

# **MAY 3, 2017**

## **SAMTRANS BOARD MEETING**

- COMMUNITY RELATIONS COMMITTEE LINK
- FINANCE COMMITTEE LINK
- LEGISLATIVE COMMITTEE LINK
- STRATEGIC PLANNING, DEVELOPMENT AND SUSTAINABILITY COMMITTEE LINK
- BOARD OF DIRECTORS LINK



BOARD OF DIRECTORS 2017

ROSE GUILBAULT, CHAIR  
CHARLES STONE, VICE CHAIR  
JEFF GEE  
CAROLE GROOM  
ZOE KERSTEEN-TUCKER  
KARYL MATSUMOTO  
DAVE PINE  
JOSH POWELL  
PETER RATTO

JIM HARTNETT  
GENERAL MANAGER/CEO

## 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, MAY 3, 2017 – 2:00 p.m.**

1. Call to Order
2. Pledge of Allegiance

#### **ACTION**

3. Approval of Minutes of Community Relations Committee Meeting of April 5, 2017
4. Proclamation Designating May as "Older Americans Month"

#### **INFORMATIONAL**

5. Student "Art Takes a Bus Ride" Contest
6. Accessibility Update – Tina Dubost
7. Paratransit Coordinating Council Update – Mike Levinson
8. Citizens Advisory Committee Update – Juslyn Manalo
9. Multimodal Ridership Report - March 2017
10. Adjourn

Committee Members: Zoe Kersteen-Tucker, Josh Powell, Peter Ratto

#### NOTE:

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

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

Draft

**MINUTES OF COMMUNITY RELATIONS COMMITTEE (CRC) MEETING  
COMMITTEE OF THE WHOLE  
APRIL 5, 2017**

Committee Members Present: Z. Kersteen-Tucker (Committee Chair), J. Powell, P. Ratto

Other Board Members Present, Constituting Committee of the Whole: J. Gee, C. Groom, R. Guilbault (Chair), K. Matsumoto, C. Stone

Other Board Members Absent, Constituting Committee of the Whole: D. Pine

Staff Present: M. Bouchard, J. Cassman, A. Chan, J. Hartnett, K. Kelly, M. Martinez, N. McKenna, D. Olmeda, S. Petty, J. Sanderson, M. Simon, S. van Hoften

Committee Chair Zoe Kersteen-Tucker called the meeting to order at 2:05 p.m.

**Approval of Minutes of March 1, 2017**

Motion/Second: Stone/Ratto

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Recommend Appointment of Citizens Advisory Committee (CAC) Members**

Committee Chair Kersteen-Tucker said eight applications were received for seven seats on the CAC. Interviews were conducted by Directors Josh Powell, Peter Ratto and herself and the following applicants are recommended for appointment:

1. John Baker, Representing Bus Riders (Incumbent)
2. Andrew Barnes, Representing Community Riders
3. Jason Galisatus, Representing Multimodal Riders, to a Partial Term Ending April 23, 2018
4. Alexandra Juarez, Representing Bus Riders
5. Sonny Koya, Representing Bus Riders (Incumbent)
6. Frank Liu, Representing Multimodal Riders (Incumbent), to a Partial Term Ending April 23, 2019

Motion/Second: Ratto/Guilbault

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

Public Comment

Bob Grassilli, Mayor, San Carlos, said thank you to the Board and staff for providing Route 61.

Donovan Diego, San Carlos, thanked SamTrans for starting Route 61. He said it gives him the opportunity to get to school with his brother and frees his mom to do other things.

Alex Park, San Carlos, said Route 61 has really helped him get around San Carlos when his mom can't take him.

Chesney Evert, San Carlos, said she is a 6<sup>th</sup> grader at Charter Learning Center and Route 61 gives her independence.

Casey Shay, San Carlos, said she is a 5<sup>th</sup> grader at Tierra Linda. She said her favorite thing about taking Route 61 is walking to the bus stop with her older brother who is a freshman at Carlmont. It is great bonding time.

Ellen Shay, San Carlos, said as a mom of three children who have been in the San Carlos school district for 13 years she wanted to thank the Board and staff for Route 61.

Karen Molinari, San Carlos, read a few quotes from parents who couldn't attend today's meeting on what Route 61 means to their families. "I see my daughter off every morning at the bus stop. She loves the independence while learning what punctuality really means. It is reliable and on-time and the drivers focus on safety of the kids. I can avoid the school rush hour and get to work on time. Thank you SamTrans." Another comment "my children walk the same distance as they would from the door to the bus as they would the car. They look forward to the ride as they get to socialize on their way to school and I save on gas." "Thank you for your advocacy on the service. You have made riding the bus cool which isn't easy to do in junior high. My son continually asks me to refill his Clipper Card." Ms. Molinari said as someone who grew up in San Carlos and rode the yellow bus through the hills she appreciates the willingness to bring the route back. She said it serves an important need in the community.

Dawn Brozek, San Carlos Parent Teachers Association and Safety Committee, read a few other quotes from parents who couldn't attend the meeting today. A parent of 6<sup>th</sup> and 7<sup>th</sup> graders says "Route 61 has been a lifesaver for us this year. It has cut down on my frustration of navigating pick-up and drop-off traffic at school, but it has allowed me and my three boys to be more independent. I no longer need to worry about figuring out carpool arrangements. They get out of the house earlier leaving time for me and my husband to get ready for work. It also gives my boys confidence and independence that is much appreciated at this age. Not only are they able to be more independent in making plans with friends they learned some valuable lessons in time management, responsibility, like forgotten bus passes, and social etiquette. Thanks to all who made this happen and we look forward to many more years of ridership." A parent of a 5<sup>th</sup> grade rider says "my 11 year old son leaves the house at 7:30 a.m. and returns afterschool on the Route 61. He feels safe and cared for. He now feels confident taking the bus and considers anything along the bus line a place he can access. Before the Route 61 he had never taken a bus. I can't thank you enough for the confidence this experience has given him and the extra time it has afforded us, his parents."

Meredith Park, San Carlos, said the Route 61 is a huge help for working families. She read another testimony from the Kilpatrick family. " SamTrans has provided our family with a reliable, safe, and convenient way to get to and from school safely. As two working parents it is one less thing to think about each day. Route 61 has provided our son with independence, extra time with friends and has taught him responsibility." Ms. Park said working with Doug Kim, Director, Planning, and his staff has been a great partnership and collaboration.

A video was shown promoting the Route 61 produced by the city of San Carlos.

Committee Chair Kersteen-Tucker thanked everyone for speaking today and this makes the Board and staff happy when these success stories are heard.

### **Accessibility Update**

John Sanderson, Accessibility Coordinator, said staff will be attending the Coastside Transportation Committee meeting on April 6 to discuss transportation issues and RediCoast service. The paratransit eligibility contractor's office has hired new staff and accessible transit services staff offered additional training.

### **Paratransit Coordinating Council (PCC) Update**

John Sanderson, Accessibility Coordinator, said staff will be attending the Coastside Transportation Committee meeting on April 6 to discuss transportation issues and RediCoast service. The paratransit eligibility contractor's office has hired new staff and accessible transit services staff offered additional training.

### **Citizens Advisory Committee (CAC)**

Written report was included in the reading file.

### **Mobility Management Report – Caltrain**

Michelle Bouchard, Chief Operating Officer, Rail, said:

- February performance:
  - Average weekday ridership (AWR) is almost 60,000 down about 1.6 percent. This is a trend seen throughout the region and country.
  - Total monthly ridership is 1.4 million, which is tracking down about 2 percent year-to-date. Last February the region hosted the Super Bowl so there was a tremendous increase in ridership and this past February has considerable rain so staff isn't concerned about the decrease in ridership numbers compared to last year. Staff is looking at various ticket types to see if there is any kind of trend in ridership. To try and boost ridership staff has increased fare enforcement, additional capacity was added with six-car trains. On April 10 a timetable change will go into effect and will not only support upcoming construction, but enhance reliability and add stops on the shoulder peaks.
  - On-time performance for trains arriving within five minutes of scheduled time is 94 percent below goal of 95 percent, but trains arriving within 10 minutes of scheduled time exceed the goal at 96 percent.
  - Fare revenue is \$8.4 million and tracking 5 percent over last year.

- Capital Program
  - Accomplishments since July 2016:
    - San Francisco crew facility rehabilitation
    - San Francisco roadway bridges
    - Quint Street Bridge replacement
    - San Mateo bridges replacement
    - Train departure monitors at both ends of the line to help customers understand the times the trains are leaving and linking those to control system.
  - Upcoming work – April 2017 – December 2017:
    - San Francisco roadway bridges
    - Advertising South San Francisco Station improvements project this month for bids
    - 25<sup>th</sup> Avenue grade separation bid opening is soon and expect an award of contract this summer
    - San Carlos transit center
    - Sunnyvale Station platform rehabilitation
    - Los Gatos Creek Bridge replacement
    - In August hope to award a contract for three F40 locomotive rebuilds
- Rolling Stock Inventory:
  - Locomotives:
    - 20 1985 with an average of 1.3 million miles per vehicle
    - Three 1998 with an average of 840,000 miles per vehicle
    - Six 2003 with an average of 695,000 miles per vehicle
  - Passenger cars:
    - 73 1985 with an average of 1.5 million miles per vehicle
    - 20 2000 with an average of 961,000 miles per vehicle
    - 17 2002 with an average of 814,000 miles per vehicle
    - Eight 2008 with an average of 542,000 miles per vehicle
    - Five 1997 with an average of 162,000 miles per vehicle
  - The Federal Transit Administration says they are willing to give replacement dollars when fleet is at the 25-year mark. Staff's practice is to pursue a mid-life rebuild to extend the life to 30 years. The vehicles that were put in service in 1985 reached their end useful life in 2015. Staff is in the process of extending that life through state of good repair investment and improved maintenance practice. It is important to note these vehicles will be retired with electrification. By the time the corridor is electrified these vehicles will be 36 years old. The locomotives are in a sensitive time period because the rolling stock is either at the end of its useful life or is ready for mid-life rebuild.

Sebastian Petty, Senior Policy Advisor, reported on Caltrain Business Plan:

- Goal is to come up with a game plan for more improved service to the customers, but in a way that is financially sustainability in the long-term.
- Caltrain has gone from an operating system that was primarily publically subsidized to one that is largely funding its own operations through self-

generated revenues. The bulk of that is direct farebox revenue and some revenue from parking and ancillary sources.

- On a per rider basis, have gone from a system where the average ride on Caltrain was being subsidized by today's equivalent of \$5 in 2005 to one where that subsidy has dropped to \$1 per rider.
- Caltrain is ahead of national transit agencies on farebox recovery.
- Key operating metrics over the last 10 years:
  - weekday ridership has increased dramatically
  - revenues have increased dramatically
  - subsidies have fallen
- Key objectives of Business Plan:
  - Identify the near-term capital projects and services needed to fully realize the public investment in electrification
  - Develop cost, revenue and funding targets that support improved services and ensure ongoing financial stability
  - Define opportunities for the long-term expansion of the system
  - Engage with local, regional and State initiatives to secure new funding with defined business needs so when the funding opportunities come up staff is ready and can show Caltrain is a good candidate

Director Charles Stone asked how the rolling stock is lasting since it is at the end of its useful life. Ms. Bouchard said there is a large component change and if staff sees electrification pushed further in the future will have to do another rebuild or replace with new rolling stock.

David Olmeda, Chief Operating Officer, Bus, said when Transit America (TASI) took the service over an extensive assessment on the condition of the vehicles was done before being transferred over to TASI. In addition to that, a number of studies were initiated on the rolling stock to primarily and specifically target the components that are likely to fail. The plans were to replace vehicles after 30 years.

Director Stone asked how long this can be kept up. Mr. Olmeda said it is all based on historical trend. There are many components that could fail, but staff has identified what needs to be included in the capital budgets to ensure the maintenance of the rolling stock.

Jim Hartnett, General Manager/CEO, said there are already financial issues and know what investments should be made now even if electrification were to happen on time, but there are not sufficient funds committed from the three funding partners in order to do that. Staff will be presenting a JPB budget in May and the projected need at a minimal basis for the capital investment is \$7.5 million from each partner. At this time Santa Clara Valley Transportation Authority (VTA) said they are financially constrained and said all they can do is \$5 million. Mr. Hartnett said the way the partnership works is the contributions are at the lowest common denominator. If one partner has the ability to invest \$7.5 million, but one other partner can only do \$5 million then all three contribute \$5 million.

Director Stone said there was reference on Federal funding for locomotives. Ms. Bouchard said there are opportunities to leverage Federal funding with member contributions, but the change out of parts is not eligible for Federal funds.

Director Peter Ratto asked if the equipment will be completely stripped down to the frame and be rebuilt. Ms. Bouchard said yes, but depends on cost.

Director Ratto asked if staff is still looking at used locomotives. Ms. Bouchard said yes, but they need to be more reliable than what is currently in inventory.

Committee Chair Kersteen-Tucker asked if there are any spare locomotives. Ms. Bouchard said there are 29 locomotives and 22 are required for daily service, one is being used for Positive Train Control and the others are usually in the shop being repaired.

Mr. Harnett said the electrification project (PCEP) is \$1.98 billion of which \$647 million is scheduled to come from the Federal Transit Administration (FTA) Full Funding Grant Agreement (FFGA). The grant is qualified; all the statutory and regulatory requirements have been met, and is eligible to be signed. Based on the history of the grant program, this grant would be signed in the normal course. If it is not signed it would be the first grant to reach all the requirements and have the recommendation of the FTA to not be signed. With the change in administration, the signing of the grant was deferred until the president's budget comes out. If the funding is in the budget the FFGA will be signed. If it is not it will not be signed. Staff is aggressively pursuing all avenues to ensure this is in the president's budget. There is tremendous national, State and regional support. The national concern is if Caltrain doesn't get the grant then no one else that is in the queue will get one either. There are national associations lobbying for this project because of the importance of it. If the PCEP is not in the president's budget in May there is still a possibility that it could ultimately be in a budget adopted by Congress. Congress has not adopted the FY2017 budget. They are poised to adopt portions of it at the end of April or early May. Staff is best suited to have the FFGA signed by June 30, the date in which the contracts have been extended to. If the FFGA is not signed by June 30 staff cannot proceed without the \$647 million coming from other source or sources. There is tremendous support and involvement from the State, the region and local partners. On April 4 the president said "he doesn't want to send \$1 billion to New York and find out five years later the money was never spent because we are going to be very strong that it has to be spent on shovels, not on other programs. He also went on to say that if you have a job that can't start within 90 days we are not going to give you the money for it." The shovels are ready to go in the ground for this project and fit right into the president's goals.

Director Josh Powell said with the change in Republican leadership for the California Congressional Delegation does that impact electrification. Mr. Harnett said no. Congressman Jeff Denhman expressed opposition based on the use of Proposition 1A funds. The funds were directed to Caltrain by the State Legislature for investment in Northern California and Southern California which are the bookends of California High Speed Rail to improve the local rail system.

### **Multimodal Ridership Report – February 2017**

Mr. Olmeda said there was a lot of rain in the month and one less day which leads to the decrease in ridership numbers. Performance continues to mirror Bay Area Rapid Transit (BART) performance in the county for bus ridership.

- Compared to February 2016
  - Bus ridership was 37,150, a decrease of 12.3 percent.
  - Paratransit ridership was 1,150, an increase of 4.2 percent.
  - Caltrain ridership was 57,620, a decrease of 3.7 percent.
  - Shuttle ridership was 12,900, an increase of 0.2 percent.
  - Total weekday ridership was 155,340, a decrease of 7.5 percent.
  
  - Total Monthly Ridership
    - Bus ridership was 882,260, a decrease of 15.8 percent.
    - Paratransit ridership was 28,590, an increase of 0.5 percent.
    - Caltrain ridership was 1,392,560, a decrease of 7.5 percent.
    - Shuttle ridership was 257,060, an increase of 5.7 percent.
    - Total weekday ridership was 3,615,540, a decrease of 12.3 percent.

Director Karyl Matsumoto said previously staff said the decrease in ridership was due to low gas prices, but yet ridership is transit dependent riders. Mr. Olmeda said combined with low gas prices, easier for undocumented people to get a driver's license and the services of Uber and Lyft affects ridership. He said that corporate America is also investing in providing transportation for their employees.

Chair Rose Guilbault asked how does ridership compare to Alameda-County Transit (AC Transit) and San Francisco Municipal Transportation Agency (Muni). Mr. Olmeda said AC Transit is down 7.4 percent.

Chair Guilbault asked if all transit agencies are saying the same reasons for their decline. BART states Uber and Lyft are taking their riders and the cost of fuel. It is also the number of undocumented people who can now get licenses and can legally drive. Mr. Hartnett said he spoke to Nuria Fernandez, General Manager at VTA and they did an analysis after undocumented people could get licenses that showed their ridership really fell.

Director Carole Groom said she read an article that 100,000 undocumented people are getting licenses.

Director Jeff Gee said between Fiscal Year (FY) 2015 and FY2017 all fare categories are down 40 percent. The Board and staff needs to start thinking about changing from a 40-year old bus company to a different type of transit company that will come with some pain.

Director Powell said Lyft has started a fixed-route system in San Francisco competing with Muni and it won't be long before it will happen in San Mateo County.

Director Ratto said SamTrans provides transit services to one of the richest counties and when gas prices come down people will drive.

Committee Chair Kersteen-Tucker said the frustration is seeing decreasing ridership and why can't the Board get analytics on routes and ridership. Mr. Olmeda said staff has reports on total ridership per route, but the difficulty is identifying those that have left the system and why. He said Routes 120, 121, 122 and ECR had a drop in ridership of more than 400 riders on average. Mr. Olmeda said staff doesn't have the analytics where people went and why they stopped riding.

Mr. Hartnett said staff knows the routes where the biggest decreases are, but don't know why they stopped using it. He said fewer people can afford to live in San Mateo County who would ride the bus and may have moved to another county. Mr. Hartnett said resources may need to be redeployed from routes not performing well to routes that are performing well.

Adjourned: 3:26 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
Staff Report**

TO: Community Relations Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **DESIGNATION OF MAY AS "OLDER AMERICANS MONTH"**

**ACTION**

Staff proposes the Committee recommend the Board adopt the proclamation designating May as "Older Americans Month."

**SIGNIFICANCE**

The proclamation for "Older Americans Month" is a reaffirmation of the SamTrans commitment to provide quality transit service to senior citizens in San Mateo County. It also is an opportunity to focus special attention on the daily challenges faced by senior citizens throughout the SamTrans service area; to reflect on measures that are being extended to assist them; and to increase public awareness of new opportunities that meet their needs.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

Over the past year, the District has:

- Maintained zero "trip denials" on Redi-Wheels despite a record –breaking increase in trip demand
- Enhanced accessibility of bus stops for the convenience of seniors
- Engaged the community in Senior Mobility Action Plan projects and Senior Ambassadors
- Travel trained seniors to use fixed-route services
- Participated in AARP and CHP-Volunteer senior driver safety training classes to promote transit use
- Performed multiple bus demonstrations to familiarize seniors with public transportation

Prepared by: John Sanderson, Accessibility Coordinator 650-508-6475  
Project Manager: Tina Dubost, Manager, Accessible Services 650-508-6247

# Proclamation

## IN HONOR OF OLDER AMERICANS MONTH

**WHEREAS**, transportation enables individuals to access needed social and recreational resources, as well as medical and social services; and

**WHEREAS**, SamTrans supports the need for and provision of transportation to seniors through its fixed-route system and Redi-Wheels and RediCoast, specialized paratransit services for those with mobility impairments; and

**WHEREAS**, it is recognized that access to services and activities enables individuals to preserve their dignity and maximize their independence; and

**WHEREAS**, SamTrans is committed to providing comprehensive and quality transportation and paratransit services; and

**WHEREAS**, May has been officially designated as Older Americans Month throughout the United States of America.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors and staff of the San Mateo County Transit District salute the seniors in San Mateo County, support their personal independence and dignity in the provision of service, and do hereby proclaim the month of May as *OLDER AMERICANS MONTH*.

Regularly passed and adopted this 3<sup>rd</sup> day of May, 2017.



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Chair, San Mateo County Transit District

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Seamus Murphy  
Chief Communications Officer

SUBJECT: **STUDENT "ART TAKES A BUS RIDE" CONTEST**

**ACTION**

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

**SIGNIFICANCE**

The San Mateo County Transit District (District) developed a partnership with the San Mateo County Office of Education in 2005 to conduct a countywide art contest through the schools. This year, students in 1<sup>st</sup> through 6<sup>th</sup> grades submitted artwork with the theme, "The Magic of SamTrans."

The winning entries and artists will be presented at the Committee meeting.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

The District initiated the art contest in partnership with the San Mateo County Office of Education and teachers as a way to provide a forum for budding artists and also to convey to the teachers and students that public transit plays an integral role in keeping their communities on the move.

The partnership has strengthened over the years and the program continues to be a success. More than 200 submissions were received this year and 30 schools participated.

Two members of the San Mateo County Arts Commission judged the entries this year. The winning artists will have their artwork displayed on interior bus cards, as well as on a wrapped SamTrans bus for one year.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **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 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 and the PAL (PCC AL-Com) meet monthly (except for August). The SamTrans Accessibility Advisory Committee (SAAC) meets every two months.

The minutes of the March 14, 2017 PCC and PAL meetings are attached to this report.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

No additional information.

Prepared by: John Sanderson, Accessibility Coordinator  
Project Manager: Tina Dubost, Manager, Accessible Services

650-508-6475  
650-508-6247

**SAN MATEO COUNTY  
PARATRANSIT COORDINATING COUNCIL (PCC)**

**MEETING MINUTES  
March 14, 2017**

**ATTENDANCE:** Members Present: Mike Levinson, Chair; Tina Dubost, SamTrans; Dinae Cruise, Consumer; Sammi (Wilhelmina) Riley, Consumer; Marie Violet, Sequoia Hospital, Monica Colondres, Community Resident; Barbara Kalt, Rosener House; Patty Clement-Cihak, Catholic Charities; Maria Kozak, Consumer; and Sandra Lang, COA.

**GUESTS:** Richard Weiner, Nelson-Nygaard; Erin Swartz, PCC Staff; Talib Salamin, Serra Yellow Cab; John Sanderson, SamTrans; and Lynn Spicer, First Transit.

**ABSENTEES:** Aki Eejima, Consumer; Susan Capeloto, Department of Rehabilitation; Judy Garcia, Consumer; and Dale Edwards, Consumer.

(Member Attendance 10; Quorum—Yes)

**WELCOME/INTRODUCTION**

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

**APPROVAL OF THE FEBRUARY PCC MINUTES**

Barbara motioned to approve the February PCC meeting minutes and Sandra seconded the motion. None of the PCC members abstained from voting and no corrections were noted.

**COMMITTEE REPORTS**

**A. POLICY ADVOCACY- LEGISLATIVE COMMITTEE (PAL)**

Mike reported that the PAL Committee met today, prior to the PCC. Tina provided an update on funding for the Caltrain electrification project.

Richard gave an update on changes that are being proposed for the PCC's website. Richard provided copies of the current PCC website to gather input from the PCC members. The changes will include improved ADA accessibility and more information with less text crowding the page. Richard discussed funds in the PCC budget that are available for this fiscal year. Barbara supported the changes being proposed. Monica suggested holding a contest to design a new website. Sandra agreed to review the website and provide feedback. Tina offered a link for information about how to add improved accessibility to the PCC's website ([www.sanmateopcc.org](http://www.sanmateopcc.org)).

Mike also reviewed topics from the 2017 PCC Regional Conference, such as Inter-County Transfer Trip Protocols. Notes from the conference will be formatted, reviewed by the PCC and SamTrans staff, and then sent out to the conference invitees and participants.

## **B. GRANT/BUDGET REVIEW**

Barbara reported that there are no updates for this month.

## **C. EDUCATION COMMITTEE**

Sammi reported that the next outreach presentation will be on April 5 at Lesley Terrace in San Mateo. Sammi and Dinae will be handing out an updated PCC information packet for the event.

The next Education Committee meeting will be a conference call that is scheduled for April 7, 2017 from 1:00 to 1:45 p.m.

## **D. EXECUTIVE COMMITTEE**

Mike reported that the next Executive Committee conference call will take place before the April PCC meeting. They will discuss the PCC Work Directive and consider moving the PCC Retreat to fall 2017. Mike asked for input about holding the Retreat on the second Tuesday in September or October 2017. Richard asked to discuss this further at the July 2017 PCC meeting.

## **SAMTRANS/REDI-WHEELS REPORT**

### **A. Operational Report**

Tina reported that updates to the SamTrans radio system are scheduled to take place in April. Tina asked on Dave's behalf to re-schedule the First Transit Appreciation Event for May, instead of April. Tina added that changing the event date would be helpful because staffing demands for the SamTrans system update are going to be high. Tina agreed to follow up with SamTrans staff to schedule a legislative update for the May PAL Committee meeting.

The SamTrans Board has periodic presentations given that are about paratransit service. Tina shared the presentation with the PCC, which showed growth in the demand for ADA Paratransit Average Weekday Ridership. On-Time Performance data shows above-standard performance for the past year. Redi-Wheels Productivity has been above standard for the past year. RediCoast rides do not always meet the productivity standard, due to the rural nature of Coastside trips. Customer Complaints per 1000 trips continues to be low. Fleet Reliability data is better than the 20,000 mile goals that are established. Patty and Sandra asked about quarterly peaks in fleet performance. Redi-Wheels trip denials continue to be maintained at zero. Customer destinations include Adult day centers, medical centers, dialysis centers, community colleges, shopping centers, workplaces, and many locations for personal business. Paratransit registrants continue to increase every year. Tina shared features of the new Redi-Wheels cutaways and vans.

### **B. Performance Measures Report**

Tina reported that Total Ridership is up 2% in January 2017, along with increases in the number of people riding Redi-Wheels. On-Time Performance and Productivity continue to exceed the standard. Tina and John discussed suspensions that are beginning to be processed under the new No Show/Late Cancel guidelines adopted by Redi-Wheels.

Barbara asked about testing the IVR program that were discussed at the February PCC meeting. Tina reported that the calls being tested appear to be complete and correct. Next steps will be additional internal testing.

### **C. Monthly Redi-Wheels Comment Statistics Report**

John reported on early 2017 data. He noted that the Year to Date information is limited, with only statistics from January and February 2017. Topics of interest continue to be Driver Conduct, Driving Proficiency, Late Vehicles, Missed Trips, and Policy Comments.

Compliments far exceed the number of Service Complaints about Redi-Wheels. John and Monica discussed similarities and differences in the methods used to compare how customer service statistics are calculated for Redi-Wheels and SamTrans. Average Response Time to Customer has been longer than usual, due to a high rate of customer rides provided and an increase in Customer Comments. John emphasized that each customer complaint is thoroughly reviewed and investigated with all parties involved. John thanked Lynn and the other First Transit staff for their hard work.

### **Safety Report**

Lynn reported that in February zero preventable incidents took place on taxis and one preventable for incident took place on a Redi-Wheels vehicle. First Transit will be retraining drivers on the use of Q'Straints.

## **LIAISON REPORTS**

### **A. COASTSIDE TRANSPORTATION COMMITTEE (CTC)**

Erin will follow up on any updates she receives about the quarterly Coastside meeting scheduled for Thursday, April 16, 2017. Cara Schmaljohn will be reporting to the PCC in place of Michal Settles.

### **B. AGENCY**

Barbara said that no updates are available today.

### **C. EFFICIENCY REVIEW COMMITTEE (ERC)**

Tina reported that the next ERC meeting has not been scheduled.

### **D. COMMISSION ON AGING (COA)**

Sandra reported that the COA met yesterday in Belmont. A public hearing was held to gather input about funding from the Older Americans Act. The COA requested input from senior citizens and individuals with disabilities in the community. The COA Transportation Committee also met to continue working on Pedestrian Safety. The next meeting will be on Monday, April 10, 2017.

### **E. COMMISSION ON DISABILITIES (COD)**

No updates available. Mike will follow up with Craig McCullough about coordinating updates from COD and CiD.

## **F. CENTER FOR THE INDEPENDENCE OF INDIVIDUALS WITH DISABILITIES (CiD)**

No updates available.

## **G. DEPARTMENT OF REHABILITATION (DOR)**

No updates available.

## **OTHER BUSINESS**

Talib reported on imminent arrival calls that are being implemented on the taxi system, which is separate from Redi-Wheels. Talib and Maria discussed a shortage for accessible vehicles that has happened recently. He said that all the accessible private taxis should be back in service soon. Talib confirmed that there are dedicated accessible vehicles for Redi-Wheels use.

Richard reported on outreach to prospective PCC members from agencies in San Mateo County. Sandra suggested contacting agencies who coordinate caregivers for Redi-Wheels riders. Sandra and Mike discussed the time required to serve on the PCC and the commitment needed.

The next PAL and PCC meetings will be held on Tuesday, April 11, 2017. The PAL Committee will meet from 11:30 a.m. to 12:30 p.m. and the PCC will meet from 1:30-3:30 p.m.

The First Transit Appreciation Party scheduled for Tuesday, April 11 will be moved to May 9. More updates will follow about this event.

**MEETING ADJOURNED 3:05 p.m.**

**SAN MATEO COUNTY  
PCC POLICY-ADVOCACY-LEGISLATIVE (PAL) COMMITTEE**

**MEETING MINUTES  
11:30 a.m. - 12:30 p.m.  
March 14, 2017**

**MEMBERS PRESENT:** Mike Levinson, PAL Chair; Dinae Cruise, Consumer; Tina Dubost, SamTrans; Sammi (Wilhelmina) Riley, Consumer; and Marie Violet, Sequoia Hospital.

**GUESTS:** John Sanderson, SamTrans; Richard Weiner, Nelson-Nygaard; and Erin Swartz, PCC Staff.

**ABSENT:** Aki Eejima, Consumer; Dale Edwards, Consumer; Maria Kozak, Consumer; Sandra Lang, COA; and Judy Garcia, Consumer.

