities, and transit operators for public works projects. The District supports this bill. No hearing has been scheduled yet.

Cap and Trade Funds

As part of the governor's Fiscal Year (FY) 2014-2015 State Budget, the Administration is proposing to allocate cap-and-trade revenues to a variety of different transportation needs. The District supports increasing funding that regions would receive to implement Sustainable Communities Strategies required under SB 375. The District also supports increasing investment proposed for a statewide rail modernization program to "fund capital improvements and operational investments that will modernize California's intercity, commuter, and urban rail systems." The District supports the current proposal to allocate these funds through a competitive grant program. Some agencies are assessing other methods of distribution including a formula approach and a project-specific allocation of funds.

Active Transportation Program Call for Projects

The California State Department of Transportation issued a call for projects for the State's Active Transportation Program, which was created by legislation passed last year to make State bicycle and pedestrian programs consistent with the consolidation of Federal funding in the Moving Ahead for Progress in the 21st Century Act (MAP-21).

\$360 million has been appropriated for the program and applications are due May 21. Transit agencies are eligible to apply for projects that achieve the following goals:

- Increase the proportion of trips accomplished by biking and walking,
- Increase safety and mobility for non-motorized users,
- Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals,
- Enhance public health,
- Ensure that disadvantaged communities fully share in the benefits of the program, and
- Provide a broad spectrum of projects to benefit many types of active transportation users.

FEDERAL ISSUES

American Public Transportation Association (APTA) Legislative Conference

Staff attended APTA's annual Legislative Conference along with Directors Jerry Deal and Karyl Matsumoto. We participated in meetings with our legislative delegation, Administration officials and committee staff who will be instrumental in drafting FY2015 appropriations bills and the next surface transportation reauthorization bill.

These meetings provided a timely opportunity to join public transportation agencies around the country in advocating for funding levels included in the president's proposal for a FY2015 budget and a four-year transportation reauthorization proposal, which were released last month.

The proposal would invest:

- \$825 million in Positive Train Control on commuter rail lines
- \$1.3 billion in "high-performance rail" by developing new corridors and improving existing corridors
- \$1.25 billion in the TIGER multi-modal discretionary grant program
- \$13.9 billion in transit formula grants
- An 18.7 percent increase in overall transit funding (amount necessary to achieve a state of good repair)

Prepared By: Seamus Murphy, Director, Government and Community Affairs 650-508-6388