**APPROVAL OF FEBRUARY PAL MINUTES**

Dinae motioned to approve the February PAL meeting minutes and Mike seconded the motion. No abstentions or corrections were noted.

**LEGISLATIVE UPDATES**

Tina asked the PAL Committee meeting members if an April Legislative update from SamTrans would work within the scheduled meeting time. The Legislative update will be given in May and will include budget updates. The status of the Caltrain electrification grant funding will be available in June.

**LOCAL ADVOCACY ISSUES—OPEN DISCUSSION**

Dinae asked Tina about the FAQ Sheet provided by SamTrans for the PCC's outreach events. Dinae suggested updates to the fares, along with information about Fare Assistance. Dinae asked for clarification about service animals and pets on Redi-Wheels vehicles. Tina said that Fare Assistance is mentioned in the paratransit services application, San Mateo County Paratransit Rider's Guide, and in the renewal process. Tina and Diane discussed service hours for Redi-Wheels that are listed in the Redi-Wheels FAQ sheet.

Richard reported on changes that are being proposed for the PCC's website. Richard provided copies of the current PCC website to gather input from the PCC members. The changes will include improved ADA accessibility and more information with less text crowding the page. Richard discussed funds in the PCC budget that are available for this fiscal year. Barbara supported the changes being proposed. Tina offered a link for information about how to add improved accessibility to the PCC's website ([www.sanmateopcc.org](http://www.sanmateopcc.org)).

On the PCC handout, Dinae suggested updates to the logo, updated PAL Committee information, and meeting times for the PCC sub-committees. Erin will follow up with the contact person at Nelson-Nygaard to update the PCC document and follow up with Tina to obtain a new copy of the SamTrans FAQ sheet.

Richard reported that he and Erin have a summary of notes from the breakout groups at the 2017 PCC Regional Conference. The notes will be formatted and sent out to the attendees, as well as those that were interested in the event, but unable to attend. A final draft of the notes will be presented at the May PAL meeting. Dinae suggested soliciting input from the attendees about their experience and suggestions for a future event. Mike and Richard also suggested a disclaimer about opinions that were expressed during the breakout groups that may not be representative of the San Mateo County PCC.

Richard reported on comments shared from the Inter-County Transfers breakout group at the 2017 PCC Regional Conference. Tina added that assistance is given for Redi-Wheels customers who are traveling on paratransit into another county's service area. Mike and Tina discussed the importance of coordinating connecting rides for customers and the time needed to plan a trip.

### **POLICY ISSUES**

No policy issues were brought forward at today's meeting.

### **OTHER BUSINESS**

The PCC will meet today from 1:30-3:30 p.m.

The next PAL meeting is scheduled for Tuesday, April 11, 2017 from 11:30 a.m. to 12:30 p.m.

**MEETING ADJOURNED** 12:23 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Community Relations Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **MULTIMODAL RIDERSHIP REPORT – MARCH 2017**

**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 monthly ridership figures for all SamTrans transportation modes. Chart "A" features year-to-date comparisons of AWR for Fiscal Year (FY) 2015, FY2016, and FY2017. Chart "B" has figures for total ridership year-to-date for FY2015, FY2016, and FY2017.

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

Table "C" details the number of riders for each fare category for SamTrans fixed route for the month and calendar year-to-date.

**AVERAGE WEEKDAY RIDERSHIP – MARCH 2017 COMPARED TO MARCH 2016**

**Grand Total All District Modes** – 160,920, a decrease of 1.7 percent

**Bus** – 40,500, a decrease of 3 percent

**Paratransit** – 1,290, an increase of 4 percent

**Caltrain** – 58,990, an increase of 3.1 percent

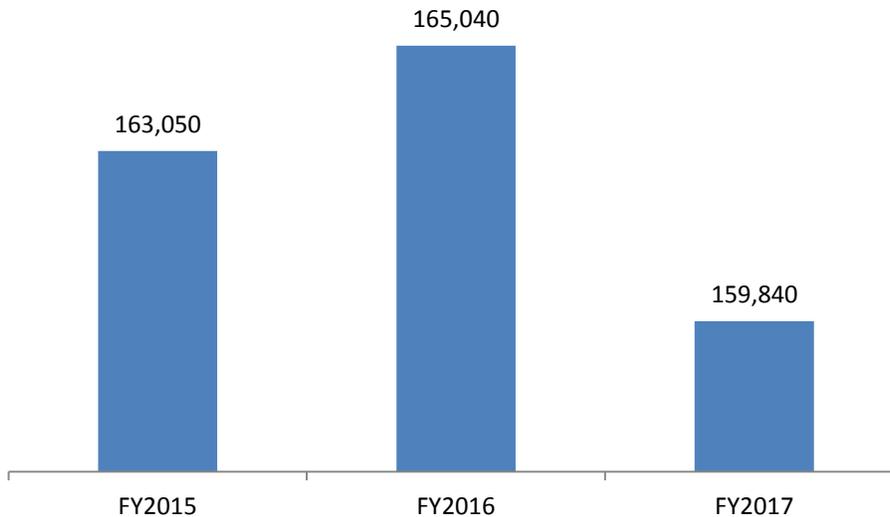
**Shuttles** – 12,890 a decrease of 0.4 percent

**Table A  
Average Weekday Ridership**

<b>March 2017 Average Weekday Ridership</b>				<b>Percent Change FY2016/2017</b>
<b>Mode</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	
Bus	45,120	41,760	40,500	-3.0%
Paratransit	1,150	1,240	1,290	4.0%
Caltrain	56,350	57,200	58,990	3.1%
Shuttles	13,010	13,040	12,890	-1.2%
<b>Total</b>	<b>115,640</b>	<b>113,230</b>	<b>113,670</b>	<b>0.4%</b>
BART Extension (No Daly City)	48,850	50,430	47,250	-6.3%
<b>Grand Total</b>	<b>164,490</b>	<b>163,660</b>	<b>160,920</b>	<b>-1.7%</b>
<b>Weekdays</b>	<b>20</b>	<b>21</b>	<b>20</b>	

<b>March 2017 Year-to-date</b>				<b>Percent Change FY2016/2017</b>
<b>Mode</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	
Bus	43,070	42,090	39,030	-7.3%
Paratransit	1,110	1,220	1,250	2.5%
Caltrain	57,500	59,290	58,480	-1.4%
Shuttles	11,810	11,600	12,240	5.5%
<b>Total</b>	<b>113,490</b>	<b>114,210</b>	<b>111,000</b>	<b>-2.8%</b>
BART Extension (No Daly City)	49,560	50,830	48,840	-3.9%
<b>Grand Total</b>	<b>163,050</b>	<b>165,040</b>	<b>159,840</b>	<b>-3.2%</b>

**Chart A  
Average Weekday Ridership (FYTD)**



The following summary and figures 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 March for the past three fiscal years.

**MONTHLY TOTAL RIDERSHIP – MARCH 2017 COMPARED TO MARCH 2016**

**Grand Total All District Modes** – 4,274,060, a decrease of 1.6 percent

**Bus** – 1,072,870, a decrease of 2.5 percent

**Paratransit** – 33,070, an increase of 4.7 percent

**Caltrain** – 1,629,050, an increase of 2.8 percent

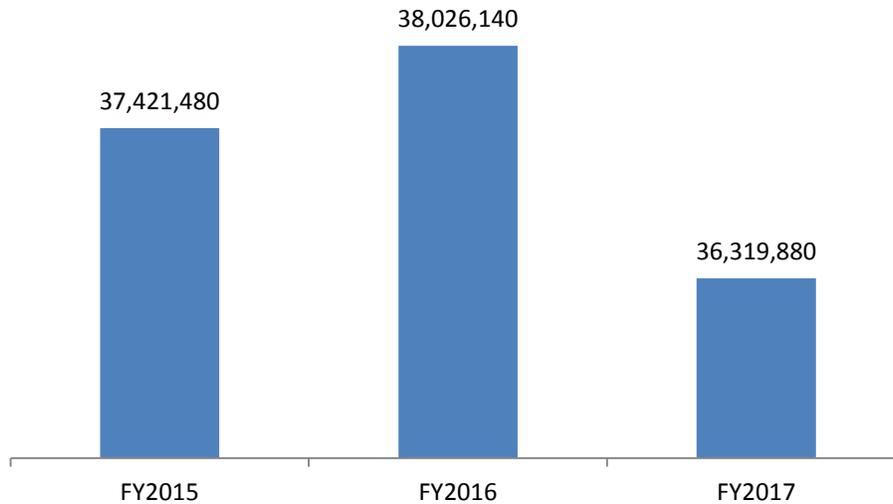
**Shuttles** – 297,020, a decrease of 1.8 percent

**Table B  
Total Monthly Ridership**

<b>March 2017 Total Monthly Ridership</b>				<b>Percent Change FY2016/2017</b>
<b>Mode</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	
Bus	1,171,840	1,100,520	1,072,870	-2.5%
Paratransit	28,800	31,590	33,070	4.7%
Caltrain	1,538,740	1,583,930	1,629,050	2.8%
Shuttles	282,130	302,390	297,020	-1.8%
<b>Total</b>	<b>3,021,520</b>	<b>3,018,440</b>	<b>3,032,020</b>	<b>0.4%</b>
BART Extension (No Daly City)	1,285,510	1,325,290	1,242,040	-6.3%
<b>Grand Total</b>	<b>4,307,030</b>	<b>4,343,730</b>	<b>4,274,060</b>	<b>-1.6%</b>
<b>Weekdays</b>	<b>20</b>	<b>21</b>	<b>20</b>	

<b>March 2017 Year-to-date</b>				<b>Percent Change FY2016/2017</b>
<b>Mode</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	
Bus	9,892,230	9,699,820	8,926,440	-8.0%
Paratransit	243,010	267,830	275,950	3.0%
Caltrain	13,699,160	14,207,380	13,899,120	-2.2%
Shuttles	2,281,970	2,256,430	2,341,810	3.8%
<b>Total</b>	<b>26,116,370</b>	<b>26,431,460</b>	<b>25,443,320</b>	<b>-3.7%</b>
BART Extension (No Daly City)	11,305,100	11,594,690	10,876,560	-6.2%
<b>Grand Total</b>	<b>37,421,480</b>	<b>38,026,140</b>	<b>36,319,880</b>	<b>-4.5%</b>

**Chart B  
Total Ridership (FYTD)**



The following summary illustrates the number of riders by fare category for the month of March 2017. SamTrans carried 1,069,921 passengers on its fixed-route service in March, and 2,849,077 for the 2017 Calendar Year-to-Date. These numbers do not include Dumbarton ridership.

**Table C**  
**Riders by Fare Category**

	March 2015	March 2016	March 2017	2017 Calendar Year-to-Date
Adult Cash	270,064	209,495	171,901	479,557
Adult Pass	517,499	532,202	538,013	1,436,214
Youth Cash	148,171	144,850	149,697	389,666
Youth Pass	69,643	67,662	59,956	145,241
Eligible Discount	163,147	143,177	150,355	398,399
<b>Total</b>	<b>1,168,524</b>	<b>1,097,385</b>	<b>1,069,921</b>	<b>2,849,077</b>

## **SamTrans Promotions – March 2017**

**SamTrans Customer Satisfaction Survey** – The SamTrans Customer Experience Survey was a District-wide effort to seek input from riders, former riders and non-riders regarding their experience with SamTrans service. This opt-in online survey, featuring rating and improvement priority questions, and ridership and demographic information, will guide SamTrans efforts in providing better customer experience. A total of 1,236 responses were received, of which 798 (65 percent) completed the entire survey. The survey was promoted using both internal communications and paid media. Print ads ran in local publications including Spanish and Chinese newspapers. Sponsored Facebook “click” campaign and geo-targeted display ads were very successful in delivering the message and generating clicks. Staff was also riding on select buses and staged at transit centers engaging with customers and encouraging them to take the survey.

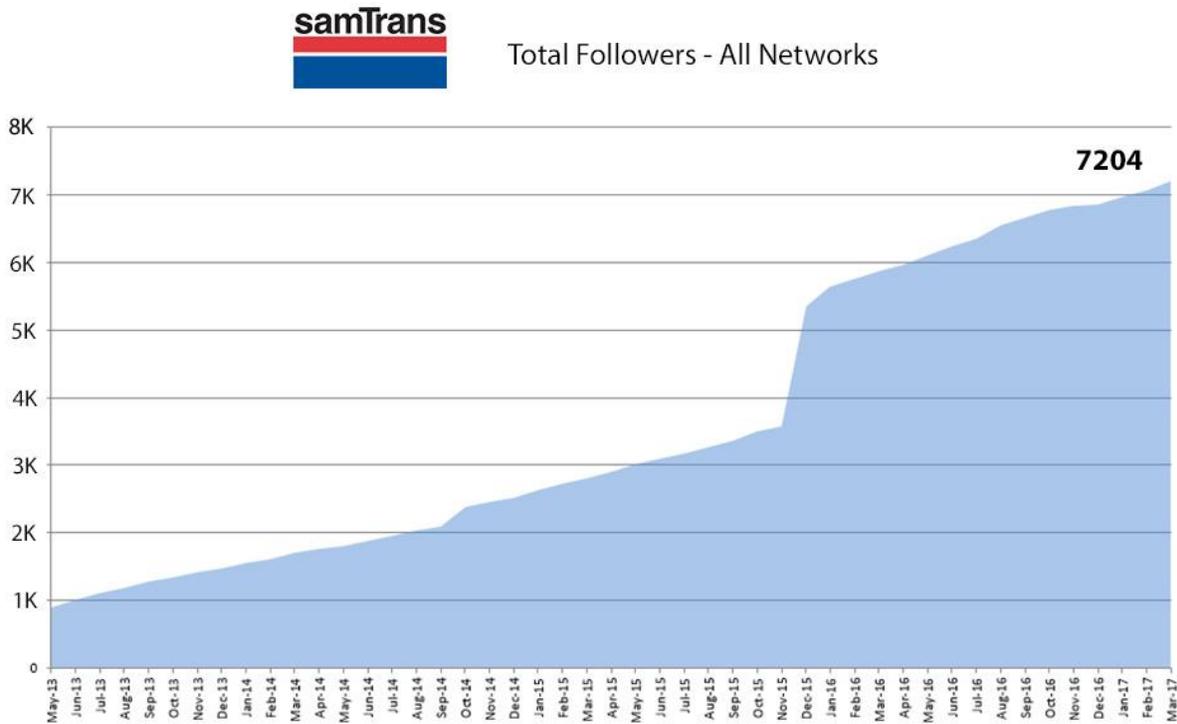
**Employees of the Year** – Daniel Jimenez, an 18-year maintenance department expert, and veteran bus operator Rene Ebro, a 29-year employee, have been named the agency's 2016 Employees of the Year. Communications regarding this year's winners included news release, Peninsula Moves blog, printed ad cards to be placed on all SamTrans buses for the year and organic social media.

**Transit Driver Appreciation Day** – On Friday, March 17, SamTrans and other Bay Area transit agencies participated in Transit Driver Appreciation Day. As a way to say “We appreciate you!” to all the men and woman that transport our customer to where they need to go, staff encouraged customers throughout the Bay Area to give thanks to your bus or transit operators. This year, SamTrans' Employee of the Year Bus Operator Rene Ebro was showcased on the Peninsula Moves blog and on all SamTrans social media platforms.

**Partnership** – This year, SamTrans partnered with Cinequest Film Festival, an annual independent festival that celebrates the cinematic arts with Silicon Valley innovation. In 2017, the festival was rebranded as the Cinequest Film & VR Festival and it expanded beyond downtown San Jose to Redwood City. It took place from February 28 to March 12. This was the perfect opportunity to collaborate with both SamTrans and Caltrain as transit partners. Communications included news release/blogs, social media and showcase on the [go.samtrans.com](http://go.samtrans.com) website. As a way to engage and encourage people to use transit, discounted tickets were offered through the [go.samtrans.com](http://go.samtrans.com) website and placed ad cards on all SamTrans buses.

## SamTrans March Social Media Promotions and Analytics

SamTrans social media continued its humble accumulation of followers as we promoted local events like St Patrick's Day Parade and a video game tournament in Redwood City. We also promoted SamTrans-centric content like job openings and blog posts. Marketing ran one Facebook campaign to drive results for our SamTrans Experience Survey. We also promoted our blogs, job openings, Cinequest service and discount code, Transit Driver Appreciation Day and other content. The SamTrans Instagram account crossed 500 followers and set records for monthly image likes and impressions (number of times a picture is shown) of our content.



Prepared by: Alex Lam, Scheduler/Planner  
James Namba, Marketing Specialist  
Jeremy Lipps, Social Media Officer

650-508-6227  
650-508-7924  
650-508-7934



## AGENDA

### **FINANCE COMMITTEE COMMITTEE OF THE WHOLE**

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

**WEDNESDAY, MAY 3, 2017 – 2:30 p.m.**

or immediately following previous Committee meeting

1. Call to Order
2. Approval of Minutes of Finance Committee Meeting of April 5, 2017
3. Acceptance of Statement of Revenues and Expenses for March 2017
4. Acceptance of Quarterly Investment Review and Fixed Income Market Review and Outlook for the Period Ending March 31, 2017

### **INFORMATIONAL**

5. Preliminary Fiscal Year 2018 Operating Budget
6. Preliminary Fiscal Year 2018 Capital Budget

### **CONTRACTS**

7. Authorize Award of Contract to Reliance Standard Insurance Company for Long-Term Disability Insurance for a Total Estimated Cost of \$78,000 for a Two-Year Period
8. Authorize Award of Contract to Reliance Standard Insurance Company for Life and Accidental Death and Dismemberment Insurance for a Total Estimated Cost of \$164,000 for a Two-Year Period
9. Authorize Award of 12 On-Call Contracts for Information Technology Consulting and Support Services in an Aggregate Not-to-Exceed Amount of \$11.1 Million for a Three-Year Base Term
10. Authorize Award of Contract for New Heavy-Duty Differentials to Gillig LLC for a Total Estimated Cost of \$176,000 for a Five-Year Term
11. Authorize Amendment to Contract with T&J Lewis, Inc. (dba Classic Graphics) for Provision of Autobody Repair and Repainting for an Estimated Total Amount of \$826,567
12. Authorize Purchase of Seven 2017 Support Vehicles Through the State of California for a Total Estimated Cost of \$207,070
13. Authorize the Disposition of 16 Surplus Heavy-Duty Buses
14. Adjourn

Committee Members: Carole Groom, Karyl Matsumoto, Peter Ratto

#### NOTE:

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

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

**MINUTES OF FINANCE COMMITTEE MEETING  
COMMITTEE OF THE WHOLE  
APRIL 5, 2017**

Committee Members Present: C. Groom (Committee Chair), K. Matsumoto, P. Ratto

Other Board Members Present, Constituting Committee of the Whole: J. Gee, R. Guilbault (Chair), Z. Kersteen-Tucker, J. Powell, C. Stone

Other Board Members Absent, Constituting Committee of the Whole: D. Pine

Staff Present: J. Cassman, A. Chan, J. Hartnett, K. Kelly, M. Martinez, N. McKenna, G. Moyer, D. Olmeda, S. Murphy, M. Simon, P. Skinner, S. van Hoften, N. Vigil

Committee Chair Carole Groom called the meeting to order at 3:26 p.m.

**Approval of Minutes of March 1, 2017**

Motion/Second: Stone/Ratto

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Acceptance of Statement of Revenue and Expenses for February 2017**

Kathleen Kelly, Interim Chief Financial Officer, said year-to-date there is a surplus in revenues. Total use of funds has not been spent and some of it is timing and the price of fuel is below what was budgeted. Ms. Kelly said revenues are where staff projected them, but fare revenues are below budget and sales tax is better than budget. She said staff is forecasting a \$3.5 million surplus for the year. Staff continues to watch fare revenue and the sales tax is not showing a surplus for year-end, but may see it go up.

Director Jeff Gee asked if the gas goes up does it apply to SamTrans too. Ms. Kelly said yes.

Director Charles Stone asked if the possible \$3.5 million surplus this year changes any future forecasts. Ms. Kelly said no.

Director Josh Powell said when gas prices went up, airline prices went up. No one was making money and airlines used gas futures. He said since gas prices are so low now, is staff thinking about doing gas futures. Ms. Kelly said she is looking at fuel hedging.

Motion/Second: Powell/Ratto

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize Filing of Applications to the California Governor's Office of Emergency Services to Receive \$885,124 in State Proposition 1B Transit Security Grant Program Funds**

Peter Skinner, Manager, Grants and Fund Programming, said this will be the last year the District will receive the funds as the Proposition 1B program is coming to an end. Funds are included Fiscal Year 2017 budget for the Dumbarton Corridor Fencing Project.

Motion/Second: Gee/Guilbault

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize the General Manager/CEO to Execute and File Federal Transportation Administration Section 5310 Grant Application to Aid in the Financing of a Pilot Program**

Mr. Skinner said staff submitted a grant for \$315,000 to develop a pilot taxi voucher program to provide same day trips for individuals over 65 and those with disabilities. Eligible customers would pay a flat rate of \$6 with the grant funds subsidizing the remainder of the costs. The pilot program would start operating July 2018 for three years.

Chair Rose Guilbault said if the project is successful what happens. Mr. Skinner said the Section 5310 grant funds only the pilot portion of the program so if it was decided to continue the District would have to fund it or look for another grant source.

Chair Guilbault asked how many paratransit customers would this help. Mr. Skinner this would be a complement to Redi-Wheels and not replace it and be for people who don't qualify for Redi-Wheels.

Motion/Second: Kersteen-Tucker/Gee

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize Award of Contract to Parts Warehouse Distributors, DBA City Auto Supply to Furnish and Deliver New 8D Bus Batteries in the Total Estimated Amount of \$218,965 for a Five-Year Term**

Nita Vigil, Acting Director, Contracts and Procurement, said this contract is being brought back to the Board from the March meeting. The solicitation was issued and advertised in accordance with regular procurement process. Ms. Vigil said staff contacted 10 bus battery suppliers, five proposals were received of which two heard from standard advertising process and three from vendor list. She said a particular vendor was missed who had supplied them in the past to the District. The vendor has an opportunity to seek the procurement. Currently the batteries have been purchased in small batches under the current procurement threshold.

Director Stone thanked staff for bringing this item back and being very thorough and he can support the staff recommendation.

Public Comment

Casey Logwood, Batteries USA, said his company has been supplying batteries to the District for 23 years. His company was never notified of this bid award. The batteries he

supplies are made in America and comply with Federal Transit Administration Buy America. Mr. Logwood said they are a local and minority-owned company. He said it is unfortunate they didn't get contacted when local outreach was done. Mr. Logwood said the bid being awarded is not lower than what his company charges.

Said Sinan, Batteries USA, said he is the president of company and surprised his company was never contacted about this contract.

Rick Zurflum, City Auto Supply, said this was a public bid and City Auto Supply did everything requested by SamTrans. He said the batteries they supply are AC Delco, the company is minority-owned and they are Buy America approved.

Joan Cassman, Legal Counsel, said there was no intentional oversight and staff has built an extensive vendor list. She said staff always invites firms to register on the vendor list on the District's website. Staff uses the vendor list and reaches out to those that might be applicable to the contract. The current firm was not on the registered list. Public notification was done and notice was on the website. Two of the bidders found the contract through the website. The firm that is currently used is USA Batteries and they didn't receive notice as staff sent the information to USA Battery. There were other means of finding out about this contract and there was no intention to exclude this bidder. Ms. Cassman said staff met every legal requirement and yielded an excellent result and recommends award of contract to City Auto Supply.

Director Gee said it is a courtesy that staff reaches out to vendors, but when a competitive procurement is done reaching out is a courtesy; the requirement is publication in a general circulation. Everyone that provides batteries had the fair opportunity to respond and two are within the county.

Ms. Cassman said another dimension of outreach efforts is the contract officer in charge goes online and does research on distributors of this type of battery and the current vendor didn't come up. She reiterated that people need to register on the procurement website.

Motion/Second: Gee/Stone

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize Execution of an Amendment to the Contract with Universal Building Services for the Provisions of Bus Stop Cleaning Services for a Contract Amount Not-to-Exceed \$1,102,059**

Ms. Vigil said this is an increase in contract of \$163,365 to expand services for the Sequoia Station in Redwood City.

Director Gee said he doesn't like extending for another eight months since it was extended once already for 12 months, but glad to see Sequoia Station will have cleaning services.

Motion/Second: Gee/Stone

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize the Purchase and Delivery of New Light-Emitting Diode (LED) Lighting from Gonneville, Inc. Through the State of California Department of General Services for a Total Cost of \$334,313**

Ms. Vigil said the general services contract is offered to the District as a Special District of California and provide good pricing. The LED lighting will be replaced at North Base and South Base. The particular manufacturing lighting was submitted to the San Mateo County Energy Watch Program for approval. This program elevates awareness of sustainable products. These lights were approved and will be receiving a rebate of \$69,000. Ms. Vigil said the lights will be purchased now to receive the rebate and installed at a later date.

Director Gee said he is not interested in buying these lights and have them sit on the shelf and asked if there is an installation program. Ms. Vigil said the installation is a separate piece since it is a public works contract. David Olmeda, Chief Operating Officer, Bus, said as the lights are on order, staff will finalize the specs for installation of the lights to get a contract awarded.

Director Gee asked the urgency of this item being approved today versus continuing it to the next meeting so the additional information can be provided.

Mr. Olmeda said installation is scheduled to be completed by April 2018.

Director Gee asked what the procurement date is for installation. Greg Moyer, Deputy Director, Maintenance, said the contract will be on the street in November and notice to proceed by the end of the year.

Director Zoe Kersteen-Tucker asked why the Board needs to approve this now. Mr. Moyer said these lights are not off the shelf products and have a five-month timeframe to be manufactured. The County only allows a certain timeframe for the rebate to be available to the District and there is a certain restriction when the lights need to be in place to receive the rebate. Mr. Moyer said the project is fully funded in the Fiscal Year 2017 Capital Budget.

Director Gee asked if this will come to the December meeting for Board approval of the public works contract.

Motion/Second: Gee/Stone

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize Rejection of Single Bid from G&K Services, Inc. for Rental, Purchase, and Laundering of Work Clothing and Related Items and Negotiation of a Contract on the Open Market**

Ms. Vigil said this will allow staff to go out without using the sealed bid process to negotiate a new contract. G&K Services over ran their bid with a 20 percent markup. Staff will seek three bids and speak and negotiate with the vendors and be back to the Board for an award of contract.

Ms. Cassman said staff will bring back for approval for final award. The formality of the bid process is a bit overwhelming and there are two firms interested in this procurement and staff will seek out a third bidder.

Director Gee said for those that do procure the service, maybe the District can piggyback on the San Mateo County sheriff's office or other cities police departments who have this type of contract.

Motion/Second: Gee/Guilbalut

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

Adjourned: 4:15 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Interim Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING  
MARCH 31, 2017 AND SUPPLEMENTAL INFORMATION**

**ACTION**

Staff proposes the Committee recommend that the Board accept and enter into the record the Statement of Revenues and Expenses for the month of March 2017 and supplemental information.

**SIGNIFICANCE**

**Revenues:** *Total Revenues* (page 1, line 14) are \$795,172 or 0.6 percent **better** than revised budget. *Passenger Fares* (page 1, line 1) are **worse** than budget by \$1,920,760 or 13.1 percent offset by *Sales Tax* (page 1, line 9) which is **better** by \$2,171,710 or 3.6 percent, *Investment Interest* (page 1, line 10) is **better** than budget by \$390,288 or 47.7 percent and *Other Interest, Rent & Other Income* (page 1, line 12) is **better** than budget by \$294,586 or 5.3 percent.

**Expenses:** *Total Expenses* (page 4, line 71) are \$9,930,502 or 9.1 percent **better** than revised budget. Within Total Expenses, *Total Motor Bus* (page 3, line 46) is **better** than budget by \$8,862,224 or 10 percent, *Total ADA Programs* (page 4, line 55) is **better** than budget by \$820,079 or 5.9 percent and *Total Multi-Modal Programs* (page 4, line 69) is **better** than budget by \$248,197 or 3.8 percent.

**BUDGET IMPACT**

There are no budget revisions for the month of March 2017.

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 2017  
MARCH 2017**

% OF YEAR ELAPSED: **75.0%**

	MONTH	YEAR-TO-DATE				ANNUAL			
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	CURRENT FORECAST	% REV BUDGET
<b>SOURCES OF FUNDS</b>									
<b>Operating Revenues</b>									
1 Passenger Fares	1,486,753	13,702,379	12,716,990	14,637,750	86.9	19,517,000	19,517,000	16,955,520	65.2
2 Local TDA and STA Funds	3,404,892	28,414,186	30,659,821	30,659,820	100.0	42,361,438	42,361,438	42,081,438	72.4
3 Operating Grants	247,352	5,578,810	2,716,955	2,716,955	100.0	4,010,671	4,010,671	4,362,671	67.7
4 SMCTA Measure A	928,503	7,414,906	7,392,605	7,485,936	98.8	9,960,000	9,960,000	9,960,000	74.2
5 SM County Measure A	416,667	3,750,000	3,750,000	3,750,000	100.0	5,000,000	5,000,000	5,000,000	75.0
6 AB434 Funds & TA Funded Shuttle	9,083	448,300	81,750	81,750	100.0	109,000	109,000	109,000	75.0
7 <b>Subtotal - Operating Revenues</b>	<b>6,493,250</b>	<b>59,308,581</b>	<b>57,318,120</b>	<b>59,332,210</b>	<b>96.6</b>	<b>80,958,110</b>	<b>80,958,110</b>	<b>78,468,629</b>	<b>70.8</b>
<b>Other Revenue Sources</b>									
9 District 1/2 Cent Sales Tax	9,715,286	60,365,428	63,315,017	61,143,307	103.6	83,000,000	83,000,000	83,000,000	76.3
10 Investment Interest	140,244	847,859	1,208,177	817,889	147.7	1,090,519	1,090,519	1,601,899	110.8
11 Pass through to Other Agencies	(108,522)	101,638	9,072	56,395	16.1	69,000	69,000	490,268	13.1
12 Other Interest, Rent & Other Income	730,981	5,089,208	5,888,647	5,594,061	105.3	7,308,988	7,308,988	7,784,807	80.6
13 <b>Subtotal - Other Revenues</b>	<b>10,477,989</b>	<b>66,404,133</b>	<b>70,420,914</b>	<b>67,611,652</b>	<b>104.2</b>	<b>91,468,507</b>	<b>91,468,506</b>	<b>92,876,974</b>	<b>77.0</b>
14 <b>Total Revenues</b>	<b>16,971,239</b>	<b>125,712,713</b>	<b>127,739,034</b>	<b>126,943,862</b>	<b>100.6</b>	<b>172,426,616</b>	<b>172,426,616</b>	<b>171,345,604</b>	<b>74.1</b>
15 <b>Capital Assistance</b>	<b>0</b>	<b>3,480,381</b>	<b>975,098</b>	<b>975,098</b>	<b>100.0</b>	<b>10,255,906</b>	<b>109,896,959</b>	<b>109,896,959</b>	<b>0.9</b>
16 <b>Reserves Programmed for Capital</b>	<b>0</b>	<b>2,725,811</b>	<b>3,039,170</b>	<b>3,039,170</b>	<b>100.0</b>	<b>0</b>	<b>6,637,249</b>	<b>6,637,249</b>	<b>45.8</b>
17 <b>Total Sources of Funds</b>	<b>16,971,240</b>	<b>131,918,905</b>	<b>131,753,302</b>	<b>130,958,130</b>	<b>100.6</b>	<b>182,682,522</b>	<b>288,960,824</b>	<b>287,879,812</b>	<b>45.6</b>
<b>USES OF FUNDS</b>									
<b>Operations</b>									
21 Motor Bus	7,733,766	78,097,230	79,762,271	88,624,495	90.0	117,968,986	117,970,986	113,405,017	67.6
22 A. D. A. Programs	1,711,012	11,718,161	13,045,551	13,865,630	94.1	18,157,910	18,155,910	17,657,910	71.9
23 Caltrain	539,910	5,000,249	4,860,004	4,953,334	98.1	6,640,000	6,640,000	6,640,000	73.2
24 Other Multi-modal Programs	178,132	1,470,607	1,484,531	1,639,398	90.6	2,161,708	2,161,708	2,161,707	68.7
25 <b>Subtotal - Operating Costs</b>	<b>10,162,820</b>	<b>96,286,247</b>	<b>99,152,356</b>	<b>109,082,858</b>	<b>90.9</b>	<b>144,928,604</b>	<b>144,928,604</b>	<b>139,864,634</b>	<b>68.4</b>
<b>Other Uses of Funds</b>									
27 Pass through to Other Agencies	(108,522)	101,638	9,072	164,407	5.5	79,780	79,780	490,268	11.4
28 Debt Service	824,404	7,463,216	7,491,034	7,491,034	100.0	21,648,044	21,648,044	21,648,044	34.6
29 Fiscal Agent Fees	2,606	4,720	14,249	21,301	66.9	28,401	28,401	28,401	50.2
30 Land Transfer Interest Expense	0	0	0	0	0	45,716	45,716	45,716	0.0
31 <b>Subtotal - Other Uses of Funds</b>	<b>718,488</b>	<b>7,569,574</b>	<b>7,514,355</b>	<b>7,676,741</b>	<b>97.9</b>	<b>21,801,941</b>	<b>21,801,941</b>	<b>22,212,429</b>	<b>34.5</b>
32 <b>Capital Programs</b>	<b>(0)</b>	<b>6,451,673</b>	<b>4,014,267</b>	<b>4,014,267</b>	<b>100.0</b>	<b>16,327,874</b>	<b>122,606,176</b>	<b>122,606,176</b>	<b>3.3</b>
33 <b>Total Uses of Funds</b>	<b>10,881,308</b>	<b>110,307,494</b>	<b>110,680,979</b>	<b>120,773,866</b>	<b>91.6</b>	<b>183,058,419</b>	<b>289,336,721</b>	<b>284,683,239</b>	<b>38.3</b>
34 <b>NET SURPLUS / (DEFICIT)</b>	<b>6,089,932</b>	<b>21,611,411</b>	<b>21,072,324</b>	<b>10,184,263</b>	<b>206.9</b>	<b>(375,897)</b>	<b>(375,897)</b>	<b>3,196,573</b>	<b>(5605.9)</b>

"% 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.

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

**SAN MATEO COUNTY TRANSIT DISTRICT  
STATEMENT OF REVENUES  
FISCAL YEAR 2017  
MARCH 2017**

% OF YEAR ELAPSED: 75.0%

	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
<b>OPERATING REVENUES - MOTOR BUS</b>								
1 <b>TOTAL MOTOR BUS FARES</b>	1,418,333	13,045,683	12,176,729	13,978,500	87.1	18,638,000	18,638,000	65.3
2 <b>LOCAL (TDA) TRANSIT FUND:</b>								
3 General Operating Assistance	3,134,134	24,107,792	28,207,207	28,207,207	100.0	37,540,609	37,540,609	75.1
4 <b>STATE TRANSIT ASSISTANCE:</b>								
5 Local STA Operating Assistance	95,804	2,715,313	790,942	790,942	100.0	2,609,106	2,609,106	30.3
6 <b>OPERATING GRANTS</b>								
7 <b>TOTAL OPERATING GRANTS</b>	116,233	5,235,241	1,163,460	1,163,460	100.0	1,666,278	1,667,878	69.8
8 <b>DISTRICT 1/2 CENT SALES TAX:</b>								
9 General Operating Assistance	2,383,717	28,218,507	32,145,686	39,810,668	80.7	51,283,370	51,283,770	62.7
10 Accessibility Fixed Route	83,522	716,127	714,520	849,913	84.1	1,133,217	1,133,217	63.1
11 <b>TOTAL 1/2 CENT SALES TAX</b>	2,467,239	28,934,634	32,860,206	40,660,581	80.8	52,416,587	52,416,987	62.7
12 <b>INVESTMENT INTEREST INCOME:</b>								
13 Investment Interest Income	107,731	677,724	944,341	661,889	142.7	882,519	882,519	107.0
14 <b>OTHER REVENUE SOURCES:</b>								
15 Rental Income	125,327	1,037,989	1,153,218	1,020,000	113.1	1,360,000	1,360,000	84.8
16 Advertising Income	60,833	741,782	551,860	861,750	64.0	1,149,000	1,149,000	48.0
17 Other Income	208,131	1,600,911	1,914,309	1,280,166	149.5	1,706,888	1,706,888	108.8
18 <b>TOTAL OTHER REVENUES</b>	394,291	3,380,682	3,619,386	3,161,916	114.5	4,215,888	4,215,888	85.9
19 <b>TOTAL MOTOR BUS</b>	7,733,766	78,097,071	79,762,271	88,624,495	90.0	117,968,986	117,970,986	67.6
21 <b>AMERICAN DISABILITIES ACT:</b>								
22 Passenger Fares Redi-Wheels	68,420	656,696	540,260	659,250	82.0	879,000	879,000	61.5
23 Local TDA 4.5 Redi-Wheels	153,687	1,276,916	1,383,182	1,383,182	100.0	1,844,243	1,844,243	75.0
24 Local STA - Paratransit	21,266	314,165	278,489	278,489	100.0	367,480	367,480	75.8
25 Operating Grants	131,119	343,569	1,553,494	1,553,494	100.0	2,344,393	2,342,793	66.3
26 Sales Tax - District ADA Programs	154,640	734,775	292,264	1,036,506	28.2	1,124,994	1,124,594	26.0
27 Sales Tax - Paratransit Suppl. Coastside	145,628	1,130,555	1,307,643	1,372,330	95.3	1,669,800	1,669,800	78.3
28 Interest Income - Paratransit Fund	32,513	170,294	263,836	156,000	169.1	208,000	208,000	126.8
29 SMCTA Measure A Redi-Wheels	388,592	2,414,657	2,532,602	2,532,602	100.0	3,320,000	3,320,000	76.3
30 SM County Measure A	416,667	3,750,000	3,750,000	3,750,000	100.0	5,000,000	5,000,000	75.0
31 Measure M Paratransit	198,479	926,693	1,143,779	1,143,779	100.0	1,400,000	1,400,000	81.7
32 <b>TOTAL ADA PROGRAMS</b>	1,711,012	11,718,321	13,045,550	13,865,630	94.1	18,157,910	18,155,910	71.9
33 <b>MULTI-MODAL TRANSIT PROGRAMS:</b>								
34 Transfer from SMCTA for Caltrain	539,911	5,000,249	4,860,004	4,953,334	98.1	6,640,000	6,640,000	73.2
35 AB434 Funds & TA Funded Shuttle	9,083	448,300	81,750	81,750	100.0	109,000	109,000	75.0
36 Employer SamTrans Shuttle Funds	138,211	781,672	1,125,483	1,288,366	87.4	1,693,100	1,693,100	66.5
37 Sales Tax - SamTrans Shuttle Program	16,850	118,825	152,735	141,782	107.7	189,608	189,608	80.6
38 Sales Tax - Gen. Operating Asst.	13,988	121,812	124,564	127,500	97.7	170,000	170,000	73.3
39 <b>TOTAL MULTIMODAL</b>	718,042	6,470,856	6,344,535	6,592,732	96.2	8,801,708	8,801,708	72.1
40 <b>TOTAL REVENUES</b>	10,162,820	96,286,249	99,152,356	109,082,858	90.9	144,928,604	144,928,604	68.4

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**SAN MATEO COUNTY TRANSIT DISTRICT  
OPERATING EXPENSES  
FISCAL YEAR 2017  
MARCH 2017**

% OF YEAR ELAPSED: 75.0%

EXPENSES	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
<b>DISTRICT OPERATED BUSES</b>								
1 Wages & Benefits	4,102,644	41,592,270	43,674,335	43,479,001	100.4	58,214,650	57,696,200	75.7
2								
3 Services:								
4 Board of Directors	3,207	30,261	36,056	74,835	48.2	86,000	86,000	41.9
5 Contracted Vehicle Maintenance	83,462	1,013,865	811,493	1,128,375	71.9	1,508,154	1,508,154	53.8
6 Property Maintenance	86,569	1,000,049	726,716	896,173	81.1	1,238,000	1,234,364	58.9
7 Professional Services	362,400	2,822,841	3,087,494	3,959,924	78.0	4,956,711	5,208,029	59.3
8 Technical Services	432,253	4,039,557	4,604,766	5,551,132	83.0	7,065,517	7,310,343	63.0
9 Other Services	198,853	1,788,554	1,896,759	2,556,474	74.2	3,206,540	3,460,039	54.8
10								
11 Materials & Supply:								
12 Fuel & Lubricants	262,453	2,122,934	2,086,083	3,937,223	53.0	5,525,612	5,415,612	38.5
13 Bus Parts & Materials	192,450	1,617,337	1,553,561	1,500,806	103.5	2,042,508	2,042,508	76.1
14 Uniforms & Driver Expense	15,817	242,790	221,525	393,074	56.4	479,129	479,829	46.2
15 Timetables & Tickets	6,701	87,589	76,939	133,191	57.8	263,645	263,645	29.2
16 Office Supplies / Printing	38,606	169,842	267,784	390,661	68.5	485,062	487,651	54.9
17 Other Materials & Supply	10,279	87,201	125,416	119,544	104.9	159,500	159,500	78.6
18								
19 Utilities:								
20 Telecommunications	33,728	343,977	316,304	548,993	57.6	731,991	731,991	43.2
21 Other Utilities	76,503	814,745	821,424	855,000	96.1	1,140,000	1,140,000	72.1
22 Insurance Costs	(378,354)	1,917,135	1,854,656	2,172,973	85.4	2,897,298	2,897,298	64.0
23 Workers' Compensation	278,579	2,562,709	2,501,721	2,751,120	90.9	3,668,160	3,668,160	68.2
24 Taxes & License Fees	50,732	371,687	397,682	551,352	72.1	735,136	735,136	54.1
25 Fixed Route Accessibility	83,522	716,127	714,520	849,913	84.1	1,133,217	1,133,217	63.1
26 Leases & Rentals	16,002	119,506	123,938	130,400	95.0	175,740	175,740	70.5
27 Promotional & Legal Advertising	17,927	78,219	176,244	363,775	48.4	484,700	484,700	36.4
28 Training & Business Travel	11,327	185,594	140,630	454,513	30.9	610,463	610,463	23.0
29 Dues & Membership	8,177	76,218	77,474	89,818	86.3	118,620	118,620	65.3
30 Postage & Other	48,804	60,340	85,543	80,682	106.0	103,000	63,338	135.1
31								
32 <b>Total District Operated Buses</b>	<b>6,042,640</b>	<b>63,861,346</b>	<b>66,379,063</b>	<b>72,968,954</b>	<b>91.0</b>	<b>97,029,352</b>	<b>97,110,536</b>	<b>68.4</b>
33								
34 <b>CONTRACTED BUS SERVICES</b>								
35 Contracted Urban Bus Service	1,423,543	11,239,533	11,980,724	12,884,725	93.0	17,246,300	17,166,300	69.8
36 Other Related Costs	31,800	364,496	326,494	294,929	110.7	392,150	392,966	83.1
37 Insurance Costs	58,259	871,120	(478,888)	552,445	(86.7)	736,593	736,593	-65.0
38 Coastside Services	131,953	1,323,800	1,132,767	1,476,000	76.7	1,968,000	1,968,000	57.6
39 Redi Coast Non-ADA	19,727	193,704	202,373	174,750	115.8	233,000	233,000	86.9
40 Other Related Costs	12,141	61,459	83,992	93,394	89.9	124,525	124,525	67.4
41 La Honda - Pescadero	5,250	41,475	41,738	41,348	100.9	55,130	55,130	75.7
42 SamCoast - Pescadero	10,301	129,417	85,756	132,825	64.6	177,100	177,100	48.4
43 Other Related Cost - SamCoast	(1,847)	10,882	8,252	5,127	161.0	6,836	6,836	120.7
44 <b>Total Contracted Bus Service</b>	<b>1,691,126</b>	<b>14,235,885</b>	<b>13,383,208</b>	<b>15,655,542</b>	<b>85.5</b>	<b>20,939,634</b>	<b>20,860,450</b>	<b>64.2</b>
45								
46 <b>TOTAL MOTOR BUS</b>	<b>7,733,766</b>	<b>78,097,231</b>	<b>79,762,271</b>	<b>88,624,495</b>	<b>90.0</b>	<b>117,968,986</b>	<b>117,970,986</b>	<b>67.6</b>

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**SAN MATEO COUNTY TRANSIT DISTRICT  
OPERATING EXPENSES  
FISCAL YEAR 2017  
MARCH 2017**

% OF YEAR ELAPSED: 75.0%

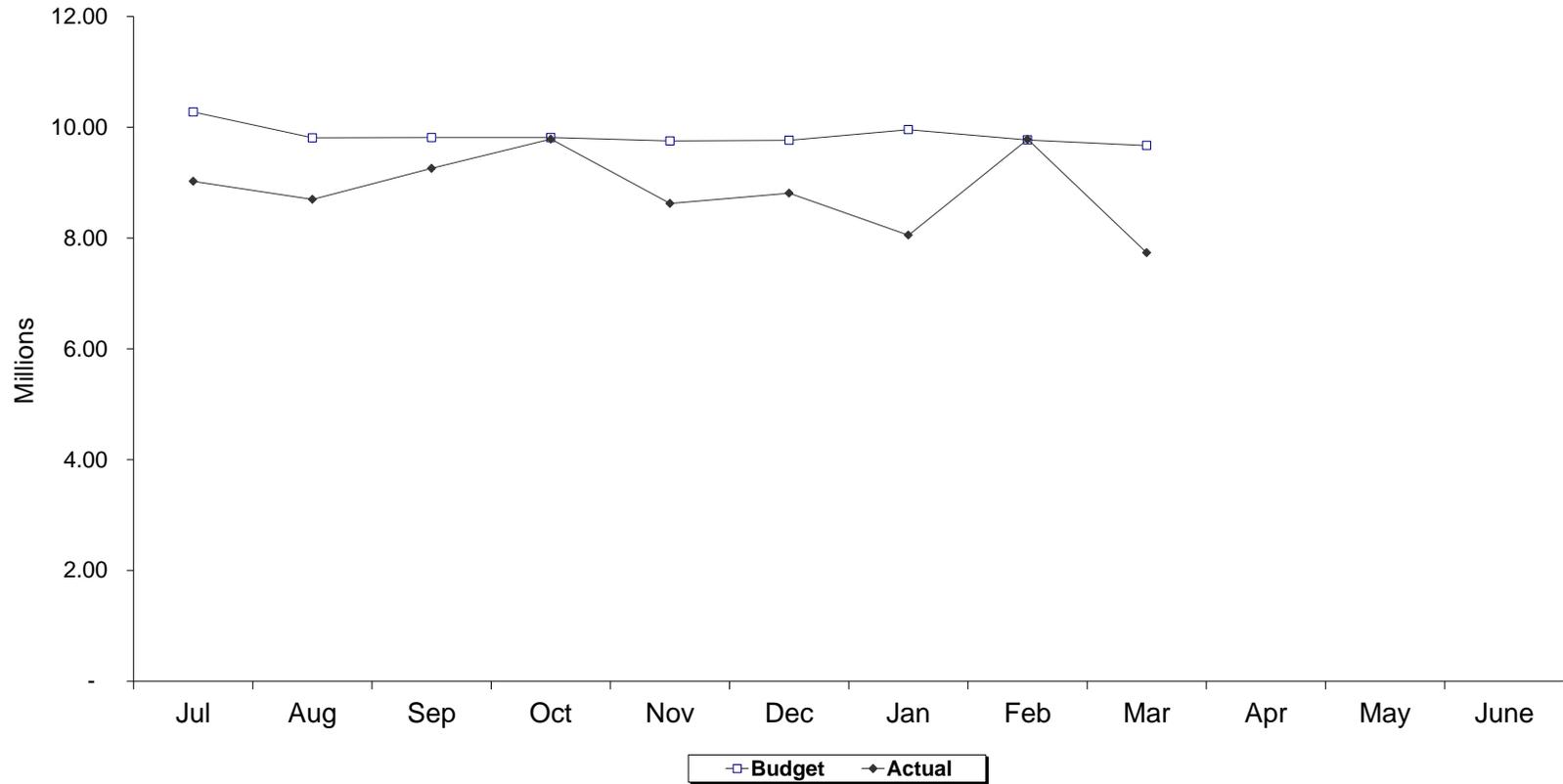
<u>EXPENSES</u>	MONTH	YEAR-TO-DATE				ANNUAL		
	CURRENT ACTUAL	PRIOR ACTUAL	CURRENT ACTUAL	REVISED BUDGET	% REV BUDGET	APPROVED BUDGET	REVISED BUDGET	% REV BUDGET
<b>AMERICAN DISABILITY ACT PROGRAMS</b>								
Elderly & Disabled/Redi-Wheels	500,897	3,977,662	4,167,675	4,924,291	84.6	7,322,052	6,152,052	67.7
Other Related Costs	158,854	1,994,332	1,952,579	2,660,829	73.4	3,386,207	3,384,207	57.7
ADA Sedan/Taxi Service	447,059	3,377,570	3,814,384	3,189,246	119.6	3,628,328	4,798,328	79.5
ADA Accessibility Support	118,333	850,069	973,418	1,283,952	75.8	1,571,564	1,571,564	61.9
Coastside ADA Support	145,628	1,130,556	1,307,643	1,372,330	95.3	1,669,800	1,669,800	78.3
Insurance Costs	340,240	387,972	829,851	434,982	190.8	579,959	579,959	143.1
<b>TOTAL ADA PROGRAMS</b>	<b>1,711,012</b>	<b>11,718,162</b>	<b>13,045,551</b>	<b>13,865,630</b>	<b>94.1</b>	<b>18,157,910</b>	<b>18,155,910</b>	<b>71.9</b>
<b>MULTIMODAL TRANSIT PROGRAMS</b>								
<b>CALTRAIN SERVICE</b>								
Peninsula Rail Service	539,910	5,000,249	4,860,004	4,953,334	98.1	6,640,000	6,640,000	73.2
<b>Total Caltrain Service</b>	<b>539,910</b>	<b>5,000,249</b>	<b>4,860,004</b>	<b>4,953,334</b>	<b>98.1</b>	<b>6,640,000</b>	<b>6,640,000</b>	<b>73.2</b>
<b>OTHER SUPPORT</b>								
SamTrans Shuttle Service	164,144	1,348,797	1,359,967	1,511,898	90.0	1,991,708	1,991,708	68.3
Bicycle Coordinating Activities								
Maintenance Multimodal Facilities	13,988	121,810	124,563	127,500	97.7	170,000	170,000	73.3
<b>Total Other Support</b>	<b>178,132</b>	<b>1,470,607</b>	<b>1,484,531</b>	<b>1,639,398</b>	<b>90.6</b>	<b>2,161,708</b>	<b>2,161,708</b>	<b>68.7</b>
<b>TOTAL MULTI-MODAL PROGRAMS</b>	<b>718,042</b>	<b>6,470,856</b>	<b>6,344,535</b>	<b>6,592,732</b>	<b>96.2</b>	<b>8,801,708</b>	<b>8,801,708</b>	<b>72.1</b>
<b>TOTAL EXPENSES</b>	<b>10,162,820</b>	<b>96,286,249</b>	<b>99,152,356</b>	<b>109,082,858</b>	<b>90.9</b>	<b>144,928,604</b>	<b>144,928,604</b>	<b>68.4</b>

% 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

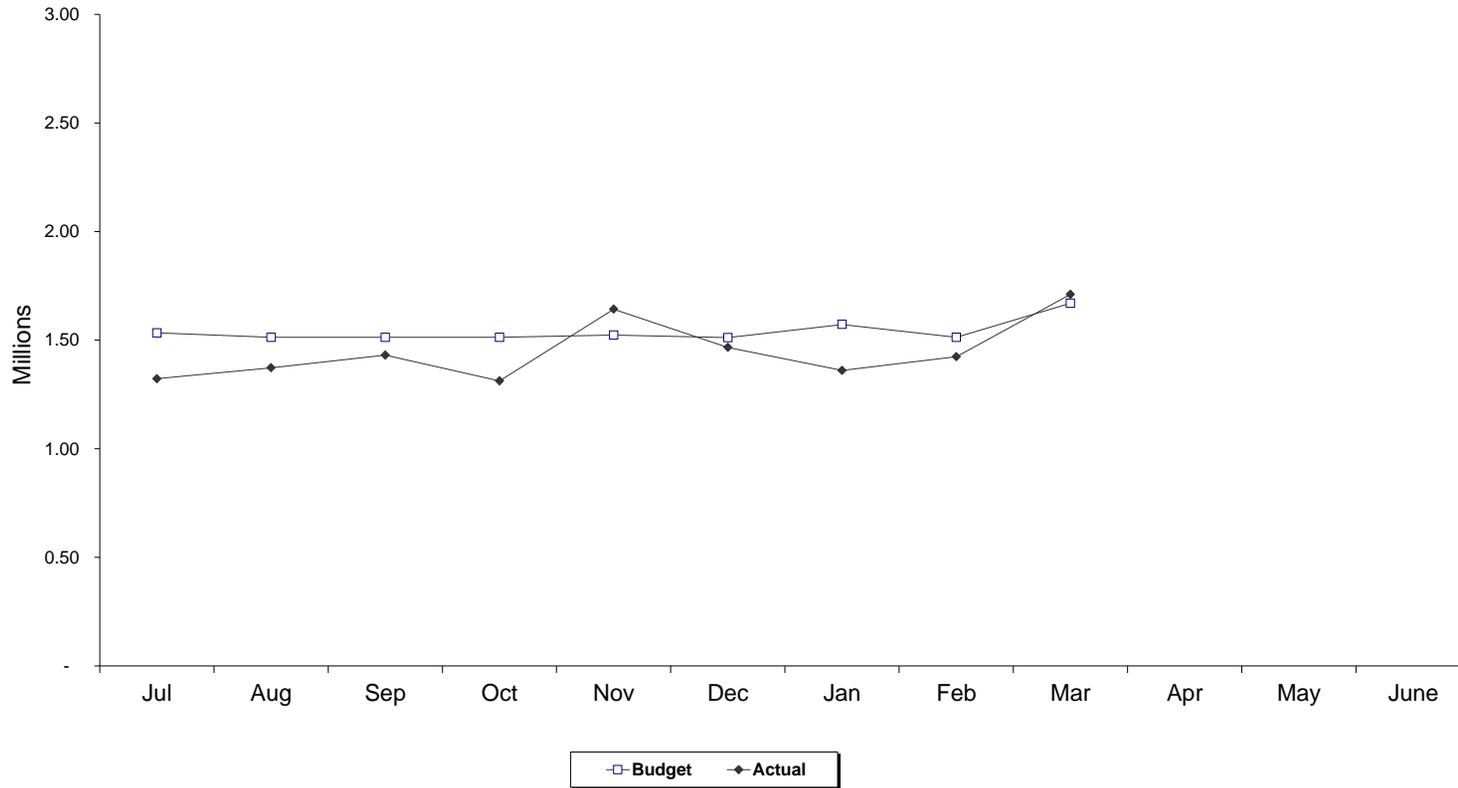
### MOTOR BUS MONTHLY EXPENSES - BUDGET VS ACTUAL

#### FISCAL YEAR 2017



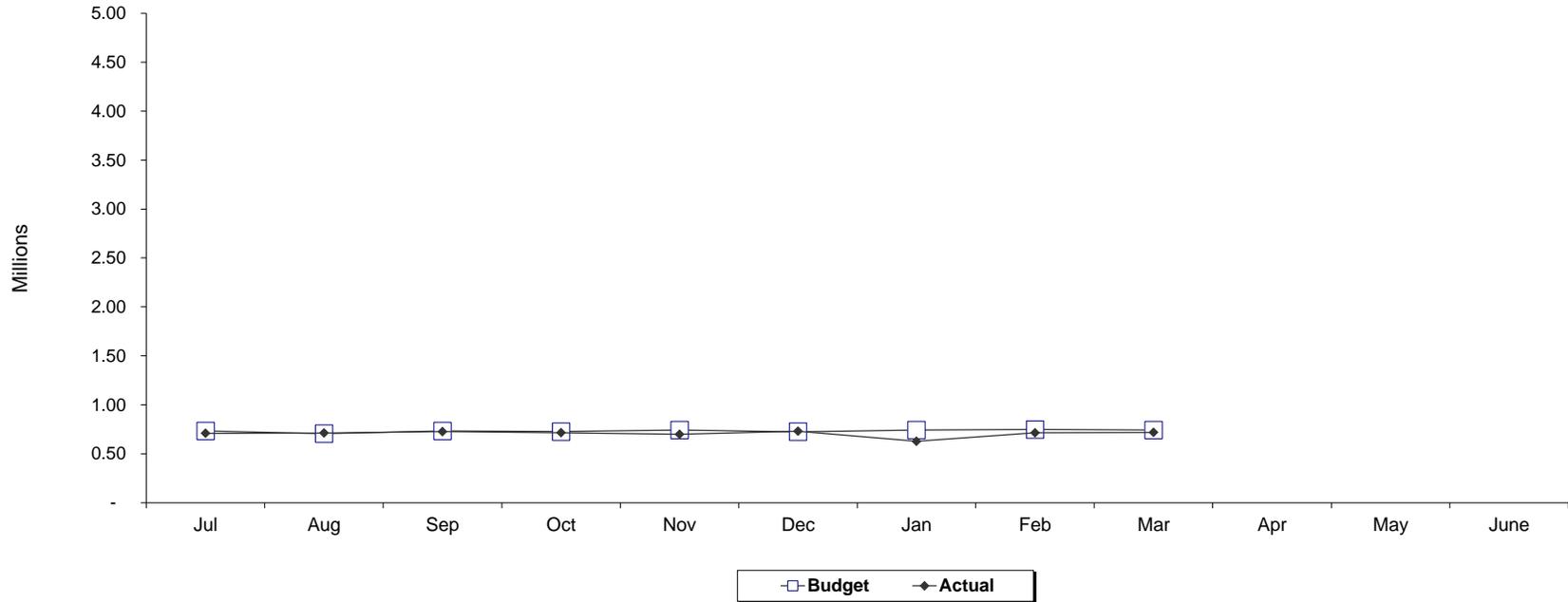
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>MONTHLY EXPENSES</b>												
Budget	10,275,750	9,806,266	9,812,859	9,813,021	9,753,031	9,765,188	9,956,980	9,771,716	9,669,683			
Actual	9,023,605	8,698,427	9,255,952	9,784,949	8,625,265	8,808,317	8,051,991	9,780,000	7,733,766			
<b>CUMULATIVE EXPENSES</b>												
Budget	10,275,750	20,082,017	29,894,875	39,707,897	49,460,928	59,226,116	69,183,096	78,954,813	88,624,495			
Actual	9,023,605	17,722,032	26,977,984	36,762,933	45,388,198	54,196,515	62,248,506	72,028,506	79,762,271			
Variance - F(U)	1,252,146	2,359,985	2,916,892	2,944,964	4,072,730	5,029,601	6,934,590	6,926,307	8,862,224			
Variance %	12.19%	11.75%	9.76%	7.42%	8.23%	8.49%	10.02%	8.77%	10.00%			

**SAN MATEO COUNTY TRANSIT DISTRICT**  
**ADA PROGRAM MONTHLY EXPENSES - BUDGET VS ACTUAL**  
**FISCAL YEAR 2017**



	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>MONTHLY EXPENSES</b>												
<b>Budget</b>	1,533,790	1,513,267	1,513,267	1,513,436	1,523,831	1,511,625	1,572,925	1,512,935	1,670,552			
<b>Actual</b>	1,322,352	1,373,403	1,431,552	1,312,368	1,643,108	1,466,845	1,360,535	1,424,377	1,711,012			
<b>CUMULATIVE EXPENSES</b>												
<b>Budget</b>	1,533,790	3,047,058	4,560,325	6,073,761	7,597,593	9,109,217	10,682,143	12,195,078	13,865,630			
<b>Actual</b>	1,322,352	2,695,754	4,127,306	5,439,674	7,082,782	8,549,626	9,910,162	11,334,539	13,045,551			
<b>Variance - F(U)</b>	211,439	351,303	433,019	634,087	514,811	559,591	771,981	860,539	820,080			
<b>Variance %</b>	13.79%	11.53%	9.50%	10.44%	6.78%	6.14%	7.23%	7.06%	5.91%			