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
AB 194 Campos D Open meetings: actions for violations.	SENATE G. & F. 2/6/2014 - Referred to Com. on GOV. & F.	<p>The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act requires every agenda for a regular meeting or notice for a special meeting to provide an opportunity for members of the public to address the legislative body on items being considered by the legislative body, as specified. The act authorizes a district attorney or any interested party to seek a judicial determination that an action taken by a legislative body is null and void if the legislative body violated certain provisions of the act.</p> <p>This bill would expand the authorization for a district attorney or interested party to seek a judicial determination that an action taken by a legislative body is null and void if the legislative body violated the requirement that every agenda for a regular meeting or notice for a special meeting provide an opportunity for members of the public to address the legislative body on items being considered, as specified. Last Amended on 1/27/2014</p>	
AB 515 Dickinson D Environmental quality: California Environmental Quality Act: writ of mandate.	SENATE E.Q. 3/17/2014 - From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on E.Q.	<p>The California Environmental Quality Act requires the court, if it finds that a public agency has violated the requirements of the act, to issue an order, in the form of a peremptory writ of mandate, specifying what actions by the public agency are necessary to comply with the requirements of the act.</p> <p>This bill would require the peremptory writ of mandate to specify the time by which the public agency is to make an initial return of the peremptory writ of mandate containing specified information. Because a public agency would be required to file an initial return of the peremptory writ of mandate, this bill would impose a state-mandated local program. The bill would require the trial court, to the extent feasible, to issue a determination indicating whether the actions specified in the initial return and any subsequent return are adequate to comply with the peremptory writ of mandate within 30 days of the filing of the return. This bill contains other related provisions and other existing laws. Last Amended on 3/17/2014</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 1536 Olsen R</p> <p>Public transportation employees: strikes: prohibition.</p>	<p>ASSEMBLY P.E.,R. & S.S. 2/14/2014 - Referred to Com. on P.E.,R. & S.S.</p> <p>4/2/2014 10 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, BONTA, Chair</p>	<p>Existing law prescribes procedures governing disputes between exclusive bargaining representatives of public transportation employees and local agencies, and authorizes the Governor, when it appears a strike will significantly disrupt transportation services and endanger public health, safety, and welfare, to appoint a board to investigate issues in connection with these labor negotiations and make a report. Existing law prohibits a strike during the period of investigation and permits the Governor, upon receiving a report from a board of investigation, to request the Attorney General to petition a court to enjoin the strike, as specified.</p> <p>This bill would repeal those provisions that authorize the Governor to appoint a board to investigate when it appears a strike will significantly disrupt transportation services, prohibit a strike during the period of investigation, and that authorize the Governor to request the Attorney General to petition a court to enjoin the strike. The bill would instead prohibit a state or local public transportation employee or public transportation employee organization from engaging in, causing, instigating, encouraging, or condoning a strike. The bill would also provide that a person who, on behalf of a public transportation employer, exercises authority, supervision, or direction over a public transportation employee shall not have the power to, and shall not purport to, authorize, approve, condone, or consent to a strike by a public transportation employee. This bill contains other related provisions and other existing laws.</p>	
<p>AB 1684 Chávez R</p> <p>Vehicles: maximum length.</p>	<p>ASSEMBLY PRINT 2/14/2014 - From printer. May be heard in committee March 16.</p>	<p>Existing law generally prohibits a vehicle from exceeding a length of 40 feet, and a combination of vehicles from exceeding a total length of 65 feet, with various specific exceptions, including a bus operated by a public agency or a passenger stage corporation, as defined, used in transit system service, other than a schoolbus, when the excess length is caused by a folding device attached to the front of the bus that is designed and used exclusively for transporting bicycles.</p> <p>This bill would make a technical, non-substantive change to that provision.</p>	
<p>AB 1720 Bloom D</p> <p>Vehicles: bus gross weight.</p>	<p>ASSEMBLY TRANS. 2/27/2014 - Referred to Com. on TRANS.</p>	<p>Existing law generally prohibits a publicly owned or operated transit system from procuring a transit bus whose weight on any single axle exceeds 20,500 pounds. Existing law, until January 1, 2015, exempts from this prohibition a transit system that is procuring a new bus that is of the same or lesser weight than the bus it is replacing, or if it is incorporating a new fleet class into its inventory and its governing board makes certain findings.</p> <p>This bill would extend the operation of those exceptions until January 1, 2016.</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
<p>AB 1970 Gordon D</p> <p>California Global Warming Solutions Act of 2006: Community Investment and Innovation Program.</p>	<p>ASSEMBLY NAT. RES. 3/3/2014 - Referred to Coms. on NAT. RES. and L. GOV.</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund.</p> <p>This bill would create the Community Investment and Innovation Program and would require moneys to be available from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature, for purposes of awarding local assistance grants and other financial assistance to eligible grant applicants, as defined, who submit plans to develop and implement integrated community-level greenhouse gas emissions reduction projects in their region. The bill would require the Strategic Growth Council, in coordination with the state board, to administer the program, as specified. The bill would require 25% of the moneys appropriated for purposes of the program be awarded to eligible grant applicants whose projects include and specifically benefit environmental justice communities, as defined.</p>	
<p>AB 2013 Muratsuchi D</p> <p>Vehicles: high-occupancy vehicle lanes.</p>	<p>ASSEMBLY TRANS. 3/18/2014 - Re-referred to Com. on TRANS.</p> <p>3/24/2014 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWE NTHAL, Chair</p>	<p>Existing federal law, until September 30, 2017, authorizes a state to allow specified labeled vehicles to use lanes designated for high-occupancy vehicles (HOVs).</p> <p>This bill would increase the number of those identifiers that the DMV is authorized to issue to 85,000. This bill contains other existing laws. Last Amended on 3/17/2014</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