## SAN MATEO COUNTY TRANSIT DISTRICT MULTIMODAL MONTHLY EXPENSES - BUDGET VS ACTUAL FISCAL YEAR 2017



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>MONTHLY EXPENSES</b>												
<b>Budget</b>	732,134	705,468	732,134	725,668	742,134	724,392	742,134	746,534	742,134			
<b>Actual</b>	708,677	711,565	725,582	713,657	697,021	729,906	626,763	713,322	718,042			
<b>CUMULATIVE EXPENSES</b>												
<b>Budget</b>	732,134	1,437,602	2,169,736	2,895,404	3,637,538	4,361,930	5,104,064	5,850,598	6,592,732			
<b>Actual</b>	708,677	1,420,242	2,145,825	2,859,481	3,556,502	4,286,408	4,913,170	5,626,492	6,344,534			
<b>Variance - F(U)</b>	23,456	17,360	23,911	35,923	81,036	75,522	190,894	224,106	248,198			
<b>Variance %</b>	3.20%	1.21%	1.10%	1.24%	2.23%	1.73%	3.74%	3.83%	3.76%			

**SAN MATEO COUNTY TRANSIT DISTRICT**

**INTEREST ON INVESTMENTS**

**March 31, 2017**

DESCRIPTION	TOTAL INVESTMENT 3-31-17	INTEREST RECEIVABLE 2-28-17	PREPAID INT RECEIVABLE 2-28-17	INTEREST EARNED 3-31-17	INTEREST RECEIVED 3-31-17	ADJ.	INTEREST RECEIVABLE 3-31-17
RESERVE FOR CAPITAL PROJ	60,159.60	395.40	0.00	395.40	0.00	0.00	790.80
LAIF -- CAPITAL PROJ	77,431.25	227.10	0.00	53.99	0.00	0.00	281.09
REIMB SECURITIES -- L76R	89,022,544.45	255,156.32	7,944.28	117,132.92	54,714.19	(209.25)	325,310.08
LAIF -- REIMB FUNDS L76R	10,977.21	495.29	0.00	7.65	0.00	0.00	502.94
PARATRANSIT FUNDS	24,866,754.91	53,423.21	584.10	29,131.52	16,866.49	(57.40)	66,214.94
LAIF -- PARATRANSIT	1,037,255.57	3,989.77	0.00	723.27	0.00	0.00	4,713.04
BANK OF AMERICA	57,612,419.25	0.00	0.00	3,744.41	3,744.41	0.00	0.00
WELLS FARGO	2,807.10	0.00	0.00	0.00	0.00	0.00	0.00
US Bank - Custodian account	8,557,068.34	624.97	0.00	1,408.77	776.56	0.00	1,257.18
Debt Service Reserves							
Held by Trustee:	13,046,595.25	0.00	0.00	0.00	0.00	0.00	0.00
	<u>194,294,012.93</u>	<u>314,312.06</u>	<u>8,528.38</u>	<u>152,597.93</u>	<u>76,101.65</u>	<u>(266.65)</u>	<u>399,070.07</u>

**March 2017 -- SUMMARY OF INTEREST & CAPITAL GAIN**

Interest Earned 3/31/17	152,331.28
<b>Add:</b>	
CEO Interest	0.00
<b>Less:</b>	
Trust Fees	(606.46)
Capital Gain(Loss)	<u>(7,781.06)</u>
Total Interest & Capital Gain(Loss)	<u>143,943.76</u>

**YEAR TO DATE -- SUMMARY**

Interest Earned	1,146,778.00
<b>Add:</b>	
CEO Interest	
<b>Less:</b>	
Trust Fees	(5,408.62)
Capital Gain(Loss)	<u>93,262.78</u>
Total Interest & Capital Gain(Loss)	<u>1,234,632.16</u>

**Balance Per Ledger as of 3/31/17**

Deferred Int Acct. 210852/3	32,080.30
Interest Acct. 409101	1,114,697.70
Less Trust Fees 530045	(5,408.62)
Gain(Loss) Acct. 405210	<u>93,262.78</u>
	<u>1,234,632.16</u>

**SAN MATEO COUNTY TRANSIT DISTRICT  
BOND REIMBURSED FUNDS -- INTEREST ON SECURITIES -- L76R  
March 31, 2017**

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	GASB 31 ADJUSTED 06-30-16	MARKET VALUE 3-31-17	MATURITY/CALL DATE	INT RATE	APPL DAYS	INTEREST REC'BLE 2-28-17	INT REC'BLE 3-31-17	INTEREST EARNED 3-31-17	INTEREST RECEIVED 3-31-17	PP INTEREST RECEIVED DATE	ADJ.	INTEREST REC'BLE 3-31-17	INT REC'BLE LESS PREPAID 3-31-17	PAR VALUE	
<b>U.S. TREASURY NOTES AND BONDS</b>																		
US TREASURY NOTE	912828TG5	06-02-16	1,575,000.78	1,579,248.57	1,577,901.56	3-10-17	0.500%	9	632.87		197.50	829.28		(1.09)	(0.00)	(0.00)	1,580,000	
US TREASURY NOTE	912828TG5	06-02-16	398,734.37	399,809.77	399,515.63	3-13-17	0.500%	12	160.22		66.67	226.52		(0.37)	0.00	0.00	400,000	
US TREASURY NOTE	912828UZ1	3-31-16	996,757.82	1,510,419.45	994,805.00	4-30-18	0.625%	31	2,089.09		538.19			(2.97)	2,624.31	2,624.31	1,000,000	
US TREASURY NOTE	912828UZ1	3-31-16	1,973,677.73	1,434,898.47	1,937,888.67	3-10-17	0.625%	9	4,073.72		304.69	4,376.73		(1.68)	0.00	0.00	1,950,000	
US TREASURY NOTE	912828ST8	03-25-15	64,987.30	66,459.79	64,987.30	04-30-19	1.250%	31	271.58		69.96			(0.38)	341.16	341.16	65,000	
US TREASURY NOTE	912828UQ1	11-09-15	1,282,886.72	1,319,400.63	1,290,707.60	02-29-20	1.250%	31	44.16		1,399.31			(30.43)	1,413.04	1,413.04	1,300,000	
US TREASURY NOTE	912828VF4	12-7-15	4,343,109.38	4,480,779.60	4,372,328.40	05-31-20	1.375%	31	15,125.00		5,209.72			(57.25)	20,277.47	20,277.47	4,400,000	
US TREASURY NOTE	912828VP2	05-18-16	3,824,730.47	3,861,575.26	3,746,538.60	07-31-20	2.000%	31	5,928.18		6,372.22			(35.21)	12,265.19	12,265.19	3,700,000	
US TREASURY NOTE	912828L32	6-29-16	1,527,421.88	1,527,480.00	1,486,113.00	08-31-20	1.375%	31	56.05		1,776.04			(38.61)	1,793.48	1,793.48	1,500,000	
US TREASURY NOTE	912828Q78	01-05-17	1,960,312.50	1,964,532.00	1,966,406.00	04-30-21	1.375%	31	9,191.99		2,368.06			(13.09)	11,546.96	11,546.96	2,000,000	
US TREASURY NOTE	912828R77	03-17-17	1,363,632.81	1,375,063.20	1,375,063.20	05-31-21	1.375%	15	0.00	5,658.65	802.08			(8.81)	6,451.92	793.27	1,400,000 20.05%	
<b>GOVERNMENT BONDS</b>																		
FHLMC NOTES	3137EADN6	08-30-16	299,646.00	299,683.20	299,323.20	01-12-18	0.750%	30	306.25		187.50				493.75	493.75	300,000	
FHLMC NOTES	3137EADN6	08-30-16	1,398,348.00	1,398,521.60	1,395,562.00	03-17-17	0.750%	16	1,429.17		466.67	1,895.83		(0.01)	0.00	0.00	1,400,000	
FHMA GLOBAL NOTES	3137EADP1	08-08-16	5,006,450.00	5,000,005.00	4,988,690.00	03-07-18	0.875%	30	21,145.83		3,845.83	21,875.00		0.01	2,916.67	2,916.67	5,000,000	
FHLMC	3130ABAE1	08-26-16	4,097,212.00	4,095,112.80	4,075,502.50	10-01-18	0.875%	30	14,947.92		2,989.58				17,937.50	17,937.50	4,100,000	
FHLMC	3137EAEF7	09-16-16	1,394,400.15	1,394,358.30	1,387,436.31	10-12-18	0.875%	30	5,594.53		1,017.19				6,611.72	6,611.72	1,395,000	
FHLB NOTES AGENCY	313376BR5	08-11-16	255,055.00	254,369.00	252,091.25	12-14-18	1.750%	30	935.76		364.58			0.01	1,300.35	1,300.35	250,000	
FEDERAL HOME LOAN BANK AG	3130AAXX1	03-10-17	2,050,232.40	2,055,587.73	2,055,587.73	03-18-19	1.375%	21	0.00		1,648.28				1,648.28	1,648.28	2,055,000	
FEDERAL HOME LOAN BANK AG	3130AAXX1	03-10-17	1,441,647.60	1,444,725.45	1,444,725.45	03-29-17	1.375%	19	0.00		1,048.63				0.00	0.00	1,445,000	
FHLMC	3137EAEF1	07-20-16	2,693,466.00	2,696,919.30	2,667,192.30	07-19-19	0.875%	30	2,756.25		1,968.75				4,725.00	4,725.00	2,700,000	
FNMA	3135GON33	08-02-16	2,196,304.00	2,196,304.00	2,171,444.00	08-02-19	0.875%	30	1,550.69		1,604.17				3,154.86	3,154.86	2,200,000	
FHLB GLOBAL NOTE	3130A8Y72	08-04-16	898,272.00	895,966.20	888,384.60	08-05-19	0.875%	30	568.75		656.25				1,225.00	1,225.00	900,000	
FHMA NOTES	3135G0P49	09-02-16	2,695,788.00	2,695,631.40	2,671,317.90	08-28-19	1.000%	30	75.00		2,250.00				2,325.00	2,325.00	2,700,000	
FHLB GLOBAL NOTE	3130A9PE2	09-08-16	2,697,651.00	2,697,634.80	2,670,526.80	09-26-16	1.000%	30	11,625.00		2,250.00	13,500.00			375.00	375.00	2,700,000	
FHMA NOTES	3135G0T29	02-28-17	1,299,168.00	1,295,125.00	1,296,870.90	02-28-20	1.500%	30	54.17		1,625.00				1,679.17	1,679.17	1,300,000	
FHLB GLOBAL NOTE	3130A8Q53	07-15-16	2,683,581.30	2,690,155.80	2,615,576.40	07-14-21	1.125%	30	3,965.63		2,531.25				6,496.88	6,496.88	2,700,000	
FNMA NOTES	3135G0N82	08-19-16	473,375.03	472,785.08	461,367.03	08-17-21	1.250%	30	230.90		494.79				725.69	725.69	475,000	
FNMA NOTES	3135G0N82	08-19-16	1,518,823.75	1,517,888.93	1,481,230.98	08-17-21	1.250%	30	741.32		1,588.54				2,329.86	2,329.86	1,525,000 34.45%	
<b>CORPORATE NOTE</b>																		
BEAR STEARNS CO INC. NOTE	073902PK3	11-22-16	2,085,620.00	2,081,024.00	2,048,000.00	10-02-17	6.400%	30	52,977.78		10,000.00			(0.01)	63,044.44	63,044.44	2,000,000	
WALT DISNEY CORP NOTE	25468PCB0	11-23-16	1,050,210.00	1,047,855.00	1,030,650.00	12-15-17	5.875%	30	12,402.78		4,895.83				17,298.61	17,298.61	1,000,000	
JOHN DEERE CAPITAL CORP	2442ZESR1	11-22-16	1,557,207.50	1,555,809.40	1,551,536.05	12-15-17	1.550%	30	5,071.94		2,002.08			0.01	7,074.03	7,074.03	1,550,000	
JOHN DEERE CAPITAL CORP	2442ZESR1	11-22-16	452,092.50	451,686.60	450,463.50	03-15-17	1.550%	15	1,472.50		290.63	1,743.75		(19.38)	0.00	0.00	450,000	
JOHN DEERE CAPITAL CORP	2442ZETM1	01-06-17	799,480.00	799,948.00	800,565.60	10-15-18	1.650%	30	2,016.67		1,100.00				3,116.67	3,116.67	800,000	
TOYOTA MOTOR CORP	89236DM4	01-09-17	1,099,615.00	1,102,627.90	1,102,061.40	01-09-19	1.700%	30	2,701.11		1,558.33				4,259.44	4,259.44	1,100,000	
BERKSHIRE HATHAWAY GLOBAL	084670BL1	12-23-16	1,810,188.00	1,816,198.20	1,817,618.40	08-14-19	2.100%	30	1,785.00		3,150.00				4,935.00	4,935.00	1,800,000	
AMERICAN HONDA FINANCE GL	02665WHA4	12-20-16	1,808,946.00	1,817,526.60	1,815,737.40	08-15-19	2.250%	30	1,800.00		3,375.00				5,175.00	5,175.00	1,800,000	
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-16	669,665.00	670,047.57	664,545.53	10-18-19	1.550%	30	3,836.68		865.42			0.01	4,702.10	4,702.10	670,000	
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	499,405.00	500,321.50	496,954.50	10-30-19	1.700%	30	2,856.94		708.33			0.01	3,565.28	3,565.28	500,000	
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	1,100,209.00	1,100,707.30	1,093,299.90	10-30-19	1.700%	30	6,285.28		1,558.33				7,843.61	7,843.61	1,100,000	
PEIZER INC CORP NOTE	171701EB5	11-21-16	1,184,146.80	1,182,475.95	1,183,980.90	12-15-19	1.700%	30	5,595.83		1,678.75				7,274.58	7,274.58	1,185,000	
CFI GROUP INC	172961F6	01-10-17	899,640.00	901,728.00	903,845.70	01-10-20	2.450%	30	3,123.75		1,837.50				4,961.25	4,961.25	900,000	
MICROSOFT CORP	594918BV5	02-06-17	899,397.00	900,183.60	902,791.80	02-06-20	1.850%	30	1,156.25		1,387.50				2,543.75	2,543.75	900,000	
WALT DISNEY CO CORP NOTES	25468PPD8	03-06-17	379,901.20	380,850.44	380,850.44	03-04-20	1.950%	25	0.00		514.58				514.58	514.58	380,000	
MORGAN STANLEY CORP NOTE	617446P78	11-10-16	2,009,250.00	1,972,855.80	1,965,078.00	07-24-20	5.500%	30	10,175.00		8,250.00				18,425.00	18,425.00	1,800,000	
GOLDMAN SACHS GROUP CORP	3814AGQ11	11-28-16	1,765,872.00	1,761,273.60	1,755,065.60	07-27-21	5.250%	30	7,933.33		7,000.00				14,933.33	14,933.33	1,600,000	
JOHN DEERE CAPITAL CORP	2442ETL3	03-15-17	448,015.50	451,625.85	451,625.85	01-06-22	2.650%	16	0.00	2,285.63	530.00				2,815.63	530.00	450,000 20.77%	
<b>COMMERCIAL PAPER</b>																		
BANK OF TOKYO MITSUBISHI	06538BRJ4	10-21-16	993,735.00	994,339.00	999,535.00	04-18-17	0.000%		0.00		0.00				0.00	0.00	1,000,000	
BANK OF TOKYO MITSUBISHI	06538BSF1	11-16-16	993,750.00	994,448.00	998,781.00	05-15-17	0.000%		0.00		0.00				0.00	0.00	1,000,000	
CREDIT AGRICOLE CIB NY	2253T3F4	11-16-16	1,988,800.00	1,990,722.00	1,997,650.00	05-15-17	0.000%		0.00		0.00				0.00	0.00	2,000,000	
BNP PARIBAS NY BRANCH COMI	09659BUH1	10-20-16	1,881,190.00	1,883,050.10	1,893,376.60	07-17-17	0.000%		0.00		0.00				0.00	0.00	1,900,000	
Bank of Montreal Chicago	0636GWF2	12-22-16	1,781,763.65	1,782,064.80	1,789,718.40	09-15-17	0.000%		0.00		0.00				0.00	0.00	1,800,000	
CANADIAN IMPERIAL HLDING	13607EXD6	01-19-17	1,781,510.25	1,783,897.20	1,787,760.00	10-13-17	0.000%		0.00		0.00				0.00	0.00	1,800,000 9.87%	
<b>CERTIFICATION OF DEPOSIT</b>																		
Canadian Imperial Bank NY CD	13606A4Z7	12-5-16	1,798,596.00	1,814,526.00	1,809,961.20	11-30-18	1.760%	31	7,568.00		2,728.00				10,296.00	10,296.00	1,800,000	
Nordea Bank Finland NY	65558LWA6	12-5-16	1,800,000.00	1,814,526.00	1,809,961.20	11-30-18	1.760%											

**SAN MATEO COUNTY TRANSIT DISTRICT  
BOND REIMBURSED FUNDS -- INTEREST ON SECURITIES -- L76R  
March 31, 2017**

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	GASB 31 ADJUSTED 06-30-16	MARKET VALUE 3-31-17	MATURITY/CALL DATE	INT RATE	APPL. DAYS	INTEREST REC'VBLE 2-28-17	PREPAID INT REC'VBLE 3-31-17	INTEREST EARNED 3-31-17	INTEREST RECEIVED 3-31-17	PP INTEREST RECEIVED DATE	ADJ.	INTEREST REC'VBLE 3-31-17	INT REC'VBLE LESS PREPAID 3-31-17	PAR VALUE
<b>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</b>																	
FNMA	3136ANJY4	4-30-15	616,097.80	614,944.23	609,468.45	04-01-18	1.550%	30	787.92		787.92	787.92			787.92	787.92	610,000
FHLMC	3137BNMZ4	4-28-16	434,194.59	434,166.65	429,682.49	03-01-19	1.738%	30	638.27		622.64	638.27			622.64	622.64	429,899
FHLMC	3137BNMZ4	4-28-16	10,901.83	10,903.12	10,793.98	03-25-17	1.738%	25	0.00		0.00	0.00			0.00	0.00	10,794
FANNIE MEA	3136AQDQ0	10-30-15	796,823.38	797,410.30	788,844.06	09-01-19	1.646%	30	1,084.33		1,082.14	1,084.33			1,082.14	1,082.14	788,923
FANNIE MEA	3136AQDQ0	10-30-15	1,513.34	1,615.19	1,597.34	03-25-17	1.646%	25	0.00		0.00	0.00			0.00	0.00	1,597
FNA 2014-M6 A2	3136AJ7G5	12-15-16	2,040,468.75	2,024,029.40	2,016,958.60	05-25-21	2.679%	30	4,464.18		4,464.18	4,464.18			4,464.18	4,464.18	2,000,000 3.99%
<b>CASH AND CASH EQUIVALENTS</b>																	
MONEY MARKET FUND	MONEY02		116,936.82		116,936.82				0.00		27.63	27.63			0.00	0.00	0
LAIF			10,977.21	10,977.21	10,977.21				495.29		7.65				502.94	502.94	10,977.21
<b>MATURED/CALLED</b>																	
US TREASURY NOTE	912828TG5	06-02-16	(1,575,000.78)	(1,579,248.57)	(1,577,901.56)	3-10-17											(1,580,000.00)
US TREASURY NOTE	912828TG5	06-02-16	(398,734.37)	(399,809.77)	(399,515.63)	3-13-17											(400,000.00)
US TREASURY NOTE	912828UZ1	3-31-16	(1,973,677.73)	(1,434,898.47)	(1,937,888.67)	3-10-17											(1,950,000.00)
FHLMC NOTES	3137EADN6	08-30-16	(1,398,348.00)	(1,398,521.60)	(1,395,562.00)	03-17-17											(1,400,000.00)
JOHN DEERE CAPITAL CORP	24422ESR1	11-22-16	(452,092.50)	(451,686.60)	(450,463.50)	03-15-17											(450,000.00)
FHLMC	3137BNMZ4	4-28-16	(10,901.83)	(10,903.12)	(10,793.98)	03-25-17											(10,793.98)
FANNIE MEA	3136AQDQ0	10-30-15	(1,513.34)	(1,615.19)	(1,597.34)	03-25-17											(1,597.34)
FEDERAL HOME LOAN BANK AG	3130AAXX1	03-10-17	(1,441,647.60)	(1,444,725.45)	(1,444,725.45)	03-29-17											(1,445,000.00)
TOTAL LAIF			<u>10,977.21</u>	<u>10,977.21</u>	<u>10,977.21</u>												
TOTAL A/C 121100 & 112010			89,446,400.94	90,184,908.13	89,022,544.45												88,978,823.18
<b>TOTAL (EXCLUDE LAIF AND CASH/CASH EQUIVALENTS)</b>			<u>89,446,400.94</u>	<u>90,184,908.13</u>	<u>89,022,544.45</u>				<u>255,156.32</u>	<u>7,944.28</u>	<u>117,132.92</u>	<u>54,714.19</u>		<u>(209.24)</u>	<u>325,310.08</u>	<u>317,365.80</u>	<u>88,978,822.22</u>

SAN MATEO COUNTY TRANSIT DISTRICT  
 RESERVE FOR CAPITAL PROJECTS -- INTEREST ON SECURITIES  
 March 31, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	GASB 31 ADJUSTED 06-30-16	MARKET VALUE 3-31-17	MATURITY/CALL DATE	INT RATE	APPL DAYS	INTEREST REC'VBLE 2-28-17	PREPAID INT REC'VBLE 3-31-17	INTEREST EARNED 3-31-17	INTEREST RECEIVED 3-31-17	ADJ.	INTEREST REC'VBLE 3-31-17	INT REC'VBLE LESS PREPAID 3-31-17	PAR VALUE
<b>GOVERNMENT BONDS</b>																
HOUSING URBAN DEVEL	911759E80	12-23-08	62,205.20	60,039.00	60,159.60	08-01-17	7.908%	30	395.40		395.40			790.80	790.80	60,000
<b>CASH AND CASH EQUIVALENTS</b>																
FIRST AMER US TREASURY MM	31846V534		8,064,742.06	8,064,742.06	8,064,742.06				624.97		1,257.18	624.97		1,257.18	1,257.18	
LAIF			77,431.25	77,008.90	77,431.25				227.10		53.99			281.09	281.09	77,431
<b>MATURED/CALLED</b>																
TOTAL LAIF			77,431.25	77,008.90	77,431.25											
TOTAL A/C 121100 & 112010			62,205.20	60,039.00 #	60,159.60											
<b>TOTAL (EXCLUDE LAIF AND CASH/CASH EQUIVALENTS)</b>			<u>62,205.20</u>	<u>60,039.00</u>	<u>60,159.60</u>				<u>395.40</u>	<u>0.00</u>	<u>395.40</u>	<u>0.00</u>	<u>0.00</u>	<u>790.80</u>	<u>790.80</u>	<u>60,000.00</u>

**SAN MATEO COUNTY TRANSIT DISTRICT**  
**PARATRANSIT FUNDS -- INTEREST ON SECURITIES**  
**March 31, 2017**

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	GASB 31 ADJUSTED 06-30-16	MARKET VALUE 3-31-17	MATURITY/CALL DATE	INT RATE	APPL DAYS	INTEREST REC'BLE 2-28-17	PP INTEREST REC'BLE 3-31-17	INTEREST EARNED 3-31-17	INTEREST RECEIVED 3-31-17	PP INTEREST RECEIVED DATE	ADJ.	INTEREST REC'BLE 3-31-17	INT REC'BLE LESS PREPAID 3-31-17	PAR VALUE
<b>U.S. TREASURY NOTES AND BONDS</b>																	
US TREASURY NOTE	912828TG5	06-2-16	996,835.93	999,688.00	999,060.00	07-31-17	0.500%	31	400.55		430.56			(2.38)	828.73	828.73	1,000,000
US TREASURY NOTE	912828TG5	06-2-16	996,835.94	999,688.00	998,671.88	03-10-17	0.500%	9	400.55		125.00	524.86		(0.69)	0.00	0.00	1,000,000
US TREASURY NOTE	912828U21	03-31-16	284,075.98	285,653.03	283,519.43	04-30-18	0.625%	31	595.39		153.38			(0.84)	747.93	747.93	285,000
US TREASURY NOTE	912828UQ1	11-09-15	330,590.04	339,998.87	332,605.42	02-29-20	1.250%	31	11.38		360.59			(7.84)	364.13	364.13	335,000
US TREASURY NOTE	912828V4	12-7-15	1,332,544.92	1,374,784.65	1,341,509.85	5-31-20	1.375%	31	4,640.63		1,598.44			(17.57)	6,221.50	6,221.50	1,350,000
US TREASURY NOTE	912828VP2	5-18-16	1,395,509.76	1,408,904.55	1,366,980.30	7-31-20	2.000%	31	2,162.98		2,325.00			(12.84)	4,475.14	4,475.14	1,350,000
US TREASURY NOTE	912828B90	10-5-16	181,323.24	180,373.03	176,531.25	02-28-12	2.000%	31	9.51		301.39			(6.56)	304.35	304.35	175,000
US TREASURY NOTE	912828L32	6-29-16	356,398.44	357,430.32	346,759.70	8-31-20	1.375%	31	13.08		414.41			(9.01)	418.48	418.48	350,000
US TREASURY NOTE	912828Q78	01-05-17	573,391.41	574,625.61	575,173.76	04-30-21	1.375%	31	2,688.91		692.66			(4.08)	3,377.49	3,377.49	585,000
US TREASURY NOTE	912828Q78	01-05-17	112,717.97	112,960.59	112,219.34	03-15-17	1.375%	15	528.29		55.95	589.69		5.45	(0.00)	(0.00)	115,000
																	24.80%
<b>FEDERAL AGENCY COLLETERIALIZED MORTGAGE OBLIGATION</b>																	
FNMA	3136ANJY4	4-30-15	171,699.39	171,377.90	169,851.86	04-01-18	1.550%	30	219.58		219.58	219.58			219.58	219.58	170,000
FHLMC	3137BNMZ4	4-28-16	121,574.48	123,541.80	120,311.10	03-01-19	1.738%	30	178.72		174.34	178.72			174.34	174.34	120,372
FHLMC	3137BNMZ4	4-28-16	3,052.51	3,101.58	3,022.31	03-25-17	1.738%	25	0.00		0.00	0.00			0.00	0.00	3,022
FANIE MAE	3136AQDQ0	10-30-15	229,086.73	229,255.10	226,792.67	09-01-19	1.646%	30	311.75		311.12	311.75			311.12	311.12	226,815
FANIE MAE	3136AQDQ0	10-30-15	463.83	464.95	459.23	03-25-17	1.646%	25	0.00		0.81	0.00		(0.81)	0.00	0.00	704
FNA 2014-M6 A2	3136AJ7G5	12-15-16	561,128.91	556,608.09	554,663.62	5-25-21	2.679%	30	1,227.65		1,227.88	1,227.65		(0.23)	1,227.65	1,227.65	550,000
																	4.06%
<b>CORPORATE NOTE</b>																	
JOHN DEERE CAPITALCORP	24422ETM1	01-06-17	199,870.00	199,987.00	200,141.40	10-15-18	1.650%	30	504.17		275.00				779.17	779.17	200,000
TOYOTA MOTOR CREDIT CORP	89236TDM4	01-09-17	299,895.00	300,716.70	300,562.20	01-09-19	1.700%	30	736.67		425.00				1,161.67	1,161.67	300,000
BERKSHIRE HATHAWY INC.	084670B11	12-23-16	502,830.00	504,499.50	504,894.00	08-14-19	2.100%	30	495.83		875.00				1,370.83	1,370.83	500,000
AMERICAN HONDA FINANCE GLOBAL N	02665WAH4	12-20-16	502,485.00	504,868.50	504,371.50	08-15-19	2.250%	30	500.00		937.50				1,437.50	1,437.50	500,000
TOYOTA MOTOR CORP NOTES	89236TDC5	10-18-16	199,900.00	200,014.20	198,371.80	10-18-19	1.550%	30	1,145.28		258.33				1,403.61	1,403.61	200,000
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	149,821.50	150,096.45	149,086.35	10-30-19	1.700%	30	857.08		212.50				1,069.58	1,069.58	150,000
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	350,066.50	350,225.05	347,868.15	10-30-19	1.700%	30	1,999.86		495.83				2,495.69	2,495.69	350,000
PEIZER INC CORP NOTE	717081EB5	11-21-16	329,762.40	329,297.10	329,716.20	12-15-19	1.700%	30	1,558.33		467.50				2,025.83	2,025.83	330,000
CITIGROUP INC	172967LF6	01-10-17	249,900.00	250,480.00	251,068.25	01-10-20	2.450%	30	867.71		510.42				1,378.13	1,378.13	250,000
MICROSOFT CORP	594918BV5	02-06-17	249,832.50	250,051.00	250,775.50	02-06-20	1.850%	30	321.18		385.42				706.60	706.60	250,000
WALT DISNEY CO CORP NOTES	25468DP8	03-06-17	99,974.00	100,223.80	100,223.80	03-04-20	1.950%	25	0.00		135.42				135.42	135.42	100,000
MORGAN STANLEY CORP NOTE	617446P8	11-10-16	558,125.00	548,015.50	545,855.00	07-24-20	5.500%	30	2,826.40		2,291.67				5,118.07	5,118.07	500,000
GOLDMAN SACHS GROUP CORP	3814GGQ1	11-28-16	496,651.50	495,358.20	493,612.20	07-27-21	5.250%	30	2,231.25		1,968.75				4,200.00	4,200.00	450,000
JOHN DEERE CAPITALCORP	24422ETL3	03-15-17	114,492.85	115,415.50	115,415.50	01-06-22	2.650%	16	0.00	584.10	135.44			0.01	719.55	135.45	115,000
																	15.89%
<b>COMMERCIAL PAPER</b>																	
BANK OF TOKYO MITSUBISHI	06538BSF1	11-16-16	298,125.00	298,334.40	299,634.30	05-15-17	0.000%		0.00		0.00				0.00	0.00	300,000
BANK OF MONTREAL CHICAGO	06366GWF2	12-22-16	544,427.78	544,519.00	546,858.40	09-15-17	0.000%		0.00		0.00				0.00	0.00	550,000
CANADIAN IMPERIAL HLDING COMM P	13607EXD6	01-19-17	494,863.96	495,527.00	496,600.00	10-13-17	0.000%		0.00		0.00				0.00	0.00	500,000
COOPERATIVE RABOANK UA COMM P	21687YAT4	03-03-17	495,329.86	495,812.50	495,812.50	03-02-17	0.000%		0.00		0.00				0.00	0.00	500,000
BNP PARIBAS NY BRANCH COMM PAPE	09659RZ11	03-06-17	544,513.75	544,651.25	544,651.25	12-01-17	0.000%		0.00		0.00				0.00	0.00	550,000
																	9.09%
<b>CERTIFICATE OF DEPOSIT</b>																	
CANADIAN IMPERIAL BANK NY CD	13606AS27	12-5-16	499,610.00	504,035.00	502,767.00	11-30-18	1.7600%	31	2,102.22		757.78				2,860.00	2,860.00	500,000
NORDEA BANK FINLAND NY	65558LWAG	12-5-16	500,000.00	504,035.00	502,767.00	11-30-18	1.7600%	31	2,102.22		757.78				2,860.00	2,860.00	500,000
SVENSKA HANDELSBANKEN NY LT CD	86958IH88	01-12-17	500,000.00	499,709.00	498,629.50	01-10-19	1.8900%	31	1,260.00		813.75				2,073.75	2,073.75	500,000
																	5.68%
<b>FEDERAL AGENCY BOND/NOTE</b>																	
FNMA GLOBAL NOTES	3137EADP1	08-08-16	2,002,580.00	2,000,002.00	1,995,476.00	03-07-18	0.8750%	30	8,458.33		1,458.33	8,750.00		0.01	1,166.67	1,166.67	2,000,000
FHLB GLOBAL NOTES	3130A9AE1	08-26-16	849,422.00	848,986.80	844,921.25	10-01-18	0.8750%	30	3,098.96		619.79				3,718.75	3,718.75	850,000
FHLB GLOBAL NOTES	3137EAD7	09-16-16	384,834.45	384,822.90	382,912.53	10-12-18	0.8750%	30	1,544.01		280.73				1,824.74	1,824.74	385,000
FEDERAL HOME LOAN BANK AGENCY	3130AAXX1	03-10-17	598,608.00	600,171.60	600,171.60	03-18-19	1.3750%	21	0.00		481.25				481.25	481.25	600,000
FEDERAL HOME LOAN BANK AGENCY	3130AAXX1	03-10-17	399,072.00	399,924.00	399,924.00	03-29-17	1.3750%	19	0.00		290.28	290.28			0.00	0.00	400,000
FHLMC	3137EAE81	7-20-16	748,185.00	749,144.25	740,886.75	07-19-16	0.8750%	30	765.63		546.88			(0.01)	1,312.50	1,312.50	750,000
FNMA	3135G0N33	7-29-16	648,908.00	648,908.00	641,563.00	08-02-19	0.8750%	30	458.16		473.96				932.12	932.12	650,000
FHLB GLOBAL NOTES	3130A8Y72	08-04-16	299,424.00	298,655.25	296,128.20	08-05-19	0.8750%	30	189.58		218.75				408.33	408.33	300,000
FNMA MOTES	3135G0P49	09-02-16	798,752.00	798,705.60	791,501.60	08-28-19	1.0000%	30	22.22		666.67				688.89	688.89	800,000
FNMA MOTES	3130A9EP2	09-09-16	799,304.00	799,299.20	791,267.20	09-26-19	1.0000%	30	3,444.44		666.67	4,000.00			111.11	111.11	800,000
FNMA MOTES	3135G0T29	02-28-17	339,782.40	338,725.00	339,181.62	02-28-20	1.5000%	30	14.17		425.00				439.17	439.17	340,000
FHLB	3130A8Q55	7-15-16	765,317.63	767,192.58	745,923.64	07-14-21	1.1250%	30	1,130.94		721.88			(0.01)	1,852.81	1,852.81	770,000
FNMA NOTES	3135G0N82	8-19-16	597,658.06	597,202.20	582,779.40	08-17-21	1.2500%	30	291.67		625.00				916.67	916.67	600,000
																	35.02%