AB 2021 Gordon D San Mateo County Transit District.	ASSEMBLY TRANS. 3/18/2014 - Re-referred to Com. on TRANS. 3/24/2014 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, LOWE NTHAL, Chair	<p>Existing law creates the San Mateo County Transit District with various powers and duties relative to transportation projects and services in the County of San Mateo. Existing law authorizes the district to utilize the Construction Manager/General Contractor project delivery contract method for transit projects within its jurisdiction, subject to certain conditions and requirements. Existing law requires the district to comply with certain prevailing wage requirements with respect to that contract method, which requirements are monitored and enforced by the Department of Industrial Relations, or alternatively to elect to enter into a collective bargaining agreement that binds all of the contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.</p> <p>This bill would additionally authorize the district to meet its obligations under this provision by continuing to operate an existing previously approved labor compliance program, subject to approval of the Department of Industrial Relations, as specified. Last Amended on 3/17/2014</p>	Sponsor
AB 2123 Buchanan D Vehicles: High-occupancy vehicle lanes.	ASSEMBLY PRINT 2/21/2014 - From printer. May be heard in committee March 23.	<p>Existing law authorizes local authorities and the Department of Transportation to establish exclusive or preferential use of highway lanes for high-occupancy vehicles.</p> <p>This bill would make a technical, non-substantive change to this provision of law.</p>	
AB 2250 Daly D Toll facilities: revenues.	ASSEMBLY TRANS. 3/6/2014 - Referred to Com. on TRANS.	<p>Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law authorizes tolls to be imposed on certain facilities that are part of the state highway system, including toll roads, toll bridges, and high-occupancy toll lanes. Existing law, in certain cases, provides for the toll facilities to be administered by local agencies.</p> <p>This bill would require the department, when adopting statewide policies for toll facilities on the state highway system, to ensure that a majority of the toll revenues generated from toll facilities on the state highway system that are administered by local agencies remain available for expenditure by those local agencies.</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
AB 2445 Chau D Community colleges: transportation fees.	ASSEMBLY HIGHER ED. 3/10/2014 - Referred to Com. on HIGHER ED. 4/1/2014 1:30 p.m. - State Capitol, Room 437 ASSEMBLY HIGHER EDUCATION, WILLIAMS, Chair	<p>Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law authorizes the establishment of community college districts under the administration of community college governing boards, and authorizes these districts to provide instruction at community college campuses throughout the state. Existing law also authorizes the governing board of each district to impose various fees, including fees for parking and transportation services that are subject to specified limits. Existing law provides that a district is prohibited from entering into a contract for transportation services provided by a common carrier or a municipally owned transit system and funded by a fee for transportation services, unless a majority of the students of that district approve payment of the fee for that purpose within a specified time period.</p> <p>This bill would specify that a community college district is authorized to enter into a contract for the transportation services described above if a majority of the students of that district, or campus of that district, as appropriate, approve the payment of the fee within the same time period.</p>	
AB 2471 Frazier D Public contracts: change orders.	ASSEMBLY A. & A.R. 3/13/2014 - Referred to Com. on A. & A.R.	<p>Existing law contains various provisions relating to contracts by a public entity for the performance of public works of improvement, including provisions for the payment of progress payments and the disbursing and withholding of retention proceeds. Existing law, until January 1, 2016, prohibits progress payments upon state contracts from being made in excess of 100% of the percentage of actual work completed, and authorizes the Department of General Services to withhold not more than 5% of the contract price until final completion and acceptance of the project, except as specified.</p> <p>This bill would require a public entity, when authorized to order changes or additions in the work in a public works contract awarded to the lowest bidder, to issue a change order promptly, and in no event later than 30 days after the changes or additions are required. The bill would require, if this requirement is not met, the public entity to be liable to the original contractor for payment of the contractor's invoice for the change order or additional work. The bill would require prejudgment interest to accrue on any amount for which the public entity fails to issue a change order promptly or make a payment due pursuant to this bill.</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
AB 2568 Bloom D Los Angeles County Metropolitan Transportation Authority.	ASSEMBLY L. GOV. 3/13/2014 - Referred to Com. on L. GOV.	<p>Existing law, the County Transportation Commissions Act, creates the Los Angeles County Metropolitan Transportation Authority and authorizes the authority to enter into contracts pertaining to transportation services. The act prohibits a member, alternate member, or employee of the authority who has participated as a decision maker in the preparation, evaluation, award, or implementation of a contract and who leaves the authority from accepting, within 3 years of leaving the authority, employment with any company, vendor, or business entity that was awarded a contract as a result of his or her participation, evaluation, award, or implementation of that contract.</p> <p>This bill would prohibit a chief executive officer hired on or after January 1, 2015, from accepting employment with any such company, vendor, or business entity within one year of leaving the authority.</p>	
AB 2651 Linder R Vehicle weight fees: transportation bond debt service.	ASSEMBLY TRANS. 3/17/2014 - Referred to Com. on TRANS.	<p>Existing law imposes weight fees on the registration of commercial motor vehicles and provides for the deposit of net weight fee revenues into the State Highway Account. Existing law provides for the transfer of certain weight fee revenues from the State Highway Account to the Transportation Debt Service Account to reimburse the General Fund for payment of debt service on general obligation bonds issued for transportation purposes. Existing law also provides for the transfer of certain weight fee revenues to the Transportation Bond Direct Payment Account for direct payment of debt service on designated bonds, which are defined to be certain transportation general obligation bonds issued pursuant to Proposition 1B of 2006.</p> <p>This bill, notwithstanding these provisions or any other law, effective January 1, 2016, would prohibit weight fee revenue from being transferred from the State Highway Account to the Transportation Debt Service Fund or to the Transportation Bond Direct Payment Account, and from being used to pay the debt service on transportation general obligation bonds.</p>	