SAN MATEO COUNTY TRANSIT DISTRICT  
 PARATRANSIT FUNDS -- INTEREST ON SECURITIES  
 March 31, 2017

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL	GASB 31	MARKET	MATURITY/CALL DATE	INT RATE	APPL DAYS	INTEREST	PP INTEREST	INTEREST	INTEREST	PP INTEREST	ADJ.	INTEREST	INT REC'VBLE	PAR VALUE
			PURCHASE PRICE	ADJUSTED 06-30-16	VALUE 3-31-17				REC'VBLE 2-28-17	REC'VBLE 3-31-17	EARNED 3-31-17	RECEIVED 3-31-17	RECEIVED DATE		REC'VBLE 3-31-17	LESS PREPAID 3-31-17	
<b>ASSET BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</b>																	
CCCIT 2017-A2 A2	17305EGA7	01-26-17	449,913.83	450,493.74	450,716.13	01-17-21	1.7400%	30	761.25		652.50				1,413.75	1,413.75	450,000
TAOT 2017-A A3	89238MADO	03-15-17	124,985.29	124,985.29	124,985.29	02-15-21	1.7300%	16	0.00		96.11				96.11	96.11	125,000
ALLYA 2017-1 A3	02007PAC7	01-31-17	114,989.95	114,973.09	114,883.19	06-15-21	1.7000%	30	86.89		162.92	162.92			86.89	86.89	115,000
FORDO 2017-A A3	34531EAD8	01-25-17	349,998.71	350,047.64	350,063.91	06-25-21	1.6700%	30	259.78		487.08	487.08			259.78	259.78	350,000
ALLYA 2017-2 A3	02007HACS	03-29-17	399,952.84	399,952.84	399,952.84	08-15-21	1.7800%	2	0.00		39.56				39.56	39.56	400,000 5.46%
<b>CASH AND CASH EQUIVALENTS</b>																	
MONEY MARKET FUND	MONEY0002		375,389.46	375,389.46	375,389.46				0.00		123.96	123.96	0.00		0.00	0.00	0
LAIF			1,037,255.57	1,034,150.89	1,037,255.57				3,989.77	0.00	723.27				4,713.04	4,713.04	1,037,256
<b>MATURED/CALLED</b>																	
US TREASURY NOTE	912828TG5	06-2-16	(996,835.94)	(999,688.00)	(998,671.88)	03-10-17											(1,000,000.00)
US TREASURY NOTE	912828Q78	01-05-17	(112,717.97)	(112,960.59)	(112,219.34)	03-15-17											(115,000.00)
FHLMC	31378NMZ4	4-28-16	(3,052.51)	(3,101.58)	(3,022.31)	03-25-17											(3,022.00)
FAMIE MAE	3136AQDQ0	10-30-15	(463.83)	(464.95)	(459.23)	03-25-17											(704.20)
FEDERAL HOME LOAN BANK AGENCY	3130AAXX1	03-10-17	(399,072.00)	(399,924.00)	(399,924.00)	03-29-17											(400,000.00)
TOTAL LAIF			<u>1,037,255.57</u>	<u>1,034,150.89</u>	<u>1,037,255.57</u>												
TOTAL A/C 122010			24,987,251.99	25,060,380.58	24,866,754.91												23,712,891.60
<b>TOTAL (EXCLUDE LAIF AND CASH/CASH EQUIVALENTS)</b>			<u>24,987,251.99</u>	<u>25,060,380.58</u>	<u>24,866,754.91</u>				<u>53,423.20</u>	<u>584.10</u>	<u>29,131.52</u>	<u>16,866.49</u>	<u>0.00</u>	<u>(57.40)</u>	<u>66,214.94</u>	<u>65,630.84</u>	<u>23,012,891.35</u>

SAN MATEO COUNTY TRANSIT DISTRICT  
SUMMARY OF BUDGET ACTIVITY FOR MARCH 2017

BUDGET AMENDMENTS

	Amount	Line Item		Description
Mar-17				No Budget Revisions in March 2017.
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

BUDGET REVISIONS

	Amount	Line Item		Description
Mar-17				No Budget Revisions in March 2017.
	<u>\$ -</u>	Total	<u>\$ -</u>	Total

SAN MATEO COUNTY TRANSIT DISTRICT  
1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS  
FY2017  
March 2017

4/25/17 1:28 PM

Approved Budget			Receipts		Over/(Under)	Current
Date	Amount	Revised	Date	Amount	Budget/Projection	Projection
<b>FY2016:</b>						
1st Quarter	17,607,333	17,607,333	1st Quarter	19,520,600	1,913,267	19,520,600
2nd Quarter	18,895,801	18,895,801	2nd Quarter	20,786,477	1,890,676	20,786,477
3rd Quarter	19,166,840	23,166,840	3rd Quarter	18,179,711	(4,987,129)	18,179,711
4th Quarter	21,330,026	21,330,026	4th Quarter	21,218,285	(111,741)	21,218,285
<b>FY2016 Total</b>	<b>77,000,000</b>	<b>81,000,000</b>	<b>FY2016 Total</b>	<b>79,705,073</b>	<b>(1,294,927)</b>	<b>79,705,073</b>
<b>FY2017:</b>						
Jul. 16	5,919,931		Sep. 16	5,557,900	(362,031)	5,919,931
Aug. 16	5,919,931		Oct. 16	5,557,900	(362,031)	5,919,931
Sep. 16	7,498,579		Nov. 16	7,410,600	(87,979)	7,498,579
3 Months Total	19,338,441	-		18,526,400	(812,041)	19,338,441
Oct. 16	6,455,545		Dec. 16	8,372,576	1,917,031	6,455,545
Nov. 16	6,455,545		Jan. 17	5,971,700	(483,845)	6,455,545
Dec. 16	7,842,500		Feb. 17	7,962,300	119,800	7,842,500
6 Months Total	40,092,031	-		40,832,976	740,945	40,092,031
Jan. 17	6,089,072		Mar. 17	7,519,837	1,430,765	6,089,072
Feb. 17	6,677,683		Apr. 17			6,677,683
Mar. 17	8,284,521		May 17			8,284,521
9 Months Total	61,143,307	-		48,352,813	2,171,710	61,143,307
Apr. 17	7,054,822		Jun. 17			7,054,822
May 17	7,170,544		Jul. 17			7,170,544
Jun. 17	7,631,327		Aug. 17			7,631,327
<b>FY2017 Total</b>	<b>83,000,000</b>	-	<b>FY2017 Total</b>	<b>48,352,813</b>	<b>2,171,710</b>	<b>83,000,000</b>
	18,976,410		1st Quarter			
	22,220,611		2nd Quarter			
	22,117,996		3rd Quarter			
			4th Quarter			
	<b>63,315,017</b>		YTD Actual Per Statement of Revenue & Expenses			

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Interim Chief Financial Officer

SUBJECT: **QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND  
OUTLOOK**

**ACTION**

Staff proposes the Committee recommend the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended March 31, 2017.

**SIGNIFICANCE**

The San Mateo County Transit District (District) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover on April 24, 2017, in order to meet the 30-day requirement.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

The District is required by State law to submit quarterly reports within 30 days of the end of the quarter covered by the report. The report is required to 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 local agency;
2. Description of any of the local agency's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the local agency or under management by any outside party that is not a local agency or the State of California Local Agency Investment Fund (LAIF), a current market value as of the date of the report and the source of this information;
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 local agency 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.

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on pages 6, 7 and 8. The schedule separates the investments into three groups: the Investments, managed by PFM Asset Management LLC (PFM) liquidity funds which are managed by District staff and trust funds which are managed by a third party trustee. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds, while the bond covenants govern the management and reporting of the trust funds.

PFM provides the District a current market valuation of all the assets under its management for each quarter. Generally, PFM's market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

The liquidity funds managed by District staff are considered to be cash equivalents and therefore market value is considered to be equal to book value, (i.e. cost). The shares of beneficial interest generally establish a nominal value per share. Because the Net Asset Value is fixed at a nominal value per share, book and market value are equal and rate of income is recalculated on a daily basis.

The portfolio and this Quarterly Investment Report comply with the Investment Policy and the provisions of Senate Bill 564 (1995). The District has the ability to meet its expenditure requirements for the next six months.

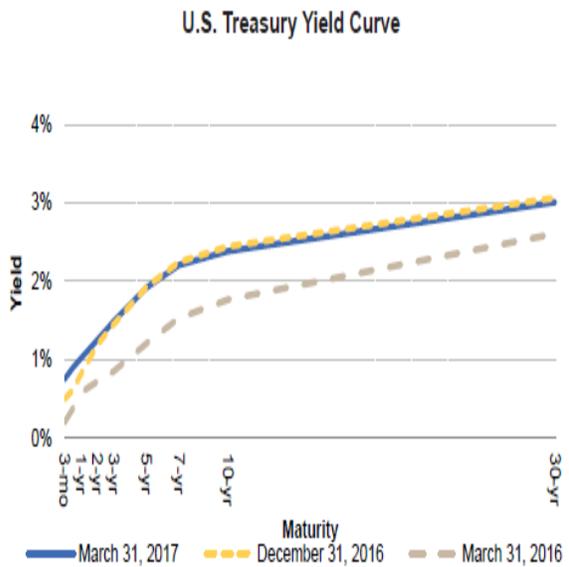
## **DISCUSSION**

### **Fixed Income Market Review and Outlook**

- The "Trump trade" dominated markets for much of the quarter pushing interest rate and equity prices higher, as the Trump administration and the Republican Party continue to push a bold agenda that promised new jobs, lower taxes, deregulation, and massive infrastructure spending.
- The Federal Open Market Committee (FOMC) raised the federal funds target range by 0.25 percent to a range of 0.75 percent to 1 percent.
- The US economy continued to expand gradually. The labor market remained strong and confidence among Americans grew as the Conference Board's March reading increased to its highest level since the end of 2000. Manufacturing extended its expansion during the quarter with the ISM manufacturing PMI rebounding, after contracting over 2016 year-end, to its highest level since the end

of 2014. On the housing front, existing home sales reached pre-crisis levels, selling at an annual rate of 5.69 million to start the year.

- Short-term (Under five years) yields ended the first quarter higher, reflecting the Fed's March rate hike, while medium to long-term yields declined amid subdued inflation expectations. For much of the quarter, yields remained range bound until entering an upward trend at the start of March in anticipation of the expected Federal Open Market Committee (FOMC) March rate hike. They declined as the Fed reiterated its expectation for gradual tightening and the ability of the Trump administration to enact bold, pro-growth policies came into question. The 2-year Treasury yield ended the quarter only seven basis point over December 31, while the yield on the 10-year Treasury fell 6 basis points.
- In the money market space, shorter-term Treasury yields rose as the expectation for a Fed rate hike gained certainty. Yields on commercial paper and certificates of deposit did not increase. However, yields on short-term credit instruments remained elevated and offered incremental yield.



U.S. Treasury Yields

Maturity	March 31, 2017	December 31, 2016	Change over Quarter	March 31, 2016	Change over Year
3-month	0.75%	0.50%	0.25%	0.20%	0.55%
1-year	1.02%	0.81%	0.21%	0.58%	0.44%
2-year	1.26%	1.19%	0.07%	0.72%	0.54%
5-year	1.92%	1.93%	(0.01%)	1.21%	0.71%
10-year	2.39%	2.45%	(0.06%)	1.77%	0.62%
30-year	3.01%	3.07%	(0.06%)	2.61%	0.40%

Source: Bloomberg.

**Portfolio Recap**

- Key drivers of market conditions in the first quarter ended March 31, 2017 included
  - Federal Reserve policy
  - The inauguration of President Trump and the early rollout of various policies;
  - Continued improvement in consumer confidence; and
  - Further stock market appreciation
- Our strategy is to maintain portfolio durations close to the benchmark duration, unless we have a strong conviction that being shorter or longer will benefit the

portfolios. At quarter end, we extended the durations of the portfolios to be more closely aligned with the duration of the benchmark since market conditions were consistent with an economic outlook for moderate growth.

- Federal agency yield spreads remained historically tight throughout the quarter as demand continued to outpace supply. We evaluated agency spreads across the yield curve and took advantage of swap opportunities into negotiable CDs and asset-backed securities (ABS).
- During the quarter, we increased allocation to corporate notes by 4 percent as the sector continued to provide incremental income and benefit from “roll-down”.
- We participated in ABS issues as AAA-rated tranches of high quality structures offered good value. The ABS sector performed well during the quarter, benefitting the portfolio's' return and diversification.
- We maintained existing holdings of agency mortgage-backed securities (MBS). While the broad MBS sector generally lagged Treasuries, our holdings performed better than the overall market.
- Yields on commercial paper (CP) and bank certificate of deposits (CDs) rose sharply in the second half of 2016 due to significant money market fund reforms. Although spreads narrowed after the March Fed rate hike, commercial paper and CDs continued to offer excellent investment opportunities in short-term credit instruments.

### **Outlook and Strategy**

- We anticipate the Fed to remain on track to make two additional rate hikes in 2017, matching the three hikes projected for 2017 by the Federal Open Market Committee's “dot plot”. In addition, a potential reduction in the size of the Fed's balance sheet later in the year could have significant implications for the markets.
- Since yields are currently stable and we expect no action at the next FOMC meeting in May, our strategy is to match the portfolios' duration with benchmark durations. We will continue to revisit this position regularly since there is potential for higher yields later in the year.
- Agency yield spreads over Treasuries continue to remain historically narrow. As a result, our strategy will generally favor U.S. Treasuries over agencies unless specific issues offer identifiable value.
- Although yield spreads on corporate securities drifted wider at the end of the first quarter, they remain near multi-year lows. Identifying incremental return potential in the corporate bond sector requires careful relative value analysis. Improving corporate profits, as well as anticipated pro-business measures from the Trump administration, form a favorable backdrop for the credit sector.

- We will continue to evaluate opportunities in the agency MBS and ABS sectors, purchasing those issues we believe are well structured, offer adequate yield spreads, and which have limited extension and headline risk from Fed balance sheet tapering.
- Yields on commercial paper and negotiable CDs continue to offer significant yield pickup relative to short-term government securities.
- We will continue to monitor incoming economic data, Fed policy, and sector relationships to identify market opportunities. This will include assessing the impact of additional policies put forth by the Trump administration.

### **Budget Impact**

Total return is interest income plus capital gains (or minus losses) on an investment and is the most important measure of performance as it is the actual return on investment during a specific time interval. For the quarter ending March 31, the total return of the General Funds portfolio was 0.47 percent. The Paratransit Fund portfolio returned 0.44 percent. This compares to the benchmark return of 0.32 percent. The Performance graph on page 9 shows the relative performance of the District's portfolio over the last 12 months.

The yield at cost represents the yield on a fixed-income security at its current rate (at the time of purchase) of return until maturity equivalent to the annual percentage rate of interest an investor would receive for investing the purchase price of a given security in a bank account that paid interest semiannually. As of the end of the quarter, the yield to maturity at cost for the General Fund's portfolio was 1.43 percent. The yield to maturity at cost for the Paratransit Fund's portfolio was 1.39 percent.

The yield at market is the yield that an investor can expect to receive in the current interest rate environment utilizing a buy-and-hold investment strategy. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending March 31, the General Fund's portfolio market yield to maturity was 1.57 percent. The Paratransit Fund's portfolio market yield to maturity was 1.55 percent.

Prepared by: Connie Mobley-Ritter, Acting Director, Treasury

650-508-7765

# EXHIBIT 1

## REPORT OF INVESTMENTS FOR QUARTER ENDED MARCH 31, 2017

TYPE OF SECURITY	CUSIP #	MATURITY/CALL DATE	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE +ACCR. INT.
<b>FUNDS MANAGED BY PFM</b>							
<b>RESERVE FUND PORTFOLIO</b>							
<b>U.S. TREASURY NOTES AND BONDS</b>							
US TREASURY NOTE	912828U21	04-30-18	1,000,000.00	996,757.82	994,805.00	2,624.31	997,429.31
US TREASURY NOTE	9128285T8	04-30-19	65,000.00	64,987.30	64,959.38	341.16	65,300.54
US TREASURY NOTE	912828UQ1	02-29-20	1,300,000.00	1,282,886.72	1,290,707.60	1,413.04	1,292,120.64
US TREASURY NOTE	912828VF4	05-31-20	4,400,000.00	4,343,109.38	4,372,328.40	20,277.47	4,392,605.87
US TREASURY NOTE	912828VP2	07-31-20	3,700,000.00	3,824,730.47	3,746,538.60	12,265.19	3,758,803.79
US TREASURY NOTE	912828L32	08-31-20	1,500,000.00	1,527,421.88	1,488,113.00	1,793.48	1,487,906.48
US TREASURY NOTE	912828Q78	04-30-21	2,000,000.00	1,960,312.50	1,966,406.00	11,546.96	1,977,952.96
US TREASURY NOTE	912828R77	05-31-21	1,400,000.00	1,363,632.81	1,375,063.20	6,451.92	1,381,515.12
<b>GOVERNMENT BONDS</b>							
FHLMC NOTES	3137EADN6	01-12-18	300,000.00	299,646.00	299,323.20	493.75	299,816.95
FHMA GLOBAL NOTES	3137EADP1	03-07-18	5,000,000.00	5,006,450.00	4,988,690.00	2,916.67	4,991,606.67
FHLMC	313DA9AE1	10-01-18	4,100,000.00	4,097,212.00	4,075,502.50	1,793.70	4,093,440.00
FHLMC	3137EAE07	10-12-18	1,395,000.00	1,394,400.15	1,387,436.31	6,611.72	1,394,048.03
FHLB NOTES AGENCY	313376BR5	12-14-18	250,000.00	255,055.00	252,091.25	1,300.35	253,391.60
FEDERAL HOME LOAN BANK AGENCY	313DAAXX1	03-18-19	2,055,000.00	2,050,232.40	2,055,587.73	1,648.28	2,057,236.01
FHLMC	3137EAE01	07-19-19	2,700,000.00	2,693,466.00	2,667,192.30	4,725.00	2,671,917.30
FNMA	3135GON33	08-02-19	2,200,000.00	2,196,304.00	2,171,444.00	3,154.86	2,174,598.86
FHLB GLOBAL NOTE	313DASV72	08-05-19	900,000.00	898,272.00	888,384.60	1,225.00	889,609.60
FHMA NOTES	3135GOP49	08-28-19	2,700,000.00	2,695,788.00	2,671,317.90	2,325.00	2,673,642.90
FHLB GLOBAL NOTE	313DA9EP2	09-26-16	2,700,000.00	2,697,651.00	2,670,526.80	375.00	2,670,901.80
FHMA NOTES	3135GOT29	02-28-20	1,300,000.00	1,299,168.00	1,296,870.90	1,679.17	1,298,550.07
FHLB GLOBAL NOTE	313DASQ55	07-14-21	2,700,000.00	2,683,581.30	2,615,576.40	6,496.88	2,622,073.28
FNMA NOTES	3135GDN82	08-17-21	475,000.00	473,375.03	461,367.03	725.69	462,092.72
FNMA NOTES	3135GDN82	08-17-21	1,525,000.00	1,518,823.75	1,481,230.98	2,329.86	1,483,560.84
<b>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</b>							
FNMA	3136ANJY4	04-01-18	610,000.00	616,097.80	609,468.45	787.92	610,256.37
FHLMC	3137BNVM24	03-01-19	429,899.03	434,194.59	429,682.49	622.64	430,305.13
FANNIE MEA	3136AQDQD	09-01-19	788,923.19	796,823.38	788,844.06	1,082.14	789,926.20
FNA 2014-M6 A2	3136AJ7G5	05-25-21	2,000,000.00	2,040,468.75	2,016,958.60	4,464.18	2,021,422.78
<b>CORPORATE NOTE</b>							
BEAR STEARNS CO INC. NOTE	0739D2PR3	10-02-17	2,000,000.00	2,085,620.00	2,048,060.00	63,644.44	2,111,704.44
WALT DISNEY CORP NOTE	2546SPCB0	12-15-17	1,000,000.00	1,050,210.00	1,030,650.00	17,298.61	1,047,948.61
JOHN DEERE CAPITAL CORP	24422E5R1	12-15-17	1,550,000.00	1,557,207.50	1,551,536.05	7,074.03	1,558,610.08
JOHN DEERE CAPITAL CORP	24422ETM1	10-15-18	800,000.00	799,480.00	800,565.60	3,116.67	803,682.27
TOYOTA MOTOR CORP	89236TDM4	01-09-19	1,100,000.00	1,099,615.00	1,102,061.40	4,259.44	1,106,320.84
BERKSHIRE HATHWAY GLOBAL NOTE	084670BL1	08-14-19	1,800,000.00	1,810,188.00	1,817,618.40	4,935.00	1,822,553.40
AMERICAN HONDA FINANCE GLOBAL NOTES	02665WHA4	08-15-19	1,800,000.00	1,808,946.00	1,815,737.40	5,175.00	1,820,912.40
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-19	670,000.00	669,665.00	664,545.53	4,702.10	669,247.63
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	500,000.00	499,405.00	496,954.50	3,565.28	500,519.78
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	1,100,000.00	1,100,209.00	1,093,299.90	7,843.61	1,101,143.51
PEIZER INC CORP NOTE	717081EB5	12-15-19	1,185,000.00	1,184,146.80	1,183,980.90	7,274.58	1,191,255.48
CITIGROUP INC	172967LF6	01-10-20	900,000.00	899,640.00	903,845.70	4,961.25	908,806.95
MICROSOFT CORP	594918BV5	02-06-20	900,000.00	899,397.00	902,791.80	2,543.75	905,335.55
WALT DISNEY CO CORP NOTES	2546SPDP8	03-04-20	380,000.00	379,901.20	380,850.44	514.58	381,365.02
MORGAN STANLEY CORP NOTE	6174467P8	07-24-20	1,800,000.00	2,009,250.00	1,965,078.00	18,425.00	1,983,503.00
GOLDMAN SACHS GROUP CORP	3814GGQ1	07-27-21	1,600,000.00	1,765,872.00	1,755,065.60	14,933.33	1,769,998.93
JOHN DEERE CAPITAL CORP	2442ETL3	01-06-22	450,000.00	448,015.50	451,625.85	2,815.63	454,441.48
<b>COMMERCIAL PAPER</b>							
BANK OF TOKYO MITSUBISHI	06538BRJ4	04-18-17	1,000,000.00	993,735.00	999,535.00	0.00	999,535.00
BANK OF TOKYO MITSUBISHI	06538BF1	05-15-17	1,000,000.00	993,750.00	998,781.00	0.00	998,781.00
CREDIT AGRICOLE CIB NY	22533T5F4	05-15-17	2,000,000.00	1,988,800.00	1,997,650.00	0.00	1,997,650.00
BNP PARIBAS NY BRANCH COMM PAPER	09659BUH1	07-17-17	1,900,000.00	1,881,190.00	1,893,376.60	0.00	1,893,376.60
Bank of Montreal Chicago	0636GWF2	09-15-17	1,800,000.00	1,781,763.65	1,789,718.40	0.00	1,789,718.40
CANADIAN IMPERIAL HLDING	13607EXD6	10-13-17	1,800,000.00	1,781,510.25	1,787,760.00	0.00	1,787,760.00
<b>CERTIFICATION OF DEPOSIT</b>							
Canadian Imperial Bank NY CD	13606A4Z7	11-30-18	1,800,000.00	1,798,596.00	1,809,961.20	10,296.00	1,820,257.20
Nordea Bank Finland NY	65558LWA6	11-30-18	1,800,000.00	1,800,000.00	1,809,961.20	10,296.00	1,820,257.20
SVENSKA HANDELSBANKEN NY LT CD	86958JHB8	01-12-17	1,800,000.00	1,800,000.00	1,795,066.20	7,465.50	1,802,531.70
<b>ASSET-BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</b>							
CCCC 2017-A2 A2	17305EGA7	01-17-21	1,550,000.00	1,549,703.18	1,552,466.67	4,869.58	1,557,336.25
TAOT 2017-A A3	89238MADD	02-15-21	450,000.00	449,947.04	449,947.04	346.00	450,293.04
ALLYA 2017-1 A3	0200PAC7	06-15-21	405,000.00	404,964.60	404,588.64	306.00	404,894.64
FORDO 2017-A A3	34531EAD8	06-25-21	1,200,000.00	1,199,995.56	1,200,219.12	890.67	1,201,109.79
ALLA 2017-2 A3	02007HAC5	08-15-21	1,445,000.00	1,444,829.63	1,444,829.63	142.89	1,444,972.52
<b>CASH AND CASH EQUIVALENTS</b>							
US TREASURY MM FUND	MONEY02		116,936.82	116,936.82	116,936.82	0.00	116,936.82
<b>TOTAL RESERVE PORTFOLIO MANAGED BY PFM</b>			<b>89,095,759.04</b>	<b>89,563,337.75</b>	<b>89,139,481.27</b>	<b>325,310.08</b>	<b>89,464,791.35</b>