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Bill ID/Topic	Location	Summary	Position
<p>AB 2707 Chau D</p> <p>Vehicles: length limitations: buses: bicycle transportation devices.</p>	<p>ASSEMBLY TRANS. 3/12/2014 - Re-referred to Com. on TRANS.</p>	<p>Existing law imposes a 40-foot limitation on the length of vehicles that may be operated on the highways, with specified exemptions. Existing law exempts from this limitation an articulated bus or trolley and a bus, except a school bus, that is operated by a public agency or passenger stage corporation that is used in a transit system if it is equipped with a folding device attached to the front of the vehicle that is designed and used exclusively for transporting bicycles, does not materially affect efficiency or visibility of vehicle safety equipment, and does not extend more than 36 inches from the front of the body of the bus or trolley when fully deployed. In addition, existing law prohibits a bicycle that is transported on the above-described device from having the bicycle handlebars extend more than 42 inches from the front of the vehicle.</p> <p>This bill would authorize the Los Angeles County Metropolitan Transportation Authority to install folding devices attached to the front of its buses that are designed and used exclusively for transporting bicycles as long as those devices meet certain requirements, including, but not limited to, extending not more than 40 inches from the front of the bus when fully deployed, and that the handlebars of the bicycles being transported extend not more than 46 inches from the front of the bus. This bill contains other related provisions. Last Amended on 3/11/2014</p>	
<p>AB 2722 Ridley-Thomas D</p> <p>Los Angeles County Metropolitan Transportation Authority: contracting.</p>	<p>ASSEMBLY L. GOV. 3/17/2014 - Referred to Com. on L. GOV.</p>	<p>Existing law creates the Los Angeles County Metropolitan Transportation Authority (LACMTA), with various powers and duties with respect to transportation planning, programming, construction, and operations.</p> <p>This bill would delete the restrictions, thereby authorizing LACMTA to expand small business contract preference provisions to these professional services contracts. The bill would provide similar preferences with respect to disabled veteran business enterprises, as defined. The bill would allow the preferences to be in an amount of up to 10% of the lowest responsible bidder. The bill would authorize LACMTA to establish a mandatory subcontracting participation goal for small business or disabled veteran business enterprises on contracts financed with nonfederal funds and to set additional guidelines for local preference purposes. The bill would authorize LACMTA to award certain contracts of specified values to small business or disabled veteran business enterprises if LACMTA obtains price quotations from 2 or more of those business, or to small businesses or disabled veteran business enterprises that are the lowest responsible bidder or best value proposer among those businesses, as specified. This bill contains other related provisions and other existing laws.</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
SB 263 Monning D Private employment: public transit employees.	ASSEMBLY RLS. 1/30/2014 - Re-referred to Com. on RLS.	<p>Existing law requires a local government agency to give a 10 percent preference to any bidder on a service contract to provide public transit services who agrees to retain employees of the prior contractor or subcontractor for a period of not less than 90 days, as specified.</p> <p>This bill would expand these provisions to require a state agency to also give a 10 percent preference to any bidder under these provisions. Last Amended on 1/21/2014</p>	
SB 469 Corbett D Vehicles: aerodynamic vehicles.	ASSEMBLY DESK 1/21/2014 - In Assembly. Read first time. Held at Desk.	<p>Existing law limits the length of vehicles and combinations of vehicles coupled together. Existing law permits door handles, hinges, cable cinchers, chain binders, aerodynamic devices, and holders for the display of placards warning of hazardous materials to extend 3 inches on each side of the vehicle. Under existing law, any extension or device used to increase the carrying capacity of a vehicle is generally included in measuring the length of a vehicle, subject to certain exceptions.</p> <p>This bill would also permit a tarping system, as defined, and all non-property carrying devices or components to extend 3 inches on each side of the vehicle, as specified. The bill would exclude an aerodynamic device, as defined, that extends no more than 5 feet beyond the rear of a vehicle from the calculation of a vehicle's length if the device meets specified conditions, including that the device does not obscure tail lamps, turn signals, marker lamps, identification lamps, or any other required safety devices. Last Amended on 1/6/2014</p>	

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Bill ID/Topic	Location	Summary	Position
SB 785 Wolk D Design-build.	ASSEMBLY DESK 1/27/2014 - In Assembly. Read first time. Held at Desk.	<p>Existing law authorizes the Department of General Services, the Department of Corrections and Rehabilitation, and various local agencies to use the design-build procurement process for specified public works under different laws.</p> <p>This bill would repeal those authorizations, and enact provisions that would authorize the Department of General Services, the Department of Corrections and Rehabilitation, and those local agencies, as defined, to use the design-build procurement process for specified public works. The bill would authorize the Marin Healthcare District to use the design-build process when contracting for the construction of a building and improvements directly related to a hospital or health facility building at the Marin General Hospital. The bill would require moneys that are collected under these provisions to be deposited into the State Public Works Enforcement Fund, subject to appropriation by the Legislature. The bill would require specified information to be verified under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program.</p> <p>Last Amended on 1/14/2014</p>	Support

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
<p>SB 792 DeSaulnier D</p> <p>Regional entities: San Francisco Bay Area.</p>	<p>ASSEMBLY DESK 1/28/2014 - In Assembly. Read first time. Held at Desk.</p>	<p>Existing law creates the Metropolitan Transportation Commission, the Bay Area Toll Authority, the Bay Area Air Quality Management District, and the San Francisco Bay Conservation and Development Commission, with various powers and duties relative to all or a portion of the 9-county San Francisco Bay Area region with respect to transportation, air quality, and environmental planning, as specified. Another regional entity, the Association of Bay Area Governments, is created under existing law as a joint powers agency comprised of cities and counties with regional planning responsibilities. Existing law provides for a joint policy committee of certain member agencies in this 9-county area to collaborate on regional coordination. Existing law requires regional transportation planning agencies, as part of the regional transportation plan in urban areas, to develop a sustainable communities strategy, coordinating transportation, land use, and air quality planning, with specified objectives.</p> <p>This bill would require the member agencies of the joint policy committee to prepare a plan for consolidating certain functions that are common to the member agencies. The bill would require the plan to also include a statement relative to the expected reduction of overhead, operation, and management costs. The bill would require a member agency affected by the plan to submit a copy of the plan to its board on or before December 31, 2015, and would require the member agencies to report to the Senate Committee on Transportation and Housing on the adoption and implementation of the plan on or before December 31, 2016. The bill would also require the joint policy committee to maintain an Internet Web site containing information relevant to the committee's activities and to appoint an advisory committee on economic competitiveness with specified members from the business community and other organizations to adopt goals and policies related to the inclusion of economic development opportunities in the sustainable communities strategy. This bill contains other related provisions and other existing laws. Last Amended on 1/27/2014</p>	

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Bill ID/Topic	Location	Summary	Position
SB 969 DeSaulnier D Public works.	SENATE T. & H. 2/20/2014 - Referred to Com. on T. & H.	<p>Existing law generally defines "public work" as construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds; work done for irrigation, utility, reclamation, and improvement districts, and other districts of this type; street, sewer, or other improvement work done under the direction and supervision or by the authority of any officer or public body of the state or of any political subdivision or district thereof, and public transportation demonstration projects, as specified. Existing law, the Public Works Project Peer Review Act of 2013, authorizes a public agency principally tasked with administering, planning, developing, and operating a public works project to establish a peer review group, as defined. If a peer review group is established, existing law requires the administering agency to draft a charter, published on the agency's Internet Web site, related to the duties of the peer review group.</p> <p>This bill would authorize these provisions, instead, to be known and cited as the Public Works Project Overview Improvement Act. The bill would define a "megaproject" as a transportation project with total estimated development and construction costs exceeding \$1,000,000,000. The bill would require the agency administering a megaproject to establish a peer review group and to take specified actions to manage the risks associated with a megaproject including establishing a comprehensive risk management plan, and regularly reassessing its reserves for potential claims and unknown risks. Because this bill would require local agencies to perform additional duties, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</p>	

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Bill ID/Topic	Location	Summary	Position
SB 990 Vidak R Transportation funds: disadvantaged small communities.	SENATE T. & H. 2/20/2014 - Referred to Com. on T. & H.	<p>Existing law generally provides for programming and allocation of funds for transportation capital improvement projects through the state transportation improvement program process administered by the California Transportation Commission. Existing law requires 25% of available funds to be programmed and expended on interregional improvement projects nominated by the Department of Transportation, and 75 percent of available funds to be programmed and expended on regional improvement projects nominated by regional transportation planning agencies or county transportation commissions, as applicable, through adoption of a regional transportation improvement program.</p> <p>This bill would require each regional transportation improvement program to program 5 percent of funds available for regional improvement projects to disadvantaged small communities, as defined. In programming these moneys, the bill would require regional transportation agencies and county transportation commissions to prioritize funding congestion relief and safety needs. This bill contains other related provisions and other existing laws.</p>	
SB 1077 DeSaulnier D Vehicles: vehicle-miles-traveled charges.	SENATE T. & H. 3/6/2014 - Set for hearing April 22. 4/22/2014 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chair	<p>Existing law establishes the Department of Motor Vehicles and provides for its general powers and duties, including, among other things, the registration of vehicles, the licensing of drivers, and the regulation of vehicles generally.</p> <p>This bill would require the Department of Motor Vehicles to develop and implement, by July 1, 2015, a pilot program designed to assess specified issues related to implementing a vehicle-miles-traveled fee in California. The bill would also require the department to prepare and submit a specified report of its findings to the policy and fiscal committees of the Legislature no later than June 30, 2016. The bill would provide that these provisions would be repealed on January 1, 2018.</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
<p>SB 1156 Steinberg D</p> <p>California Carbon Tax Law of 2014.</p>	<p>SENATE G. & F. 3/6/2014 - Referred to Coms. on GOV. & F. and RLS.</p> <p>4/9/2014 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair</p>	<p>The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum, technologically feasible, and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms.</p> <p>This bill, effective January 1, 2015, would impose a carbon tax of an unspecified amount per ton of carbon-dioxide-equivalent emissions on suppliers of fossil fuels. The bill would require the State Board of Equalization to administer and implement the carbon tax, and would require revenues from the tax to be deposited in the Carbon Tax Revenue Special Fund in the State Treasury. The bill would exempt suppliers of fossil fuels subject to the tax from regulations imposed by the State Air Resources Board under the California Global Warming Solutions Act of 2006 relative to the compliance obligation in the second compliance period under which suppliers of specified fuels are required to obtain allowances for carbon-dioxide-equivalent emissions under the cap-and-trade program adopted by the State Air Resources Board. The bill would state the intent of the Legislature that revenues from the carbon tax be rebated to taxpayers, particularly low- and medium-income taxpayers, of other taxes, and for implementation of the carbon tax to be revenue neutral. This bill contains other related provisions.</p>	
<p>SB 1204 Lara D</p> <p>California Clean Truck and Bus Program.</p>	<p>SENATE T. & H. 3/12/2014 - Set for hearing April 1.</p> <p>4/1/2014 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chair</p>	<p>Existing law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions, commonly known as cap and trade revenues, to be deposited in the Greenhouse Gas Reduction Fund, and to be used, upon appropriation by the Legislature, for specified purposes.</p> <p>This bill would create the California Clean Truck and Bus Program, to be funded from cap and trade revenues, to fund zero- and near-zero emission truck and zero-emission bus technology and related projects, as specified, with preference to be given to projects in disadvantaged communities. The program would be administered by the state board.</p>	