**SAN MATEO COUNTY TRANSIT DISTRICT  
REPORT OF INVESTMENTS (continued)  
FOR QUARTER ENDED MARCH 31, 2017**

TYPE OF SECURITY	CUSIP #	MATURITY/CA/ DATE	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE + ACCR. INT.
<b><u>PARATRANSIT FUNDS PORTFOLIO:</u></b>							
<b><u>U.S. TREASURY NOTES AND BONDS</u></b>							
US TREASURY NOTE	912828TG5	07-31-17	1,000,000.00	996,835.93	999,060.00	828.73	999,888.73
US TREASURY NOTE	912828UZ1	04-30-18	285,000.00	284,075.98	283,519.43	747.93	284,267.36
US TREASURY NOTE	912828UQ1	02-29-20	335,000.00	330,590.04	332,605.42	364.13	332,969.55
US TREASURY NOTE	912828VF4	05-31-20	1,350,000.00	1,332,544.92	1,341,509.85	6,221.50	1,347,731.35
US TREASURY NOTE	912828VP2	07-31-20	1,350,000.00	1,395,509.76	1,366,980.30	4,475.14	1,371,455.44
US TREASURY NOTE	912828B90	02-28-12	175,000.00	181,323.24	176,531.25	304.35	176,835.60
US TREASURY NOTE	912828L32	08-31-20	350,000.00	356,398.44	346,759.70	418.48	347,178.18
US TREASURY NOTE	912828Q78	04-30-21	585,000.00	573,391.41	575,173.76	3,377.49	578,551.25
<b><u>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</u></b>							
FNMA	3136ANJY4	04-01-18	170,000.00	171,699.39	169,851.86	219.58	170,071.44
FHLMC	3137BNMZ4	03-01-19	120,371.73	121,574.48	120,311.10	174.34	120,485.44
FANIE MAE	3136AQDQ0	09-01-19	226,815.42	229,086.73	226,792.67	311.12	227,103.79
FNA 2014-M6 A2	3136AJ7G5	05-25-21	550,000.00	561,128.91	554,663.62	1,227.65	555,891.27
<b><u>FEDERAL AGENCY BOND/NOTE</u></b>							
FNMA GLOBAL NOTES	3137EADP1	03-07-18	2,000,000.00	2,002,580.00	1,995,476.00	1,166.67	1,996,642.67
FHLB GLOBAL NOTES	3130A9AE1	10-01-18	850,000.00	849,422.00	844,921.25	3,718.75	848,640.00
FHLB GLOBAL NOTES	3137EAD7	10-12-18	385,000.00	384,834.45	382,912.53	1,824.74	384,737.27
FEDERAL HOME LOAN BANK AGENCY	3130AAXX1	03-18-19	600,000.00	598,608.00	600,171.60	481.25	600,652.85
FHLMC	3137EAE81	07-19-16	750,000.00	748,185.00	740,886.75	1,312.50	742,199.25
FNMA	3135G0N33	08-02-19	650,000.00	648,908.00	641,563.00	932.12	642,495.12
FHLB GLOBAL NOTES	3130A8Y72	08-05-19	300,000.00	299,424.00	296,128.20	408.33	296,536.53
FNMA NOTES	3135G0P49	08-28-19	800,000.00	798,752.00	791,501.60	688.89	792,190.49
FNMA NOTES	3130A9EP2	09-26-19	800,000.00	799,304.00	791,267.20	111.11	791,378.31
FNMA NOTES	3135G0T29	02-28-20	340,000.00	339,782.40	339,181.62	439.17	339,620.79
FHLB	3130A8QS5	07-14-21	770,000.00	765,317.63	745,923.64	1,852.81	747,776.45
FNMA NOTES	3135G0N82	08-17-21	600,000.00	597,658.06	582,779.40	916.67	583,696.07
<b><u>CORPORATE NOTE</u></b>							
JOHN DEERE CAPITALCORP	24422ETM1	10-15-18	200,000.00	199,870.00	200,141.40	779.17	200,920.57
TOYOTA MOTOR CREDIT CORP	89236TDM4	01-09-19	300,000.00	299,895.00	300,562.20	1,161.67	301,723.87
BERKSHIRE HATHAWY INC.	084670BL1	08-14-19	500,000.00	502,830.00	504,894.00	1,370.83	506,264.83
AMERICAN HONDA FINANCE GLOBAL NOTES	02665WAH4	08-15-19	500,000.00	502,485.00	504,371.50	1,437.50	505,809.00
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-19	200,000.00	199,900.00	198,371.80	1,403.61	199,775.41
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	150,000.00	149,821.50	149,086.35	1,069.58	150,155.93
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	350,000.00	350,066.50	347,868.15	2,495.69	350,363.84
PEIZER INC CORP NOTE	717081EB5	12-15-19	300,000.00	329,762.40	329,716.20	2,025.83	331,742.03
CITIGROUP INC	172967LF6	01-10-20	250,000.00	249,900.00	251,068.25	1,378.13	252,446.38
MICROSOFT CORP	594918BV5	02-06-20	250,000.00	249,832.50	250,775.50	706.60	251,482.10
WALT DISNEY CO CORP NOTES	25468DP8	03-04-20	100,000.00	99,974.00	100,223.80	135.42	100,359.22
MORGAN STANLEY CORP NOTE	6174467P8	07-24-20	500,000.00	558,125.00	545,855.00	5,118.07	550,973.07
GOLDMAN SACHS GROUP CORP	3814GGQ1	07-27-21	450,000.00	496,651.50	493,612.20	4,200.00	497,812.20
JOHN DEERE CAPITALCORP	24422ETL3	01-06-22	115,000.00	114,492.85	115,415.50	719.55	116,135.05
<b><u>COMMERCIAL PAPER</u></b>							
BANK OF TOKYO MITSUBISHI	06538BSF1	05-15-17	300,000.00	298,125.00	299,634.30	0.00	299,634.30
BANK OF MONTREAL CHICAGO	06366GWF2	09-15-17	550,000.00	544,427.78	546,858.40	0.00	546,858.40
CANADIAN IMPERIAL HLDING COMM PAPER	13607EXD6	01-19-17	500,000.00	494,863.96	496,600.00	0.00	496,600.00
COOPERATIVE RABOANK UA COMM PAPER	21687YAT4	03-03-17	500,000.00	495,329.86	495,812.50	0.00	495,812.50
BNP PARIBAS NY BRANCH COMM PAPER	09659BZ11	03-06-17	550,000.00	544,513.75	544,651.25	0.00	544,651.25
<b><u>CERTIFICATE OF DEPOSIT</u></b>							
CANADIAN IMPERIAL BANK NY CD	13606A5Z7	11-30-18	500,000.00	499,610.00	502,767.00	2,860.00	505,627.00
NORDEA BANK FINLAND NY	65558LWA6	11-30-18	500,000.00	500,000.00	502,767.00	2,860.00	505,627.00
SVENSKA HANDELSBANKEN NY LT CD	86958JHB8	01-10-19	500,000.00	500,000.00	498,629.50	2,073.75	500,703.25
<b><u>ASSET BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</u></b>							
CCCIT 2017-A2 A2	17305EGA7	01-17-21	450,000.00	449,913.83	450,716.13	1,413.75	452,129.88
TAOT 2017-A A3	89238MADO	02-15-21	125,000.00	124,985.29	124,985.29	96.11	125,081.40
ALLYA 2017-1 A3	02007PAC7	06-15-21	115,000.00	114,989.95	114,883.19	86.89	114,970.08
FORDO 2017-A A3	34531EAD8	06-25-21	350,000.00	349,998.71	350,063.91	259.78	350,323.69
ALLYA 2017-2 A3	02007HAC5	08-15-21	400,000.00	399,952.84	399,952.84	39.56	399,992.40
<b><u>CASH AND CASH EQUIVALENTS</u></b>							
US TREASURY MM FUND			375,389.46	375,389.46	375,389.46	0.00	375,389.46
<b>TOTAL PARATRANSIT PORTFOLIO MANAGED BY PFM</b>			<b>25,252,576.61</b>	<b>25,362,641.45</b>	<b>25,242,144.37</b>	<b>66,214.94</b>	<b>25,308,359.31</b>
<b>TOTAL DISTRICT PORTFOLIO MANAGED BY PFM</b>			<b>114,348,335.65</b>	<b>114,925,979.21</b>	<b>114,381,625.64</b>	<b>391,525.02</b>	<b>114,773,150.66</b>

**SAN MATEO COUNTY TRANSIT DISTRICT  
REPORT OF INVESTMENTS (continued)  
FOR QUARTER ENDED MARCH 31, 2017**

TYPE OF SECURITY	CUSIP #	MATURITY/CALL DATE	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE + ACCR. INT.
<b><u>FUNDS NON MANAGED BY PFM</u></b>							
<b>GOVERNMENT BONDS</b>							
HOUSING URBAN DEVEL	911759EB0	08-01-17	60,000.00	62,205.20	60,159.60	790.80	60,950.40
<b>CASH AND CASH EQUIVALENTS</b>							
US TREASURY MM	31846V534		8,064,742.06	8,064,742.06	8,064,742.06	1,257.18	8,065,999.24
<b>TOTAL INVESTMENT FUNDS PORTFOLIO NON MANAGED BY PFM</b>			<b>8,124,742.06</b>	<b>8,126,947.26</b>	<b>8,124,901.66</b>	<b>2,047.98</b>	<b>8,126,949.64</b>
<b><u>LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:</u></b>							
BANK OF AMERICA CHECKING			57,612,419.25	57,612,419.25	57,612,419.25		57,612,419.25
LAIF			1,125,664.03	1,125,664.03	1,125,664.03		1,125,664.03
WELLS FARGO			2,807.10	2,807.10	2,807.10		2,807.10
<b>TOTAL FUNDS MANAGED BY DISTRICT STAFF</b>			<b>58,740,890.38</b>	<b>58,740,890.38</b>	<b>58,740,890.38</b>		<b>58,740,890.38</b>
<b><u>TRUST FUNDS MANAGED BY THIRD PARTY TRUSTEE:</u></b>							
First American Govt Obligation C/D Chesham Finance Ltd.			13,046,595.25	13,046,595.25	13,046,595.25		13,046,595.25
<b>TOTAL AS OF MARCH 31, 2017</b>			<b><u>181,213,968.09</u></b>	<b><u>181,793,816.85</u></b>	<b><u>181,247,417.68</u></b>		<b><u>181,640,990.68</u></b>

## EXHIBIT 2

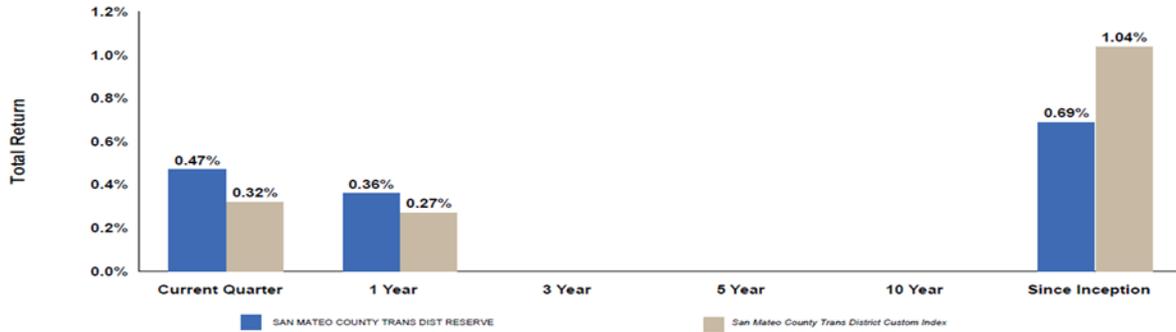
For the Quarter Ended March 31, 2017

SAN MATEO COUNTY TRANSIT DISTRICT - RESERVE

Portfolio Performance

### Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	3 Year	Annualized Return		Since Inception (03/31/15) *
					5 Year	10 Year	
SAN MATEO COUNTY TRANS DIST RESERVE	2.13	0.47%	0.36%	-	-	-	0.69%
San Mateo County Trans District Custom Index	2.16	0.32%	0.27%	-	-	-	1.04%
Difference		0.15%	0.09%	-	-	-	-0.35%



Portfolio performance is gross of fees unless otherwise indicated. \*Since Inception performance is not shown for periods less than one year.

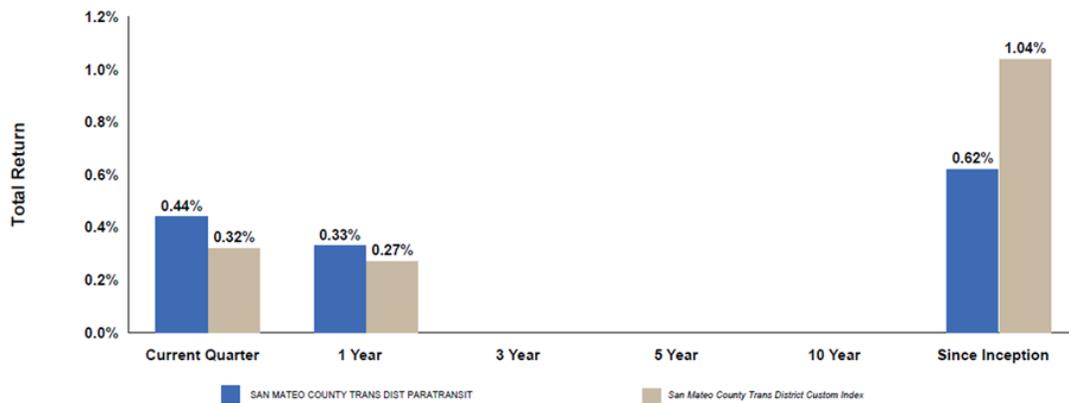
For the Quarter Ended March 31, 2017

SAN MATEO COUNTY TRANSIT DISTRICT - PARATRANSIT

Portfolio Performance

### Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	3 Year	Annualized Return		Since Inception (03/31/15) *
					5 Year	10 Year	
SAN MATEO COUNTY TRANS DIST PARATRANSIT	2.17	0.44%	0.33%	-	-	-	0.62%
San Mateo County Trans District Custom Index	2.16	0.32%	0.27%	-	-	-	1.04%
Difference		0.12%	0.06%	-	-	-	-0.42%



Portfolio performance is gross of fees unless otherwise indicated. \*Since Inception performance is not shown for periods less than one year.

## EXHIBIT 3

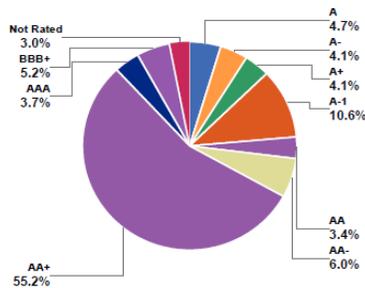
For the Quarter Ended March 31, 2017

SAN MATEO COUNTY TRANSIT DISTRICT - RESERVE

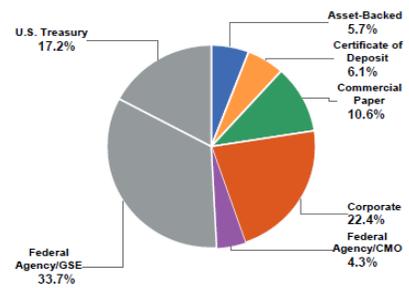
Portfolio Snapshot

Portfolio Statistics	
As of March 31, 2017	
Par Value:	88,978,822
Total Market Value:	89,470,488
Security Market Value:	89,022,544
Accrued Interest:	331,007
Cash:	116,937
PFM	-
Amortized Cost:	89,387,197
Yield at Market:	1.57%
Yield at Cost:	1.43%
Effective Duration:	2.13 Years
Duration to Worst:	2.16 Years
Average Maturity:	2.34 Years
Average Credit: *	AA

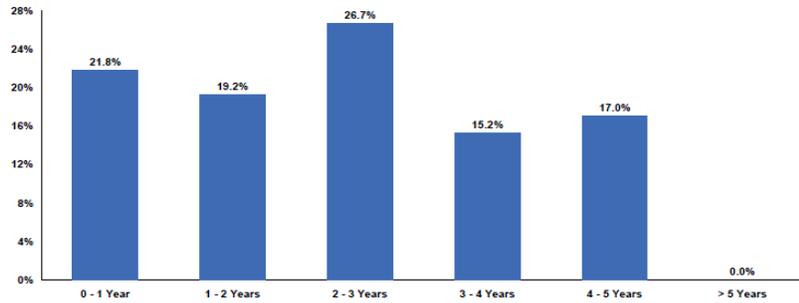
**Credit Quality (S&P Ratings)**



**Sector Allocation**



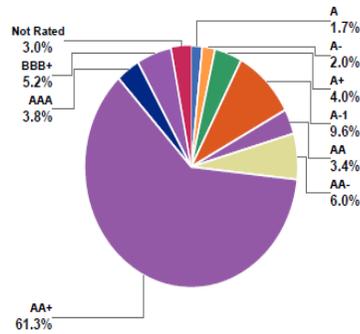
**Maturity Distribution**



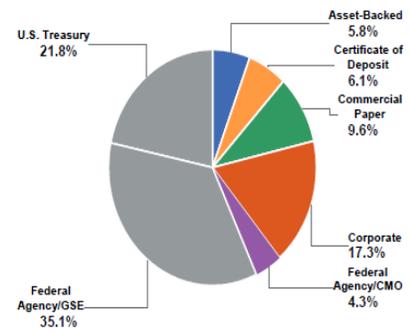
\*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Statistics	
As of March 31, 2017	
Par Value:	24,877,187
Total Market Value:	25,309,933
Security Market Value:	24,866,755
Accrued Interest:	67,789
Cash:	375,389
PFM	-
Amortized Cost:	24,980,119
Yield at Market:	1.55%
Yield at Cost:	1.39%
Effective Duration:	2.17 Years
Duration to Worst:	2.20 Years
Average Maturity:	2.38 Years
Average Credit: *	AA

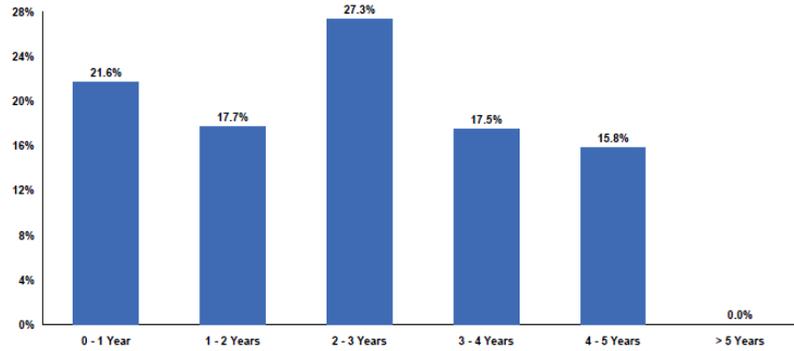
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



\*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Exhibit 4

SAN MATEO COUNTY TRANSIT DISTRICT - RESERVE

For the Quarter Ended March 31, 2017  
Portfolio Compliance

### Sector Allocation and Compliance

- The Reserve portfolio is in compliance with the District's Investment Policy and the California Government Code.

Security Type	Market Value* as of March 31, 2017	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$15,296,921	17.2%	100%	✓
Federal Agency/GSE	\$29,982,542	33.6%	100%	✓
Federal Agency/CMO	\$3,844,954	4.3%	20%	✓
Corporate Notes	\$19,964,267	22.4%	30%	✓
Negotiable CDs	\$5,414,989	6.1%	10%	✓
Asset-Backed Securities	\$5,052,051	5.7%	30%	✓
Commercial Paper	\$9,466,821	10.6%	15%	✓
Money Market Fund	\$116,937	0.1%	10%	✓
<b>Totals</b>	<b>\$89,139,481</b>	<b>100.0%</b>		

\* Market values excluding accrued interest.

SAN MATEO COUNTY TRANSIT DISTRICT - PARATRANSIT

For the Quarter Ended March 31, 2017  
Portfolio Compliance

### Sector Allocation and Compliance

- The Paratransit portfolio is in compliance with the District's Investment Policy and the California Government Code.

Security Type*	Market Value* as of March 31, 2017	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$5,422,140	21.5%	100%	✓
Federal Agency/GSE	\$8,752,713	34.7%	100%	✓
Federal Agency/CMO	\$1,071,619	4.2%	20%	✓
Corporate Notes	\$4,291,962	17.0%	30%	✓
Negotiable CDs	\$1,504,164	6.0%	10%	✓
Asset-Backed Securities	\$1,440,601	5.7%	30%	✓
Commercial Paper	\$2,383,556	9.4%	15%	✓
Money Market Fund	\$375,389	1.5%	10%	✓
<b>Totals</b>	<b>\$25,242,144</b>	<b>100.0%</b>		

\* Market values excluding accrued interest.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Interim Chief Financial Officer

SUBJECT: **PRELIMINARY FISCAL YEAR 2018 OPERATING BUDGET**

**ACTION**

This report is submitted for informational purposes only. No action is requested at this time. Staff will present a final Fiscal Year (FY) 2018 budget proposal for Committee review and Board adoption at the June 7, 2017 Board meeting.

**SIGNIFICANCE**

The FY2018 Preliminary Budget shows a deficit of \$6.2 million, which, if approved, would have to be covered by Reserves. The Projected Sources of Funds for FY 2018 total \$172.5 million, almost identical to the FY2017 Adopted Budget. The Projected Uses of Funds total \$178.7 million, an increase of almost \$6 million compared to FY2017 Adopted Budget. The Sources of Funds include:

- \$147.3 million for District Operations (\$2.2 million, or 1.5 percent higher than FY17);
- \$9.8 million for Capital Programs (\$3.7 million, or 61 percent higher than FY17);  
and
- \$21.7 million for Debt Service (the same as FY17)

At the end of the current fiscal year, FY2017, there will be a projected ending balance of slightly more than \$100 million in unrestricted cash. If \$6.2 million is needed to balance the FY2018 Preliminary Budget, the unrestricted cash will decrease to about \$94.1 million.

The preliminary SamTrans FY2018 Operating Budget is shown in Attachment A.

Key assumptions for the FY2018 Budget are as follows:

- Farebox revenue is based on annualized year-to-date actuals as of March 2017. There are no planned fare increases for FY2018.

- Projected increases for both revenues and expenses related to Senate Bill 1 (SB1) are included in the FY2018 Preliminary Budget (projections for FY2018 are pro-rated for a partial year, because the measure is effective November 1, 2017). The FY2018 projected Sources of Funds include additional revenue totaling \$1.5 million related to SB 1. Increases to District expenses include: 1) a 20-cent cost per gallon increase to diesel fuel; 2) a 12-cent cost per gallon increase to gasoline; and 3) a 4 percent increase to the tax on diesel fuel.
- District Sales Tax is projected to increase by 2 percent, based on Metropolitan Transportation Commission's (MTC) fund estimate, which includes projections from county auditors and treasurers
- The FY2018 Preliminary Budget assumes continued receipt of \$5 million from San Mateo County Measure A, which is used to offset paratransit expenses. If the County Board of Supervisors does not approve that level of Measure A funding, additional funds will be needed from reserves or a reduced level of paratransit services will need to be considered to align expenses with the revenues.
- The diesel fuel cost per gallon for FY2018 is \$2.68, compared to \$2.95 in the FY2017 Adopted Budget. The FY2018 price per gallon includes the impact of the passage SB1.
- No salary and wage increases are included in the Preliminary FY2018 Budget. However, as a point of reference, for every 1 percent increase in Wage & Benefits, expenses will increase by approximately \$0.6 million.
- The Preliminary Budget includes five new positions, partially funded by the SamTrans Operating Budget, adding \$0.4 million to Wages and Benefits (costs are pro-rated based on expected hiring dates). See Attachment B.

### **10 Year Projections**

Attachment C shows the 10-year financial projections through FY2028, and projects annual expenses exceeding revenues in every year, even before taking wage increases into account. The primary reason for this is that revenues are projected to grow at a much slower pace than expenses. In addition, the San Mateo County Transit District (District) has an Unfunded Pension Liability that will drive expense projections higher in this 10-year projection compared to the fiscal years in the preceding 10-year period.

These 10-year projections show that the agency faces substantial financial challenges that will require changes to its current approach, in order to maximize revenues and control costs. The SamTrans Business Plan, which is already underway, will develop a comprehensive blueprint to address the District's short-term and long-term fiscal, operational, and organizational challenges. Future changes must be predicated on a reinvention of public transit that is innovative and meets the changing needs of the

Peninsula. Finally, a business plan is needed to help optimize the District workforce's efforts to effectively implement these changes.

### **BUDGET IMPACT**

This report is submitted for informational purposes only. There is no budget impact. At the Board's June 7, 2017 meeting, Staff will request that the Committee recommend Board adoption of the FY2018 Operating Budget.

### **BACKGROUND**

The preliminary FY2018 budget supports the high level of service and reliability that the community has come to expect from the District. At the same time, every effort is being made to control costs through a variety of methods. The FY2018 budget supports the District's leadership role in Caltrain operations, funds capital improvements, and seeks to incorporate the new initiatives to be identified in the SamTrans Business Plan which the Board approved in Resolution No. 2017-12, dated March 1, 2017.

### **Sources of Funds**

Sources of Funds for FY2018 total \$172.5 million and include the following significant components:

*Passenger Fares* (Attachment A, page 1, line 1), are projected to be \$17 million in FY2018 based annualized year-to-date actuals as of March 2017, a **decrease** of \$2.5 million or 13 percent from the FY2017 Adopted Budget:

- Motor Bus Fares are projected to **decrease** by \$2.4 million or 12.9 percent
- Redi-Wheels Fares are projected to **decrease** by \$0.1 million or 15.6 percent

*Local/State/Federal* (page 1, lines 2, 4, and 7) funds totaling \$46.6 million are roughly the same as the FY2017 Budget. This includes additional funding from SB1 in the amount of \$1.5 million, offset by lower State Transportation Development Act (TDA) funds from a carry-forward used in FY2017.

*Pass-through funds to Other Agencies* (page 1, line 3) total \$0.8 million, a projected **increase** of \$0.8 million from the FY2017 Adopted Budget, reflecting the addition of three Life Line Transportation Pass Through programs for the: 1) Bus Pass/Ticket Program, 2) Menlo Park Mid-Day Shuttle, and 3) Daly City Bayshore Shuttle, sponsored by the San Mateo County Human Service Agency, city of Menlo Park and city of Daly City respectively. The equivalent pass-through expenditure can be found under Uses of Funds (page 1, line 22).

*SMCTA Measure A* (page 1, line 5) in FY2018 budget is \$9.6 million and comprised of two items, 1) Pass-through for Caltrain in the amount of \$6.2 million, and 2) Redi-Wheels in the amount of \$3.4 million. The total is projected to **decrease** by \$0.4 million, or 3.8 percent, from FY2017 Adopted Budget, which reflects the correction of a payment related to Caltrain service in FY2017 (Santa Clara Valley Transportation Authority staff inadvertently budgeted a lower FY2017 payment than had been discussed, resulting in over-payments for San Francisco Municipal Transportation Agency (SFMTA) and

SamTrans; the FY2018 allocations correct this discrepancy). The Caltrain amount is a pass-through to the Peninsula Corridor Joint Power Board (page 1, line 20). The Redi-Wheels component is included in the total for A.D.A. Programs (page 1, line 19).

*San Mateo County Measure A* (page 1, line 6) funding approved by the San Mateo County Board of Supervisors for the District's paratransit program is projected to be \$5 million. This assumes **no change** from the FY2017 Adopted Budget. If the Board of Supervisors approves a lower amount prior to the adoption of the SamTrans Budget in June, the FY2018 Budget will be adjusted accordingly.

*District Half-cent Sales Tax* (page 1, line 10) receipts are projected to total \$84.7 million, which is an **increase** of \$1.7 million, or 2 percent, from the FY 17 Adopted Budget. The increase in District sales tax revenues is based on MTC's fund estimate, which includes projections from county auditors and treasurers.

*Investment Interest* (page 1, line 11) of \$1.1 million is virtually the same as FY2017.

*Other Interest, Rent & Other Income* (page 1, line 12) totals \$7.8 million and reflects a projected **increase** of \$0.5 million, or 6.4 percent, compared to the FY2017 Adopted budget, mainly due to increased revenue from night-time (owl) airport service, change card revenue from expired tickets, advertising income, parking revenues and rental income. These projections are primarily based upon on annualized year-to-date actuals.

### **Uses of Funds**

Total Use of Funds for FY2018 is \$178.7 million and includes the following significant components:

#### **Operating Costs**

*Operating costs* (page 1, line 24) of \$147.3 million are projected to **increase** by \$2.2 million or 1.5 percent from the FY2017 Adopted Budget of \$145.1 million. The increase is primarily due to higher costs in Motor Bus (\$1.6 million), and increased expenses for Pass through to Other Agencies (\$0.8 million), offset by a slightly reduced contribution to Caltrain (related again to the error in the payment for FY2017).

#### **Motor Bus Highlights**

*Total Motor Bus Expense* (page 1, line 18) of \$119.5 million, reflects a projected **increase** of \$1.6 million or 1.3 percent over the FY 17 Adopted Budget of \$118 million. Critical Motor Bus elements include:

- *Wages and Benefits* (page 3, line 1) are projected to **increase** \$0.5 million or 0.8 percent, due to SamTran's share of the unfunded California Public Employees Retirement System's liability, increased retiree medical costs, and the addition of five new FTEs, offset by reductions in the fringe benefits rates.
- *Contracted Vehicle Maintenance* (page 3, line 4) is projected to **decrease** \$0.2 million, or 11.4 percent, primarily due to adjustments to actuals for costs related to maintenance and warranty support.