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Bill ID/Topic	Location	Summary	Position
SB 1298 Hernandez D High-occupancy toll lanes.	SENATE T. & H. 3/6/2014 - Referred to Com. on T. & H.	<p>Existing law authorizes a regional transportation agency, in cooperation with the Department of Transportation, to apply to the California Transportation Commission to develop and operate high-occupancy toll (HOT) lanes, including administration and operation of a value-pricing program and exclusive or preferential lane facilities for public transit.</p> <p>This bill would remove the limitations on the number of HOT lanes that the commission may approve and would delete the January 1, 2012, deadline for HOT lane applications. The bill would also delete the requirement for public hearings on each application. This bill contains other related provisions and other existing laws.</p>	
SB 1368 Wolk D State highways: relinquishment.	SENATE T. & H. 3/17/2014 - Referred to Com. on T. & H.	<p>Existing law gives the Department of Transportation full possession and control of all state highways. Existing law provides for the relinquishment of state highways or portions of state highways to any county or city by the California Transportation Commission in accordance with specified criteria and procedures. Existing law, in addition, authorizes the commission to relinquish to a county transportation commission or regional transportation planning agency a park-and-ride lot within their respective jurisdictions, if the department enters into an agreement with the county transportation commission or regional transportation planning agency providing for that relinquishment and other conditions are satisfied.</p> <p>This bill would also authorize the commission to relinquish a park-and-ride lot to a joint powers authority formed for purposes of providing transportation services in the manner described above.</p>	

San Mateo County Transit District State Legislative Matrix 3/24/2014

Bill ID/Topic	Location	Summary	Position
SB 1433 Hill D Local Agency Public Construction Act: transit design-build contracts.	SENATE T. & H. 3/17/2014 - Referred to Com. on T. & H.	<p>Existing law authorizes a transit operator to enter into a design-build contract, as specified. Existing law defines a "transit operator" as a transit district, included transit district, municipal operator, included municipal operator, or transit development board, a consolidated agency, or any joint powers authority formed to provide transit service. Existing law establishes conditions for the selection of the design-build entity relating to the dollar amounts of the contracts. Existing law requires a transit operator, as defined, awarding a contract for a public works project pursuant to these provisions, to reimburse the Department of Industrial Relations for costs of performing prevailing wage monitoring and enforcement of the public works project and would require moneys collected to be deposited into the State Public Works Enforcement Fund, a continuously appropriated fund. Existing law repeals these provisions on January 1, 2015.</p> <p>This bill would include in the definition of "transit operator" any other local or regional agency responsible for the construction of transit projects, thereby extending the design-build procurement authorization. The bill would eliminate the requirement that the project cost exceed a specified amount. The bill would delete the repeal date, thus extending the operation of these provisions indefinitely. This bill contains other related provisions and other existing laws.</p>	



JEFF GEE, CHAIR
SHIRLEY HARRIS, VICE CHAIR
JERRY DEAL
CAROLE GROOM
ROSE GUILBAULT
ZOE KERSTEEN-TUCKER
KARYL MATSUMOTO
ADRIENNE TISSIER

MICHAEL J. SCANLON
GENERAL MANAGER/CEO

A G E N D A

BOARD OF DIRECTORS

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

WEDNESDAY, APRIL 2, 2014 – 3:00 p.m.
or immediately following Committee meetings

1. ROLL CALL

2. CONSENT CALENDAR

MOTION

- a. Approval of Minutes of Board of Directors Meeting of March 5, 2014
- b. Acceptance of Statement of Revenues and Expenses for February 2014

3. PUBLIC COMMENT

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

4. REPORT OF THE CHAIR

- a. Resolution of Appreciation to Retired Director Art Lloyd

5. REPORT OF THE GENERAL MANAGER/CEO

6. COMMUNITY RELATIONS COMMITTEE

MOTION

- a. Appointment of Citizen Advisory Committee Members
 - Sonny Koya, Representing Bus Riders (Incumbent)
 - Peter Loranger, Representing Bus Riders (Incumbent)
 - Holly Osborne, Representing Bus Riders
 - Juslyn Manalo, Representing Bus Riders
 - Nada Ballator, Representing Community Riders
 - Bob Gomez, Representing Community Riders
 - Peter Ratto, Representing Multimodal Riders (Incumbent)
 - Charlotte Laughon, Representing Multimodal Riders

SUBJECTS DISCUSSED

- b. Accessibility Update
- c. PCC Update
- d. Citizens Advisory Committee Liaison Report
- e. Mobility Management Report – Caltrain
- f. Multimodal Ridership Report – February 2014

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

7. FINANCE COMMITTEE

RESOLUTIONS

- a. Authorize Revision of the Fuel Hedging Policy, Award of Contract to Orrick, Herrington & Sutcliffe LLP to Serve as Special Counsel for Not-to-Exceed Fee of \$150,000, Approve the Fiscal Year 2015 Fuel Hedging Program, and Authorize Execution of Documents and Payment Premium for Commodity Price Cap for the Fiscal Year 2015 Fuel Hedging Program
- b. Authorize Reaffirming the District Investment Policy, the Paratransit Trust Fund Investment Policy, and Reauthorizing Investment of Monies with the Local Agency Investment Fund
- c. Authorize Entering into Memoranda of Understanding with the Cities of Daly City, South San Francisco and San Bruno to Finalize the Grand Boulevard Initiative Complete Streets Project
- d. Authorize Execution of Contracts for Technology Related Products and Services to Vendors Under Cooperative Purchasing Agreements for Fiscal Year 2015 for an Aggregate Not-to-Exceed Amount of \$1.5 Million
- e. Authorize Execution of Contracts over \$100,000 for Information Technology License Renewals, Maintenance Services and Professional Services for Fiscal Year 2015 for an Aggregate Not-to-Exceed Amount of \$850,000
- f. Authorize Amendment to the Contract with Ojo Technology, Inc. for Security System Maintenance and Repair Services by Extending the Contract on a Month-to-Month Basis for up to 12 Months and Increasing the Estimated Total Contract Amount by \$48,000
- g. Authorize Amendment of the Contract with Wipro, LLC to Provide PeopleSoft Systems Integration Services and Execution of Release of Claims Agreement in the Amount of \$1.35 Million

INFORMATIONAL

- h. Assessment of the Fiscal Year 2014 Fuel Hedge Program

8. LEGISLATIVE COMMITTEE

SUBJECT DISCUSSED

- a. State and Federal Legislative Update

9. WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

10. BOARD MEMBER REQUESTS/COMMENTS

11. GENERAL COUNSEL PROPOSAL

12. DATE, TIME AND PLACE OF NEXT MEETING – May 7, 2014 at 2 p.m., San Mateo County Transit District, Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 Carlos Ave., San Carlos 94070

13. ADJOURNMENT

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 www.samtrans.com.

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

Date and Time of Board and Advisory Committee Meetings

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

Location of Meeting

The San Mateo County Transit District Administrative Building is located at 1250 San Carlos Avenue, San Carlos, one block west of the San Carlos Caltrain Station on El Camino Real, accessible by SamTrans bus Routes ECR, FLX, 260, 295 and 398. [Map link](#) Additional transit information can be obtained by calling 1-800-660-4287 or 511.

Public Comment

- If you wish to address the Board, please fill out a speaker's card located on the agenda table. If you have anything that you wish distributed to the Board and included for the official record, please hand it to the District Secretary, who will distribute the information to the Board members and staff.
- Members of the public may address the Board on non-agendized items under the Public Comment item on the agenda. Public testimony by each individual speaker shall be limited to one minute and items raised that require a response will be deferred for staff reply.

Accessibility for Individuals with Disabilities

Upon request, the Transit District will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and a preferred alternative format or auxiliary aid or service at least two days before the meeting. Requests should be mailed to the District Secretary at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or emailed to board@samtrans.com; or by phone at 650-508-6242, or TTY 650-508-6448.

Availability of Public Records

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

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

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

**MINUTES OF BOARD OF DIRECTORS MEETING
MARCH 5, 2014**

Board Members Present: J. Deal, J. Gee, C. Groom, R. Guillbault, S. Harris, Z. Kersteen-Tucker, A. Lloyd, K. Matsumoto, A. Tissier

Staff Present: J. Averill, J. Cassman, A. Chan, G. Harrington, C. Harvey, R. Haskin, M. Martinez, N. McKenna, M. Scanlon, M. Simon, S. van Hoften

Chair Jeff Gee called the meeting to order at 3:19 p.m.

CONSENT CALENDAR

- a. Approval of Minutes of Board of Directors Meeting of February 5, 2014
- b. Acceptance of Statement of Revenues and Expenses for January 2014

A motion (Tissier/Lloyd) to approve the Consent Calendar was approved unanimously.

PUBLIC COMMENT

Jerry Grace, San Lorenzo, said he got to the Millbrae Bay Area Rapid Transit station today and missed Caltrain. He said he was very upset that Routes 390 and 391 were not operating and that it took him so long to get here. Mr. Grace said his birthday is on March 17.