- *Professional Services* (page 3, line 6) are projected to **decrease** \$0.3 million or 7 percent, primarily due to moving human resources (HR) consultant expense to recruiting expense within Promotional & Legal Advertising. Included is \$0.5 million for improvements to the PeopleSoft system, formerly known as Business Optimization Program (BOP).
- *Technical Services* (page 3, line 7) are projected to **increase** \$0.5 million or 7.1 percent, primarily due to increased software maintenance and licensing fees, and a cost-of-living increase for security services provided by the San Mateo County Sheriff.
- *Fuel and Lubricants* (page 3, line 11) are projected to **decrease** \$0.4 million or 7.5 percent, primarily due to the reduced rate assumption for diesel fuel compared to FY2017 Adopted Budget (even assuming the higher rates included in SB 1). The FY2018 Budget assumes a cost per gallon of \$2.68 compared to the FY2017 Budget cost per gallon of \$2.95.
- *Insurance Costs* (page 3, line 21) are projected to **increase** \$0.1 million, or 5 percent, primarily due to projected increases in premiums and claims.
- *Promotional & Legal Advertising Expense* (page 3, line 26) is projected to **increase** \$0.4 million, or 79.3 percent, primarily due to moving HR recruiting consultant expense from Professional Services.
- *Training and Business Travel* (page 3, line 27) is projected to **increase** \$0.3 million, or 43.9 percent, primarily due to the District's focus on employee professional development, and training and seminars.
- *Contracted Urban Bus Service* (page 3, line 34) is projected to **increase** \$0.7 million, or 4.3 percent, primarily due to an increase in revenue miles.

### **ADA Programs Highlights**

The FY2018 budget (page 1, line 19) of \$18.4 million represents an **increase** of \$0.3 million, or 1.4 percent, over the FY2017 Adopted Budget, mainly due to an increase in ridership and increased ADA Accessibility Support.

### **Caltrain Service**

In the FY2018 budget, the proposed SamTrans member agency share for Caltrain service (page 1, line 20) is \$6.2 million, a **decrease** of \$0.5 million, or 6.8 percent over the FY2017 Adopted Budget, based on correction of the payment in FY2017.

### **Other Multimodal Programs**

In the preliminary FY2018 budget, support costs for the SamTrans shuttle program and the multimodal facility maintenance (page 1, line 21) are projected to be \$2.2 million, an **increase** of \$0.1 million, or 4 percent, over the FY2017 Adopted Budget, primarily because of increased temporary staffing related to service modifications and expansion.

**Land Transfer Interest Expense**

The FY2018 budget includes \$46,000 (page 1, line 23) in interest expense, the same as the FY 2017 budget. The expense represents an interest payment to the San Mateo County Transportation Authority (TA) on a promissory note for four acres of property acquired from the TA, which is located in the city of San Carlos along the Caltrain right-of-way.

**Sales Tax Allocations - Capital Programs**

*Sales Tax Allocation – Capital Programs* (page 1, line 28) is projected to total \$9.8 million, an **increase** of \$3.7 million, or 61 percent, compared to the FY2017 Adopted Budget.

**Debt Service**

*Debt Service* is (page 1, line 30) is projected to be \$21.7 million, a very slight **increase** of \$7,600, due to increased Fiscal Agent Fees.

**Total Budget and Use of Reserves**

The full amount of the Preliminary FY2018 Budget, including capital expenditures and debt service, is \$178.7 million. The Preliminary Budget uses \$6.2 million in reserves to achieve a balanced budget. This represents 3.5 percent of the total budget.

Prepared By:

Virginia Baum, Acting Manager, Budgets

650-508-7963

SAN MATEO COUNTY TRANSIT DISTRICT  
FY2018 PRELIMINARY OPERATING BUDGET

Attachment A

	FY2016 <u>ACTUAL</u> A	FY2017 <u>ADOPTED</u> <u>BUDGET</u> B	FY2017 <u>FORECAST</u> C	FY2018 <u>PRELIMINARY</u> D	FY18 PRELIMINARY Compared to FY17 ADOPTED <u>BUDGET</u> E = D-B	BUDGET PERCENT  <u>CHANGE</u> F = E/B		
<b><u>SOURCES OF FUNDS:</u></b>								
<b>Operating Revenues</b>								
1	Passenger Fares	18,078,031	19,517,000	16,955,520	16,977,116	(2,539,884)	-13.0%	1
2	Local TDA and STA Funds	36,905,487	42,361,438	42,081,438	42,013,473	(347,965)	-0.8%	2
3	Pass through to Other Agencies	101,844	69,000	490,268	836,536	767,536	1112.4%	3
4	Operating Grants	7,871,961	4,010,671	4,362,671	4,445,220	434,549	10.8%	4
5	SMCTA Measure A	9,268,158	9,960,000	9,960,000	9,577,753	(382,247)	-3.8%	5
6	SM County Measure A	5,000,000	5,000,000	5,000,000	5,000,000	0	0.0%	6
7	AB434 Funds	154,500	109,000	109,000	100,000	(9,000)	-8.3%	7
8	<b>Subtotal - Operating Revenues</b>	<b>77,379,981</b>	<b>81,027,109</b>	<b>78,958,897</b>	<b>78,950,098</b>	<b>(2,077,011)</b>	<b>-2.6%</b>	8
9	<b>Other Revenue Sources</b>							
10	District 1/2 Cent Sales Tax	79,705,074	83,000,000	83,000,000	84,660,000	1,660,000	2.0%	10
11	Investment Interest	1,193,457	1,090,519	1,601,899	1,100,312	9,793	0.9%	11
12	Other Interest, Rent & Other Income	7,016,040	7,308,988	7,784,807	7,777,196	468,208	6.4%	12
13	<b>Subtotal - Other Revenues</b>	<b>87,914,571</b>	<b>91,399,507</b>	<b>92,386,706</b>	<b>93,537,508</b>	<b>2,138,001</b>	<b>2.3%</b>	13
14								
15	<b>Total Sources of Funds</b>	<b>165,294,552</b>	<b>172,426,616</b>	<b>171,345,604</b>	<b>172,487,606</b>	<b>60,990</b>	<b>0.0%</b>	15
16								
17	<b><u>USES OF FUNDS:</u></b>							
18	Motor Bus	104,738,838	117,968,986	113,405,017	119,545,805	1,576,819	1.3%	18
19	A.D.A. Programs	15,621,075	18,157,910	17,657,910	18,407,911	250,001	1.4%	19
20	Caltrain	6,080,000	6,640,000	6,640,000	6,191,353	(448,647)	-6.8%	20
21	Other Multi-Modal Programs	1,874,472	2,161,708	2,161,707	2,247,765	86,057	4.0%	21
22	Pass through to Other Agencies	101,844	79,780	490,268	836,536	756,756	948.6%	22
23	Land Transfer Interest Expense	41,604	45,716	45,716	45,716	0	0.0%	23
24	<b>Total Operating</b>	<b>128,457,833</b>	<b>145,054,100</b>	<b>140,400,618</b>	<b>147,275,086</b>	<b>2,220,986</b>	<b>1.5%</b>	24
25								
26	<b>Total Operating Surplus/(Deficit)</b>	<b>36,836,719</b>	<b>27,372,516</b>	<b>30,944,986</b>	<b>25,212,520</b>	<b>(2,159,996)</b>	<b>-7.9%</b>	26
27								
28	<b>Sales Tax Allocation - Capital Programs</b>	<b>5,857,267</b>	<b>6,071,968</b>	<b>6,071,968</b>	<b>9,774,218</b>	<b>3,702,250</b>	<b>61.0%</b>	28
29								
30	<b>Total Debt Service</b>	<b>21,578,155</b>	<b>21,676,445</b>	<b>21,676,445</b>	<b>21,684,044</b>	<b>7,599</b>	<b>0.0%</b>	30
31								
32	<b>Total Uses of Funds</b>	<b>155,893,255</b>	<b>172,802,513</b>	<b>168,149,031</b>	<b>178,733,348</b>	<b>5,930,835</b>	<b>3.4%</b>	32
33								
34	<b>PROJECTED SURPLUS/(DEFICIT)</b>	<b>9,401,298</b>	<b>(375,897)</b>	<b>3,196,573</b>	<b>(6,245,742)</b>	<b>(5,869,845)</b>		34

**UNRESTRICTED CASH**

Projected Beginning Balance of Unrestricted Cash		97,145,000	100,341,573
Projected Surplus/(Deficit)		3,196,573	(6,245,742)
<b>Projected Ending Balance of Unrestricted Cash</b>		<b>97,145,000</b>	<b>94,095,831</b>

SAN MATEO COUNTY TRANSIT DISTRICT  
FY2018 PRELIMINARY OPERATING BUDGET

	FY2016	FY2017	FY2018	FY18 PRELIMINARY	BUDGET
	ACTUAL	ADOPTED	PRELIMINARY	Compared to	PERCENT
	A	BUDGET	D	FY17 ADOPTED	CHANGE
		B		BUDGET	F = E/B
				E = D-B	
<b>OPERATING REVENUES - MOTOR BUS:</b>					
1 TOTAL MOTOR BUS FARES	17,313,304	18,638,000	16,235,675	(2,402,325)	-12.9%
2					
3 LOCAL (TDA) TRANSIT FUND:					
4 General Operating Assistance	32,212,723	37,540,609	36,440,749	(1,099,860)	-2.9%
5					
6 STATE TRANSIT ASSISTANCE:					
8 STA TOTAL	2,648,742	2,609,106	3,310,138	701,032	26.9%
9					
10 OPERATING GRANTS:					
11 Operating Grants	7,042,848	1,666,278	1,112,367	(553,911)	-33.2%
12					
13 DISTRICT 1/2 CENT SALES TAX:					
14 General Operating Assistance	38,706,499	51,283,370	55,839,192	4,555,822	8.9%
15 Accessibility Fixed Route	1,005,169	1,133,217	1,092,576	(40,641)	-3.6%
16 TOTAL 1/2 CENT SALES TAX	39,711,668	52,416,587	56,931,768	4,515,181	8.6%
17					
18 INVESTMENT INTEREST INCOME					
19 Investment Interest Income	943,732	882,519	861,312	(21,207)	-2.4%
20					
21 OTHER REVENUE SOURCES:					
22 Overnight Deposit Interest Income	213	0	608	608	n/a
22 Rental Income	1,413,846	1,360,000	1,400,000	40,000	2.9%
23 Advertising Income	1,030,090	1,149,000	1,210,700	61,700	5.4%
24 Other Income	2,202,893	1,706,888	2,042,488	335,600	19.7%
25 TOTAL OTHER REVENUES	4,647,042	4,215,888	4,653,796	437,908	10.4%
26					
27 TOTAL MOTOR BUS	104,520,059	117,968,986	119,545,805	1,576,819	1.3%
28					
29 AMERICAN DISABILITIES ACT:					
30 Passenger Fares-Redi Wheels	764,727	879,000	741,441	(137,559)	-15.6%
31 Local TDA 4.5 Redi Wheels	1,702,554	1,844,243	1,917,935	73,692	4.0%
32 Local STA - Paratransit	341,468	367,480	344,651	(22,829)	-6.2%
33 Operating Grants	829,113	2,344,393	3,332,853	988,460	42.2%
34 Sales Tax - Paratransit District	644,748	1,124,994	203,532	(921,462)	-81.9%
35 Sales Tax - Paratransit Suppl. Coastside	1,528,746	1,669,800	1,842,100	172,300	10.3%
36 Interest Income-Paratransit Fund	249,725	208,000	239,000	31,000	14.9%
37 SMCTA Measure A Redi-Wheels	3,188,158	3,320,000	3,386,400	66,400	2.0%
38 SM County Measure A	5,000,000	5,000,000	5,000,000	0	0.0%
39 Measure M Paratransit	1,400,000	1,400,000	1,400,000	0	0.0%
40 TOTAL ADA PROGRAMS	15,649,239	18,157,910	18,407,912	250,002	1.4%
41					
42 MULTI-MODAL TRANSIT PROGRAMS:					
43 Transfer from SMCTA for Caltrain	6,080,000	6,640,000	6,191,353	(448,647)	-6.8%
44 AB434 Funds - SamTrans Shuttle	154,500	109,000	100,000	(9,000)	-8.3%
45 Employer SamTrans Shuttle Funds	968,998	1,693,100	1,723,400	30,300	1.8%
46 Sales Tax - SamTrans Shuttle Program	592,640	189,608	254,365	64,757	34.2%
47 Sales Tax - Gen. Operating Asst.	158,335	170,000	170,000	0	0.0%
48 TOTAL MULTI-MODAL	7,954,473	8,801,708	8,439,118	(362,590)	-4.1%
49					
50 TOTAL REVENUES	128,123,771	144,928,605	146,392,835	1,464,230	1.0%

**SAN MATEO COUNTY TRANSIT DISTRICT  
FY2018 PRELIMINARY OPERATING BUDGET**

	FY2016	FY2017	FY2018	FY18 PRELIMINARY Compared to	BUDGET PERCENT	
	<u>ACTUAL</u>	<u>ADOPTED BUDGET</u>	<u>PRELIMINARY</u>	<u>FY17 ADOPTED BUDGET</u>	CHANGE	
	A	B	D	E = D-B	F = E/B	
<b>DISTRICT OPERATED BUSES</b>						
1	56,888,842	58,214,650	58,690,582	475,932	0.8%	1
2	Services:					2
3	58,825	86,000	86,000	0	0.0%	3
4	1,313,665	1,508,154	1,335,850	(172,304)	-11.4%	4
5	1,410,641	1,238,000	1,055,500	(182,500)	-14.7%	5
6	3,987,895	4,956,711	4,612,204	(344,507)	-7.0%	6
7	5,933,665	7,065,517	7,565,480	499,963	7.1%	7
8	3,229,292	3,206,540	3,210,668	4,128	0.1%	8
9						9
10	Materials & Supply:					10
11	2,703,009	5,525,612	5,113,595	(412,017)	-7.5%	11
12	2,138,319	2,042,508	2,043,233	725	0.0%	12
13	377,302	479,129	533,731	54,602	11.4%	13
14	162,491	263,645	326,500	62,855	23.8%	14
15	369,668	485,062	484,412	(650)	-0.1%	15
16	123,748	159,500	160,000	500	0.3%	16
17						17
18	Utilities:					18
19	518,385	731,991	745,491	13,500	1.8%	19
20	1,082,365	1,140,000	1,140,000	0	0.0%	20
21	803,057	2,897,298	3,042,164	144,866	5.0%	21
22	3,301,997	3,668,160	3,666,068	(2,092)	-0.1%	22
23	509,488	735,136	813,715	78,579	10.7%	23
24	1,005,169	1,133,217	1,092,576	(40,641)	-3.6%	24
25	161,964	175,740	182,670	6,930	3.9%	25
26	127,353	484,700	869,000	384,300	79.3%	26
27	255,250	610,463	878,513	268,050	43.9%	27
28	102,028	118,620	159,043	40,423	34.1%	28
29	98,892	102,999	94,792	(8,207)	-8.0%	29
30						30
31	<b>86,663,310</b>	<b>97,029,352</b>	<b>97,901,787</b>	<b>872,435</b>	<b>0.9%</b>	31
32						32
33	<b>CONTRACTED BUS SERVICES</b>					33
34	15,088,891	17,246,300	17,987,300	741,000	4.3%	34
35	475,236	392,150	358,694	(33,456)	-8.5%	35
36	161,940	736,593	773,422	36,829	5.0%	36
37	1,759,679	1,968,000	1,954,500	(13,500)	-0.7%	37
38	265,597	233,000	253,100	20,100	8.6%	38
39	88,527	124,525	116,884	(7,641)	-6.1%	39
40	55,125	55,130	55,130	0	0.0%	40
41	162,482	177,100	138,350	(38,750)	-21.9%	41
42	18,051	6,836	6,638	(198)	-2.9%	42
43	<b>18,075,528</b>	<b>20,939,634</b>	<b>21,644,018</b>	<b>704,384</b>	<b>3.4%</b>	43
44						44
45	<b>104,738,838</b>	<b>117,968,986</b>	<b>119,545,805</b>	<b>1,576,819</b>	<b>1.3%</b>	45

SAN MATEO COUNTY TRANSIT DISTRICT  
FY2018 PRELIMINARY OPERATING BUDGET

	FY2016	FY2017	FY2018	FY18 PRELIMINARY Compared to	BUDGET PERCENT		
	<u>ACTUAL</u>	<u>ADOPTED BUDGET</u>	<u>PRELIMINARY</u>	<u>FY17 ADOPTED BUDGET</u>	CHANGE		
	A	B	D	E = D-B	F = E/B		
<b>AMERICAN DISABILITY ACT PROGRAMS</b>							
46	Elderly & Disabled/Redi-Wheels	5,295,622	7,322,052	7,716,600	394,548	5.4%	46
47	Other Related Cost	2,741,288	3,386,207	3,030,191	(356,016)	-10.5%	47
48	ADA Sedan/Taxi Service	4,681,151	3,628,328	3,704,208	75,880	2.1%	48
49	ADA Accessibility Support	1,136,601	1,571,564	1,505,855	(65,709)	-4.2%	49
50	Coastside ADA Support	1,528,746	1,669,800	1,842,100	172,300	10.3%	50
51	Insurance Costs	237,667	579,959	608,957	28,998	5.0%	51
52	<b>TOTAL ADA PROGRAMS</b>	<b>15,621,075</b>	<b>18,157,910</b>	<b>18,407,911</b>	<b>250,001</b>	<b>1.4%</b>	52
53							53
54	<b>MULTI-MODAL TRANSIT PROGRAMS</b>						54
55							55
56	<b>CALTRAIN SERVICE</b>						56
57	Peninsula Rail Service	6,080,000	6,640,000	6,191,353	(448,647)	-6.8%	57
58	<b>Total Caltrain Service</b>	<b>6,080,000</b>	<b>6,640,000</b>	<b>6,191,353</b>	<b>(448,647)</b>	<b>-6.8%</b>	58
59							59
60	<b>OTHER SUPPORT</b>						60
62	SamTrans Shuttle	1,716,138	1,991,708	2,077,765	86,057	4.3%	62
63	Bicycle Coordinating Activities	0	0	0	0	n/a	63
64	Maintenance Multimodal Fac	158,334	170,000	170,000	0	0.0%	64
65	<b>Total Other Support</b>	<b>1,874,472</b>	<b>2,161,708</b>	<b>2,247,765</b>	<b>86,057</b>	<b>4.0%</b>	65
66							66
67	<b>TOTAL MULTI-MODAL PROGRAMS</b>	<b>7,954,472</b>	<b>8,801,708</b>	<b>8,439,118</b>	<b>(362,590)</b>	<b>-4.1%</b>	67
68							68
69	<b>TOTAL OPERATING EXPENSES</b>	<b>128,314,385</b>	<b>144,928,605</b>	<b>146,392,834</b>	<b>1,464,230</b>	<b>1.0%</b>	69

San Mateo County Transit District  
New FTE requests in FY18 Budget

Attachment B

New Position Requests	Justification	Budget Labor Distribution	Strategic Goal
Market Development Contract Administrator	To support the management of marketing contracts; i.e. advertising, mobile ticketing and coordinating the advertising program.	50% Samtrans Operating, 50% JPB	2 & 4
Associate Contract Officer	To support increased workload for procurements under \$150K in accordance with new AB2030 procurement thresholds.	30% Samtrans Operating, 20% Samtrans Capital, 40% JPB, 10% TA	4
HR Specialist	To provide assistance with recruitments.	100% Samtrans Operating	5
ADA Coordinator	Increase support to address ADA compliance needs.	50% Samtrans Operating, 50% JPB	4
Human Resources Assistant	To provide support for recruitments and training coordination along with clerical support to the Department.	100% Samtrans Operating	5

**Strategic Goals**

- 1) Increase weekday fixed-route ridership by 15 percent
- 2) Increase fixed-route farebox revenue by 20 percent
- 3) Reduce debt service by \$1.5 million annually
- 4) Improve organizational performance
- 5) Manage workforce change

**Samtrans Financial Projections**

**Attachment C**

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
	Budget	Projection											
<b>SOURCES OF FUNDS</b>													
1 Passenger Fares	16,977,115	17,161,177	17,347,551	17,536,275	17,727,389	17,920,931	18,116,943	18,315,466	18,516,543	18,720,218	18,926,533	19,135,537	1
2 Local TDA and STA Funds	42,013,473	42,816,072	43,634,358	44,468,641	45,319,237	46,186,470	47,070,667	47,972,166	48,891,307	49,828,441	50,783,923	51,758,116	2
3 Pass through to Other Agencies	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	3
4 Operating Grants	4,445,220	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	305,000	4
5 SMCTA Measure A	9,577,753	10,362,384	10,569,632	10,781,024	10,996,645	11,216,578	11,440,909	11,669,727	11,903,122	12,141,184	12,384,008	12,631,688	5
6 SM County Measure A	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	6
7 AB434 Funds	100,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	109,000	7
8 <b>Subtotal - Operating Revenues</b>	<b>78,950,097</b>	<b>76,590,169</b>	<b>77,802,077</b>	<b>79,036,476</b>	<b>80,293,807</b>	<b>81,574,514</b>	<b>82,879,056</b>	<b>84,207,895</b>	<b>85,561,508</b>	<b>86,940,379</b>	<b>88,345,000</b>	<b>89,775,877</b>	8
<b>9 Other Revenue Sources</b>													
10 District 1/2 Cent Sales Tax	84,660,000	86,353,200	88,080,264	89,841,869	91,638,707	93,471,481	95,340,910	97,247,729	99,192,683	101,176,537	103,200,068	105,264,069	10
11 Investment Interest	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	1,100,312	11
12 Other Interest, Rent & Other Income	7,777,196	8,033,352	8,301,578	8,582,532	8,876,913	9,185,460	9,508,961	9,848,248	10,204,208	10,577,778	10,969,956	11,381,802	12
13 <b>Subtotal - Other Revenues</b>	<b>93,537,508</b>	<b>95,486,864</b>	<b>97,482,154</b>	<b>99,524,714</b>	<b>101,615,931</b>	<b>103,757,253</b>	<b>105,950,183</b>	<b>108,196,289</b>	<b>110,497,203</b>	<b>112,854,627</b>	<b>115,270,336</b>	<b>117,746,183</b>	13
14													14
15 <b>Total Sources of Funds</b>	<b>172,487,605</b>	<b>172,077,034</b>	<b>175,284,231</b>	<b>178,561,190</b>	<b>181,909,738</b>	<b>185,331,768</b>	<b>188,829,239</b>	<b>192,404,185</b>	<b>196,058,711</b>	<b>199,795,006</b>	<b>203,615,336</b>	<b>207,522,059</b>	15
16													16
<b>17 USES OF FUNDS:</b>													
18 Motor Bus	119,545,805	123,726,250	128,956,181	133,993,517	139,312,396	144,702,185	149,926,356	155,383,782	161,087,442	167,051,142	173,289,570	179,818,352	18
19 A.D.A. Programs	18,407,911	19,633,373	20,940,416	22,334,473	23,821,335	25,407,182	27,098,602	28,902,624	30,826,745	32,878,960	35,067,795	37,402,347	19
20 Caltrain	6,191,353	10,000,000	11,224,600	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	10,917,200	20
21 Other Multi-Modal Programs	2,247,765	2,315,198	2,384,654	2,456,194	2,529,880	2,605,776	2,683,949	2,764,468	2,847,402	2,932,824	3,020,809	3,111,433	21
22 Pass through to Other Agencies	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	836,536	22
23 Land Transfer Interest Expense	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	45,716	23
24 <b>Total Operating</b>	<b>147,275,087</b>	<b>156,557,073</b>	<b>164,388,103</b>	<b>170,583,635</b>	<b>177,463,062</b>	<b>184,514,595</b>	<b>191,508,359</b>	<b>198,850,326</b>	<b>206,561,041</b>	<b>214,662,378</b>	<b>223,177,626</b>	<b>232,131,584</b>	24
25													25
26 <b>Total Operating Surplus/(Deficit)</b>	<b>25,212,519</b>	<b>15,519,961</b>	<b>10,896,128</b>	<b>7,977,554</b>	<b>4,446,676</b>	<b>817,173</b>	<b>(2,679,120)</b>	<b>(6,446,141)</b>	<b>(10,502,330)</b>	<b>(14,867,373)</b>	<b>(19,562,289)</b>	<b>(24,609,525)</b>	26
27													27
28 <b>Sales Tax Allocation - Capital Programs</b>	<b>9,774,218</b>	<b>10,557,266</b>	<b>7,020,680</b>	<b>7,434,160</b>	<b>12,761,389</b>	<b>14,551,884</b>	<b>15,706,872</b>	<b>12,034,500</b>	<b>8,484,827</b>	<b>10,949,540</b>	<b>9,600,000</b>	<b>9,600,000</b>	28
29													29
30 <b>Total Debt Service</b>	<b>21,684,044</b>	<b>21,643,714</b>	<b>19,397,431</b>	<b>19,186,781</b>	<b>19,192,681</b>	<b>19,189,081</b>	<b>19,190,031</b>	<b>19,189,431</b>	<b>19,189,931</b>	<b>19,189,431</b>	<b>19,186,431</b>	<b>19,194,431</b>	30
31													31
32 <b>Total Uses of Funds</b>	<b>178,733,349</b>	<b>188,758,053</b>	<b>190,806,215</b>	<b>197,204,577</b>	<b>209,417,133</b>	<b>218,255,560</b>	<b>226,405,263</b>	<b>230,074,257</b>	<b>234,235,799</b>	<b>244,801,349</b>	<b>251,964,057</b>	<b>260,926,016</b>	32
33													33
34 <b>PROJECTED SURPLUS/(DEFICIT)</b>	<b>(6,245,743)</b>	<b>(16,681,019)</b>	<b>(15,521,984)</b>	<b>(18,643,387)</b>	<b>(27,507,395)</b>	<b>(32,923,792)</b>	<b>(37,576,024)</b>	<b>(37,670,073)</b>	<b>(38,177,088)</b>	<b>(45,006,344)</b>	<b>(48,348,721)</b>	<b>(53,403,956)</b>	34

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Interim Chief Financial Officer

SUBJECT: **PRELIMINARY FISCAL YEAR 2018 CAPITAL BUDGET**

**ACTION**

This report is submitted for informational purposes only. No Board action is required at this time. Staff will bring this item back to the Board at its June 1, 2017 meeting with a request that the Committee recommend Board adoption of the Fiscal Year (FY) 2018 Capital Budget.

**SIGNIFICANCE**

The FY2018 Capital Budget, as presented in Attachment A, totals \$15.4 million and contains projects necessary and essential to sustain the existing service and infrastructure network of the San Mateo County Transit District (District).

**BUDGET IMPACT**

Of the \$15.4 million recommended for the FY2018 Capital Budget, the total amount of District sales tax required is \$9.8 million. This investment would be used to leverage an additional \$5.6 million in Federal, State and other sources to fully fund the FY2018 Capital Budget.

**BACKGROUND**

The District's Capital Budget is developed on an annual basis. A comprehensive call for projects was issued District-wide. The capital projects submitted were reviewed and prioritized for consistency with District policy directives and key Strategic Plan Initiatives. In keeping with the District's need to conserve financial resources, the final recommendations reflect the most critical projects that support existing District revenue service without compromising either safety or security. In addition, the program is developed to leverage as much external funding and grants as possible.

The FY2018 Capital Budget contains the following major elements:

**Revenue Vehicle and Support: \$3.8 million** – The FY2018 budget is requesting an additional \$3.7 million for the purchase of up to 10 Electric buses and charging stations, revising the original FY2017 approved plan to purchase up to six fully electric buses and charging stations. The total project cost for the purchase of up to 10 electric buses and charging stations is \$10.9 million. The electric buses will replace 2003 Gillig diesel

uses and will serve as a pilot program that will allow the District to gain experience with the procurement, operations, and maintenance of battery-electric buses and associated charging infrastructure.

The budget also includes funding for the purchase of 50 American Seating Single Flip Seats and 50 modesty panels to retrofit the District's 25 Hybrid buses as part of the District's safety initiative. This capital budget request is in response to a 2014 safety letter from the bus manufacturer regarding first row forward facing seats potentially exposing bus passengers to catastrophic injury.

**Information Technology: \$2.9 million** – Many of the District's technology systems and resources are out-of-date or obsolete and need to be replaced. The budget includes continued investment in the replacement and upgrade of Information Technology equipment, networks, and software applications necessary to improve system security and network traffic. Additionally, PeopleSoft EPM 9.1 extended support ends at the end of December 2017, and the District will no longer receive product updates. Full budget support is still necessary and therefore, the procurement and implementation of an upgrade or replacement for EPM is required.

**Planning / Development: \$1.5 million** – The budget includes funding for ridership reporting and analytics software capable of storing, cleaning, and analyzing the vast amount of Automated Passenger Counters (APC)/ Automated Vehicle Locator (AVL) data recorded on the District's buses. Federal Transit Administration (FTA) highly recommends that the District start reporting ridership data using APCs and the District's current system, BRIO, is outdated and does not support the requirement. Also, included in this category is continued funding for the District's Business Plan, to address the District's fiscal, operational, and organizational challenges. Funds are also included to support the capital programs and project development, as well as capital program management.

**Facilities/Construction: \$6 million** – Projects in this category include; implementation of traffic signal priority for SamTrans buses traveling on El Camino Real in San Mateo County, at cost of \$2 million; purchases of major components for buses for \$1.5 million; development of a Transit Asset Management Plan (\$1 million); Linda Mar Park-n-Ride Lot Repaving (\$0.7 million), replacement of the roof of Central at 1250 San Carlos Ave (\$0.5 million), small facility projects (\$0.3 million); and, replacement of the current time clock system (\$0.1 million).

**Safety and Security: \$1 million** – The single project in this category is for the continued installation of vandal-resistant fencing at key locations along the Dumbarton Rail Corridor.

**Other/Contingency: \$0.3 million** - Funding is included to cover unforeseen and emergency capital expenditures during the fiscal year.