REPORT OF CHAIR

Chair Gee reported:

- The launching of the SamTrans Service Plan on January 26 was no easy task. Staff has worked very hard on the process and apologizes to those who are not happy.
- Thanked Director Shirley Harris for chairing the February meeting.
- Thanked all the Directors for their service and being on so many different committees.
- He attended the SamTrans Open House on February 22.
- Director Art Lloyd will be resigning from the Board after 26 years of service as the Transit Expert. His service is greatly appreciated and a more formal sendoff will be done at the April meeting. Director Lloyd will continue as an advisor to the Board.

REPORT OF THE GENERAL MANAGER/CEO

Michael Scanlon, General Manager/CEO, reported:

- Nelson Arguilla was recognized as Bus Operator of the Year.
- James Esqueda was recognized as Maintenance Employee of the Year.
- South Base Operations received the Operations Base Safety Award for operating more than 102,000 miles between accidents.

- South Base Maintenance was presented the Maintenance Base Safety Award for working 60,000 hours with no lost-time injuries.
- Retired employee Corinne Goodrich was recognized for her work on the Grand Boulevard Initiative (GBI) and Senior Mobility Program.
- More than 2,400 hours of training was invested in Human Capital in December.
- During 2013, other transit agencies were invited to take advantage of training at the San Mateo County Transit District (District). This program will be extended in 2014.
- New employees Samantha Erickson, Senior Scheduler, Julie Huang, Planner, and Tracey Lin, Planner were introduced.
- Tina Dubost was promoted to Manager, Accessible Services.
- Congratulated Director Zoe Kersteen-Tucker on her appointment to the San Mateo County Planning Commission.

Director Tissier thanked Ms. Goodrich for all her work on the Senior Mobility Program. She said it is great to see the new hires and employees moving up through the ranks.

Director Harris congratulated the new hires. She said from a human resources perspective there is nothing more important than the employees and succession planning.

COMMUNITY RELATIONS COMMITTEE – J. Deal

SUBJECTS DISCUSSED

- a. Accessibility Update
- b. PCC Update
- c. CAC Liaison Report
- d. Mobility Management Report – Shuttles
- e. Multimodal Ridership Report – January 2014

FINANCE COMMITTEE – Z. Kersteen-Tucker

RESOLUTIONS

- a. Authorize the Filing of an Application for Transit Performance Incentive Funds to the Metropolitan Transportation Commission in the Amount of \$687,240 to Help Fund the Implementation of the SamTrans Service Plan
- b. Authorize the Purchase of 14 Low-Floor Paratransit Minivans and 19 Paratransit Vehicles from Creative Bus Sales, Inc. for a Total Cost of \$2,566,933
- c. Authorize Award of Contract to NVB Equipment to Furnish Vehicle Fire Suppression System Inspection and Maintenance for a Total Estimated Cost of \$243,005 for a Five-Year Term
- d. Authorize an Amendment to On-Call Engineering Consulting Services with Gannett Fleming, Inc. in a Total Aggregate Not-to-Exceed Contract Amount of \$800,000 from \$1,750,000 to \$2,550,000

A motion (Kersteen-Tucker/Tissier) to approve the resolutions was approved unanimously by roll call.

LEGISLATIVE COMMITTEE – S. Harris

SUBJECT DISCUSSED

- a. State and Federal Legislative Update

PLANNING, DEVELOPMENT AND SUSTAINABILITY – C. Groom

RESOLUTION

- a. Authorize Granting a Fiberoptics Easement to the Peninsula Corridor Joint Powers Board Over a Portion of the Dumbarton Rail Corridor

A motion (Groom/Harris) to approve the resolution was approved unanimously by roll call.

SUBJECT DISCUSSED

- b. SamTrans Service Plan Progress Update
- c. 2014-2018 SamTrans Strategic Plan Update
- d. Quarterly Capital Progress Report – 2nd Quarter Fiscal Year 2014

WRITTEN COMMUNICATIONS

No discussion.

BOARD MEMBER REQUESTS/COMMENTS

Director Karyl Matsumoto thanked Chair Gee and Mark Simon, Executive Officer, Public Affairs, for attending the Council of Cities meeting to speak about the NBC-11 story.

Director Harris said Director Rose Guilbault will be the keynote speaker at the Latinos Building a Legacy Conference on March 14 at the Latinos Leadership Council of San Mateo County. The event will be at Cañada College.

DATE AND TIME OF NEXT MEETING – April 2, 2014 at 2 p.m., San Mateo County Transit District, Administrative Building, 1250 San Carlos Avenue, San Carlos, CA 94070.

GENERAL COUNSEL PROPOSAL

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

Adjourned to closed session at 4:04 p.m.

Reconvened at 4:14 p.m.

Joan Cassman, Legal Counsel, said the Board met in closed session with the labor negotiator to discuss the launch of labor negotiation bargaining with all the unions of the District. No action was taken.

Meeting adjourned at 4:16 p.m.