Prepared by:

Virginia Baum, Acting Manager, Budgets

650-508-7963



# San Mateo County Transit District Fiscal Year 2018 Capital Budget

PROJECT TITLE	PROJECT DESCRIPTION	Current Total Estimated Project Cost	Previously Budgeted	FY2018 Budget Request	Remaining	Funding Sources				notes	
						Federal	State	Other	District Sales Tax		
<b>i. REVENUE VEHICLE SUPPORT</b>											
1.1	Purchase of 10 Electric Buses and Installation of 10 Charging Stations	Purchase of 10 electric buses and installation of 10 charging stations	\$ 10,926,668	\$ 7,250,000	\$ 3,676,668	\$ -	\$ 2,528,880	\$ 1,482,824	\$ (1,083,167)	\$ 748,131	(1) & (2)
1.2	50 Flip Seats and Modesty Panels	The purchase of 50 American Seating Single Flip Seats and 50 Modesty Panels to retrofit District's 25 Hybrid buses to support District's safety initiative	\$ 144,613	\$ -	\$ 144,613	\$ -	\$ -	\$ -	\$ -	\$ 144,613	-
<b>Subtotal</b>				<b>\$ 3,821,281</b>							
<b>ii. INFORMATION TECHNOLOGY</b>											
2.1	Tech Refresh Project	Technology refreshment with periodic replacement of District system's servers and storage, copiers/printers, network equipment to avoid obsolescence of existing technology	\$ 2,377,800	\$ -	\$ 2,377,800	\$ -	\$ -	\$ -	\$ -	\$ 2,377,800	-
2.2	EPM Replacement	PeopleSoft EPM 9.1 extended support ends 12/31/17, no longer providing product updates. Full budget support is necessary and therefore, the procurement and implementation of a replacement for EPM is required.	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000	-
<b>Subtotal</b>				<b>\$ 2,877,800</b>							
<b>iii. PLANNING / DEVELOPMENT</b>											
3.1	Ridership Reporting and Analytics Software	Purchase of software capable of storing, cleaning, and analyzing the vast amount of APC/AVL data recorded on District buses	\$ 222,000	\$ -	\$ 222,000	\$ -	\$ -	\$ -	\$ -	\$ 222,000	-
3.2	SamTrans Strategic Business Plan	A comprehensive strategy to define a business plan that averts financial failure, reinvents the District vision for delivering public transit, and tackling District internal and external organizational challenges	\$ 1,138,000	\$ 358,000	\$ 780,000	\$ -	\$ -	\$ -	\$ -	\$ 780,000	-
3.3	Capital Program and Project Development	Capitalized funds for annual program development including but not limited to plans, budgets, programs, funding strategies, and preliminary engineering	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
3.4	Capital Program Management	Capitalized funds for programs and project controls support, including monitoring project performance and delivery	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
<b>Subtotal</b>				<b>\$ 1,502,000</b>							

PROJECT TITLE	PROJECT DESCRIPTION	Current Total Estimated Project Cost	Previously Budgeted	FY2018 Budget Request	Remaining	Funding Sources				notes	
						Federal	State	Other	District Sales Tax		
<b>iv. FACILITIES / CONSTRUCTION</b>											
4.1	Traffic Signal Priority	Implementation of Traffic Signal Priority (TSP) technology for SamTrans buses traveling on El Camino Real in San Mateo County (State Highway 82).	\$ 1,953,500	\$ -	\$ 1,953,500	\$ -	\$ 1,729,500	\$ -	\$ -	\$ 224,000	(3)
4.2	Facilities Smaller Projects	Projects to maintain continuity of services and sustainability of a pleasant work environment, inclusive of routine maintenance or replacement.	\$ 547,000	\$ 282,000	\$ 265,000	\$ -	\$ -	\$ -	\$ -	\$ 265,000	-
4.3	Time Clock Replacement	Replacement of current time clock systems	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	-
4.4	Transit Asset Mgmt Plan	Implementation of new Federal mandated requirement for conditioned based assessments for a broad range of assets	\$ 975,000	\$ -	\$ 975,000	\$ -	\$ -	\$ -	\$ -	\$ 975,000	-
4.5	Roof Replacement	Repair of Central building roof	\$ 475,000	\$ -	\$ 475,000	\$ -	\$ -	\$ -	\$ -	\$ 475,000	-
4.6	Linda Mar Park-n-Ride Repaving	Linda Mar Park-n-Ride Lot Repaving	\$ 700,000	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000	-
4.7	Major Bus Components	Purchases of major bus components	\$ 4,841,436	\$ 3,341,436	\$ 1,500,000	\$ -	\$ -	\$ 937,326	\$ -	\$ 562,674	(4)
<b>Subtotal</b>					\$ 5,968,500						
<b>v. SAFETY AND SECURITY</b>											
5.1	Dumbarton Rail Corridor ROW Fencing	Install vandal resistant fencing at key locations along the Dumbarton Rail Corridor to deter trespassing, illegal dumping and homeless encampments	\$ 4,511,000	\$ 3,561,000	\$ 950,000	\$ -	\$ -	\$ -	\$ -	\$ 950,000	-
<b>Subtotal</b>					\$ 950,000						
<b>vii. Other</b>											
6.1	Contingency	Annual set-aside for unforeseen and emergency capital expenditures	\$ 250,000	\$ -	\$ 250,000	\$ -				\$ 250,000	
<b>Subtotal</b>					\$ 250,000						
<b>GRAND TOTAL</b>			\$ 30,162,017	\$ 14,792,436	\$ 15,369,581		\$ 4,258,380	\$ 2,420,150	\$ (1,083,167)	\$ 9,774,218	

**NOTES:**

- (1) State funds include FY17 LCTOP (309,127) and PTMISEA (954,000) from Gillig bus & (\$219,697 residual)
- (2) Other funding for this project includes TFCA funds of \$473,990 and CARB HVIP funds of \$950,000 for total of \$1,423,990. FY17 Capital Budget had an estimate for other funds; the negative adjustment of \$1,083,167 in FY18 is necessary to properly reflect the correct funding between the two years
- (3) Funded by TPI Grant Funds for \$1,729,500 (89%) with District Sales Tax match (11%)
- (4) State funding includes SB1 fund effective November 1, 2017

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Mark Simon  
Chief of Staff

SUBJECT: **AUTHORIZE AWARD OF CONTRACT FOR LONG-TERM DISABILITY INSURANCE  
TO RELIANCE STANDARD INSURANCE COMPANY**

**ACTION**

Staff proposes that the Committee recommend the Board award a contract to Reliance Standard Insurance Company (Reliance) for the continued provision of Long-Term Disability (LTD) insurance for a two-year period beginning June 1, 2017. The two-year cost to the San Mateo County Transit District (District) for this coverage is estimated to be \$78,000, which reflects no increase in the annual premiums.

**SIGNIFICANCE**

When an administrative employee has been disabled for more than 90 days, this long-term disability insurance ensures that the employee can continue to receive up to 60 percent of his or her regular earnings, after accounting for workers' compensation, State disability, and other benefit payments. The plan also includes a survivor benefit and incentives for returning to work.

**BUDGET IMPACT**

The cost to the District will remain at \$0.160 per \$100 of administrative payroll. In addition, Reliance will increase the monthly benefit from \$7,500 to \$10,000 with a maximum covered payroll of \$16,667 per month at no additional cost. The estimated annual cost is \$39,000 and is incorporated in present and projected budgets. No adjustment to the budget is required.

**BACKGROUND**

The District has provided LTD coverage for full-time non-bargaining employees for over 30 years. A market survey resulted in receipt of quotes from two carriers, including our current carrier, Reliance. Reliance will provide a higher maximum monthly benefit (\$10,000) at the same rate as the other respondent for this coverage, without the disruption of switching carriers. The rate quoted by Reliance is guaranteed for two years, effective June 1, 2017.

Prepared by: Juliet Nogales-DeGuzman, Manager, Employee Services 650-508-6236

**RESOLUTION NO. 2017 –**

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

\* \* \*

**AWARDING A CONTRACT TO RELIANCE STANDARD INSURANCE COMPANY FOR  
LONG-TERM DISABILITY INSURANCE FOR A TOTAL ESTIMATED COST OF \$78,000**

**WHEREAS**, the San Mateo County Transit District (District) has provided long-term disability insurance coverage for full-time administrative employees for over 30 years; and

**WHEREAS**, the District approached insurance carriers and received two quotes for long-term disability insurance; and

**WHEREAS**, a survey of the market revealed that the District's incumbent carrier, Reliance Standard Insurance Company (Reliance), will charge the same rate for this coverage as the other respondents while providing increased benefits; and

**WHEREAS**, the rate quoted by Reliance requires no increase in premiums over last year; and

**WHEREAS**, the rate is guaranteed for two years, effective June 1, 2017.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District awards a contract to Reliance Standard Insurance Company for long-term disability insurance for a two-year period, beginning June 1, 2017, at a total estimated cost of \$78,000.

**BE IT FURTHER RESOLVED** that the General Manager/CEO, or his designee, is authorized to execute a contract on behalf of the District with Reliance Standard Insurance Company to give effect to this resolution.

Regularly passed and adopted this day 3<sup>rd</sup> of May 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transit District

ATTEST:

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District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: James Hartnett  
General Manager/CEO

FROM: Mark Simon  
Chief of Staff

SUBJECT: **AUTHORIZE AWARD OF CONTRACT FOR LIFE AND ACCIDENTAL DEATH  
AND DISMEMBERMENT INSURANCE TO RELIANCE STANDARD LIFE  
INSURANCE COMPANY**

**ACTION**

Staff proposes the Committee recommend the Board award a contract to Reliance Standard Life Insurance Company (Reliance) for the continued provision of basic life and accidental death and dismemberment (AD&D) insurance for a two-year period beginning June 1, 2017. The cost to the San Mateo County Transit District (District) for this coverage is estimated to be \$164,000, which reflects no increase in the annual premiums.

**SIGNIFICANCE**

The District currently provides a minimum of \$50,000 in life insurance and \$15,000 in AD&D insurance for all regular full-time employees and members of the Board of Directors. The District also provides \$25,000 in life insurance and \$7,500 in AD&D insurance for all regular part-time employees.

**BUDGET IMPACT**

The monthly premium rates for life insurance will remain at \$0.13 per \$1,000 of coverage. The AD&D insurance rate will remain at \$0.02 per \$1,000 of coverage. Awarding a contract to Reliance will ensure continuation of the same level of benefits without any increase in costs. The estimated annual cost is \$82,000 and is incorporated in present and projected budgets. No adjustment to the budget will be necessary.

**BACKGROUND**

IMAGE Financial & Insurance Services, the District's insurance brokers for employee benefit programs, solicited for life, AD&D and optional life insurance coverage and received quotes from two carriers, one of which was from the District's current carrier, Reliance. Reliance rate quote for basic life and AD&D coverage was the same as the other respondent's. Renewing the contract with Reliance will ensure the same level of benefits and costs without the added inconvenience of switching carriers. The rate is guaranteed for two years effective, June 1, 2017.

Reliance also provides Optional Life Insurance coverage for employees, matching the current benefit levels with a guaranteed issue amount of \$200,000. Reliance will grandfather those who already have satisfied evidence of insurability. The optional life insurance benefit is an employee-paid benefit.

Prepared by: Juliet Nogales-DeGuzman, Manager, Employee Services 650-508-6236

**RESOLUTION NO. 2017 –**

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

**\* \* \***

**APPROVING PLACEMENT OF LIFE AND ACCIDENTAL DEATH  
AND DISMEMBERMENT INSURANCE COVERAGE WITH  
RELIANCE STANDARD LIFE INSURANCE COMPANY FOR TWO YEARS  
AT AN ESTIMATED ANNUAL COST OF \$82,000**

**WHEREAS**, the San Mateo County Transit District (District) provides life and accidental death and dismemberment (AD&D) insurance coverage for its employees; and

**WHEREAS**, the District has solicited new or continued life and AD&D insurance coverage and received quotes from two carriers; and

**WHEREAS**, Reliance Standard Life Insurance Company (Reliance), the District's current provider of life and AD&D insurance, proposed the best prices for the coverage sought; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the District award a contract to Reliance for the placement of life and AD&D insurance for all regular employees and Board members at an estimated annual premium cost of \$82,000 for two years beginning June 1, 2017.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District approves the placement of life and accidental death and dismemberment insurance coverage with Reliance Standard Life Insurance Company at an estimated annual premium of \$82,000 for two years beginning June 1, 2017, with coverage for the entire two-year period at a monthly rate of \$0.13 per \$1,000 of

coverage for basic life insurance and a monthly rate of \$0.02 per \$1,000 of coverage for accidental death and dismemberment; and

**BE IT FURTHER RESOLVED** that the General Manager/CEO, or his designee, is authorized to execute a contract on behalf of the District with Reliance Standard Life Insurance Company in full conformity with the terms of this resolution.

Regularly passed and adopted this 3<sup>rd</sup> day of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transit District

ATTEST:

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District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Interim Chief Financial Officer

SUBJECT: **AUTHORIZE AWARD OF CONTRACTS FOR ON-CALL INFORMATION  
TECHNOLOGY CONSULTING AND SUPPORT SERVICES**

**ACTION**

Staff proposes that the Committee recommend that the Board:

1. Award 12 on-call, no compensation guarantee, contracts for Information Technology (IT) Consulting and Support Services, each for a three-year base term, in an aggregate not-to-exceed amount of \$11.1 million, with up to two additional, one-year option terms, to the following firms:
  1. Auriga Corporation
  2. Elegant Enterprise-Wide Solutions, Inc.
  3. eXcell, Inc.
  4. Four Nines Technologies
  5. HNTB Corporation
  6. Informatix, Inc.
  7. Lamoreaux Associates
  8. MSys, Inc.
  9. Sierra-Cedar, Inc.
  10. The Soaring Group, Inc.
  11. Strategic Solutions Group LLC
  12. Varsun eTechnologies Group, Inc.
2. Authorize the General Manager/CEO, or his designee, to execute a contract that is substantially consistent with the terms and conditions set forth in the Request for Proposals (RFP) for IT Consulting and Support Services, and in a form approved by legal counsel, with each of the 12 firms listed above.
3. Authorize the General Manager/CEO, or his designee, to exercise up to two one-year option terms on any or all of the contracts, for an aggregate not-to-exceed amount of \$3.7 million for each year, if the General Manager/CEO, or his designee, determines it is in the best interest of the San Mateo County Transit District (District) to do so.

## **SIGNIFICANCE**

The recommended contract awards will provide the District with consultants who possess the necessary expertise to work on an as-needed project basis, or staff augmentation basis, within the following four broad categories of work, which are listed with the firms that have submitted proposals in response to the RFP and were determined to be qualified to provide services in each category:

- General Programming Services/Desktop User Technical Support: This category will provide software development and implementation support for the District as related to applications created/owned by the District and other applications, which the District can modify or enhance to meet the District's evolving needs
  - Auriga Corporation
  - Elegant Enterprise-Wide Solutions, Inc.
  - eXcell, Inc.
  - Four Nines Technologies
  - MSys, Inc.
  - Sierra-Cedar, Inc.
  - Strategic Solutions Group LLC
  - Varsun eTechnologies Group, Inc.
  
- IT Infrastructure Support: This category will provide ongoing support and implementation of existing and future District resources as related to the District's administrative technology infrastructure, which primarily supports personnel.
  - Auriga Corporation
  - Elegant Enterprise-Wide Solutions, Inc.
  - eXcell, Inc.
  - MSys, Inc.
  
- Transit Technology Support: This category will provide ongoing support and implementation of existing and future District resources as related to the District's operational technology infrastructure, which supports Bus operations.
  - Auriga Corporation
  - Elegant Enterprise-Wide Solutions, Inc.
  - Four Nines Technologies
  - Lamoreaux Associates
  
- PeopleSoft Support: This category will provide analytical, developmental, and implementation support for the District as related to financial applications, which the District can modify or enhance to meet the District's evolving needs.
  - Auriga Corporation
  - eXcell, Inc.
  - HNTB Corporation
  - Informatix, Inc.
  - Sierra-Cedar, Inc.
  - The Soaring Group, Inc.
  - Varsun eTechnologies Group, Inc.

The scope of work in the RFP defines the specific technology and consulting support services for each of the four categories. As needed, the District will issue a Work Directive Proposal Request for services to be provided. Consultants will be responsible for preparing and submitting Work Directive Proposals. The District may accept a consultant's proposal or negotiate with the selected consultant, as appropriate. Once accepted by the District, a Work Directive will be issued. Award of the contracts will not obligate the District to purchase any level of effort from any of the firms as the Work Directives will be issued on a project-by-project basis, considering factors such as work priorities, specialized expertise, cost and availability of funding.

**BUDGET IMPACT**

Work Directives issued under these contracts will contain a defined scope of services, and a separate schedule and budget. Funds will be provided in approved capital project or operating budgets.

**BACKGROUND**

An RFP was issued and advertised in a local newspaper and on the District's procurement website. The RFP was issued as a joint procurement with the Peninsula Corridor Joint Powers Board. The District received 23 proposals, 11 of which met the requirements to receive a Small Business Enterprises (SBE) preference. An Evaluation Committee (Committee) composed of qualified District staff reviewed and scored the proposals in accordance with the following weighted criteria:

- Approach to Scope of Services 25%
- Qualifications and Experience of Management Team and Key Personnel 50%
- Labor Category Rates 20%
- Small Business Enterprise (SBE) Preference 5%

Twelve firms (including seven that qualified for the SBE preference) achieved a score within the competitive range. Upon completion of the review of references, financial review, and final scoring of proposals, it was determined that all 12 firms have the requisite depth of experience and have the required qualifications to successfully perform the desired services.

The Committee reviewed the rates and other cost elements submitted by the 12 firms in the competitive range and found that the proposed rates compared favorably to those in existing IT consultant support services contracts. Each firm is fully capable of providing the specified services at a fair and reasonable price. Staff has determined that it would be in the best interest of the District to award contracts to all 12 firms, in order to have a qualified bench of firms that can provide the desired expertise in the four categories listed above, as needs arise.

The previous on-call contracts were awarded in 2011 to 10 firms for an aggregate not-to-exceed amount of \$14,166,166 for a five-year term ending August 2016.

Sr. Contract Officer: Alan Chan 650-508-6256  
Project Manager: Carl Cubba, Interim Director, Information 650-622-7954  
Technology & Telecommunications

**RESOLUTION NO. 2017 –**

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

**\* \* \***

**AWARDING 12 ON-CALL CONTRACTS  
FOR INFORMATION TECHNOLOGY CONSULTING SUPPORT SERVICES FOR A THREE-YEAR  
BASE TERM AT AN AGGREGATE NOT-TO-EXCEED AMOUNT OF \$11.1 MILLION**

**WHEREAS**, the San Mateo County Transit District (District) has solicited competitive proposals to provide On-Call Information Technology (IT) Consulting and Support Services; and

**WHEREAS**, in response to the District's Request for Proposal (RFP), 23 firms submitted proposals; and

**WHEREAS**, an Evaluation Committee (Committee) composed of qualified District staff reviewed and evaluated the proposals in accordance with the criteria set forth in the RFP; and

**WHEREAS**, the Committee determined that 12 firms scored within the competitive range; and

**WHEREAS**, upon completion of reference checks and final scoring of proposals, it was determined that all 12 firms in the competitive range have the requisite depth of experience and have the required qualifications to successfully perform the desired services and will perform such services at fair and reasonable prices; and

**WHEREAS**, the 12 firms will provide the District with the necessary expertise on an as-needed project basis or staff augmentation basis for the following four broad categories of work:

- General Programming Services/Desktop User Technical Support
- IT Infrastructure Support
- Transit Technology Support

- PeopleSoft Support; and

**WHEREAS**, staff has determined that it would be in the best interest of the District to award contracts to all of the following 12 firms, in order to have a qualified bench of firms that can provide the desired expertise in the four categories listed above, as needs arise:

1. Auriga Corporation
2. Elegant Enterprise-Wide Solutions, Inc.
3. eXcell, Inc.
4. Four Nines Technologies
5. HNTB Corporation
6. Informatix, Inc.
7. Lamoreaux Associates
8. MSys, Inc.
9. Sierra-Cedar, Inc.
10. The Soaring Group, Inc.
11. Strategic Solutions Group LLC
12. Varsun eTechnologies Group, Inc.

**WHEREAS**, the accompanying staff report lists these firms by the categories of work each may be required to provide; and

**WHEREAS**, the General Manager/CEO recommends, and the Committee concurs, that the District award a contract to each of the 12 firms identified above, whose proposals meet all of the RFP requirements for furnishing On-Call IT Consulting and Support Services, with the understanding that each contract will identify the category(ies) of services that each consultant may be required to provide; and

**WHEREAS**, in awarding the contracts, the District is under no obligation to purchase any level of effort from any of the firms, as individual work directives will be issued on a project-by-project basis, considering factors such as work priorities, specialized expertise, cost and availability of funding.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors (Board) of the San Mateo County Transit District awards contracts with each of the 12 firms identified

above for IT Consulting and Support Services for a three-year base term for an aggregate not-to-exceed amount of \$11.1 million and up to two, one-year option terms for an aggregate not-to-exceed amount of \$3.7 million for each year; and

**BE IT FURTHER RESOLVED** that the Board authorizes the General Manager/CEO, or his designee, to execute contracts with the 12 firms identified above, that are substantially consistent with the terms and conditions set forth in the RFP, and in a form approved by legal counsel; and

**BE IT FURTHER RESOLVED** that the Board authorizes the General Manager/CEO, or his designee, to exercise up to two one-year option terms under the contracts with each of the 12 firms, subject to the compensation limits set forth above, if the General Manager/CEO, or his designee, determines it is in the best interest of the District to do so.

Regularly passed and adopted this 3<sup>rd</sup> day of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transit District

ATTEST:

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District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly Interim Chief Financial Officer      David Olmeda Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE AWARD OF A CONTRACT FOR NEW HEAVY-DUTY DIFFERENTIALS**

**ACTION**

Staff proposes that the Committee recommend that the Board:

- 1. Award a contract for new heavy-duty bus differentials to the lowest responsive and responsible bidder, Gillig LLC (Gillig), for a total estimated cost of \$176,000 for a five-year term.
- 2. Authorize the General Manager/CEO to execute a contract with Gillig in full conformity with the terms and conditions of the bid specifications documents.

**SIGNIFICANCE**

The contract would provide the San Mateo County Transit District (District) with a dedicated supplier responsible for providing new heavy-duty bus differentials, a major bus component, for all models of the District's fleet of heavy-duty buses.

**BUDGET IMPACT**

Funds to support the award of this contract are included in the adopted Fiscal Year 2017 Operating Budget and will be included in future operating budgets.

**BACKGROUND**

An Invitation for Bids (IFB) was issued to obtain bids for either remanufacturing of heavy-duty differentials (Option 1) or provision of new heavy-duty differentials (Option 2) over a five-year term. Bidders were instructed to bid on either Option 1 or Option 2, but not both. The IFB specified that award would be made to the lowest responsive and responsible bidder on either Option 1 or Option 2. Staff advertised the requirements on the Public Purchase website and in local newspapers. One bid was received for Option 1 at a grand total bid price of \$567,227. Three bids were received for Option 2, as follows:

1.	Gillig LLC, Hayward, CA	\$176,000
2.	Axletech, Troy, MI	\$199,915
3.	Bayshore Truck Equipment, W. Sacramento, CA	\$238,920

Staff and Legal Counsel reviewed the apparent low bid and determined that Gillig is the lowest responsive, responsible bidder for provision of new heavy-duty differentials.

Bayshore Truck Equipment is the District's current contractor. It has a five-year contract for \$287,010, which expired on April 19, 2016. The contract was extended for one year, on a month-to-month basis, until a new contract could be awarded.

Contract Officer: Brian Geiger 650-508-7973  
Project Manager: Natalie Chi, Bus Maintenance Contract Administrator 650-508-6418

**RESOLUTION NO. 2017-**

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

**\* \* \***

**AWARDING A CONTRACT TO GILLIG LLC  
FOR NEW HEAVY DUTY DIFFERENTIALS  
AT A TOTAL ESTIMATED COST OF \$176,000 FOR A FIVE-YEAR TERM**

**WHEREAS**, the San Mateo County Transit District (District) solicited competitive bids for the remanufacturing or provision of new heavy-duty differentials, a major bus component, for a five-year term; and

**WHEREAS**, bidders were instructed to bid on either remanufacturing of heavy-duty differentials (Option 1) or provision of new heavy duty differentials (Option 2), but not both; and

**WHEREAS**, one responsive bid was received for Option 1 and three responsive bids were received for Option 2; and

**WHEREAS**, the price of the sole Option 1 bid was significantly higher than all of the Option 2 bids; and

**WHEREAS**, staff and legal counsel reviewed the apparent low bid for Option 2 and determined that Gillig LLC submitted the lowest responsive and responsible bid for the provision of new heavy-duty differentials; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the District award a five-year contract to Gillig LLC for a total estimated cost of \$176,000.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District awards a contract to Gillig LLC to provide new heavy-duty differentials for a five-year term at a total estimated cost of \$176,000; and

**BE IT FURTHER RESOLVED** that the General Manager/CEO, or his designee, is authorized to execute a contract on behalf of the District with Gillig LLC in full conformity with the terms and conditions of the bid specification documents and in a form approved by legal counsel.

Regularly passed and adopted this 3<sup>rd</sup> day of May 2017, by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transit District

ATTEST:

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District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Chief Financial Officer

David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE AMENDMENT INCREASING THE CONTRACT AMOUNT BY \$826,567  
AND EXTENDING THE CONTRACT WITH CLASSIC GRAPHICS FOR PROVISION  
OF AUTOBODY REPAIRS AND REPAINTING SERVICES**

**ACTION**

Staff proposes the Committee recommend the Board:

1. Approve an amendment increasing the contract amount by \$826,567 and exercising two one-year options with T&J Lewis, Inc. dba Classic Graphics (Classic Graphics) for body work and repairs for provision of autobody repair and repainting services; and
2. Authorize the General Manager/CEO, or his designee, to execute an amendment reflecting the above actions, in a form approved by legal counsel.

**SIGNIFICANCE**

Approval of the above actions will benefit the San Mateo County Transit District (District) by having a dedicated, qualified firm for continued provision of autobody repair and repainting services of SamTrans buses and support vehicles and equipment.

The amendment amount of \$826,567 represents an increase of Classic Graphics' contracted hourly rate for body work and repairs from \$35 per hour to \$65 per hour. Staff canvassed the open market and determined that the market hourly "shop rate" for the services is \$90 to \$100 per hour. Classic Graphics' hourly rates have not increased in the five years since contract award and have been and remain below market rates. Staff has determined Classic Graphics' proposed rates to be fair and reasonable.

This amendment will not obligate the District to purchase any specific level of effort, as Classic Graphics will be engaged on an as-needed basis.

**BUDGET IMPACT**

The services will be performed on an as-needed basis and can be funded from the approved District operating budget.

**BACKGROUND**

In January 2012, the District issued an Invitation for Bids (IFB) for provision of the services. The IFB was for a five year base term with two one-year option terms exercised at the District's sole discretion. On April 11, 2012, the Board adopted Resolution No. 2012-12, which awarded a contract for these services to Classic Graphics for the five year base term at an estimated total cost of \$1,274,310, but did not address the two one-year option terms.

The District previously amended the contract to add provision, installation, and removal, if necessary, of a laminate bus wrap onto the exterior of a SamTrans bus, as part of the District's annual "Art Takes a Bus Ride" marketing campaign and community outreach program. This amendment increased the estimated total contract amount by \$25,537 from \$1,274,300 to \$1,299,847 for the five year term.

Classic Graphics' performance has been satisfactory and in conformance with the terms and requirements of the contract. Therefore, staff recommends that the Board authorize the General Manager/CEO, or his designee, to amend the contract to exercise the two one-year options, which will extend the contract term from July 1, 2017 to June 30, 2019 and increase the estimated total contract amount by \$826,567 to reflect an increase of Classic Graphics' contracted hourly rate. If approved, the total contract value for seven years (five year base plus two one-year options) will be \$2,126,414.

Sr. Contract Officer: Luis F. Velásquez 650-622-8099  
Project Manager: Natalie Chi, Bus Maintenance Contract Administrator 650-508-6418

**RESOLUTION NO. 2017 -**

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

\* \* \*

**INCREASING THE CONTRACT AMOUNT BY \$826,567 AND EXTENDING THE  
CONTRACT WITH CLASSIC GRAPHICS FOR PROVISION OF AUTOBODY  
REPAIR AND REPAINTING SERVICES**

**WHEREAS**, in January 2012, the San Mateo County Transit District (District) let an Invitation for Bids for provision of autobody repair and repainting services for SamTrans buses and support vehicles and equipment (Services) for a five year base term with two one-year options; and

**WHEREAS**, pursuant to Resolution No. 2012-12, the Board of Directors (Board) authorized award of a five-year base term contract for the Services to T&J Lewis, Inc. dba Classic Graphics (Classic Graphics) of Newark, California; and

**WHEREAS**, the Board action awarding the contract did not include authorization to exercise the option terms; and

**WHEREAS**, Classic Graphics' performance has been satisfactory and in conformance with the terms and requirements of the contract, and staff has found Classic Graphics' rates to be fair and reasonable; and

**WHEREAS**, staff has determined it is in the best interest of the District to exercise the two one-year option terms, and increase the estimated total contract amount by \$826,567 for the cost of the Services during the option terms; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board authorize an amendment to the contract with Classic Graphics in order to exercise the option terms which will extend the contract

term from July 1, 2017 to June 30, 2019, and increase the estimated contract total amount by \$826,567 from \$1,299,847 to \$2,126,414.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District authorizes amendment of the contract with T & J Lewis, Inc. (dba Classic Graphics) to exercise the two one-year option terms, which will extend the contract term from July 1, 2017 to June 30, 2019, and increase the estimated total contract amount by \$826,567 from \$1,299,847 to \$2,126,414; and

**BE IT FURTHER RESOLVED** that the Board authorizes the General Manager/CEO, or his designee, to execute an amendment reflecting the above actions, in a form approved by legal counsel.

Regularly passed and adopted this day 3<sup>rd</sup> of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chair, San Mateo County Transit District

ATTEST:

\_\_\_\_\_  
District Secretary



**RESOLUTION NO. 2017-**

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

**\* \* \***

**AWARDING A CONTRACT TO DOWNTOWN FORD FOR THE PURCHASE OF UP TO SEVEN  
NEW 2017 SERVICE SUPPORT VEHICLES THROUGH THE STATE OF CALIFORNIA  
DEPARTMENT OF GENERAL SERVICES COMPETITIVELY BID CONTRACT  
FOR A TOTAL COST OF \$ \$207,070.14**

**WHEREAS**, the San Mateo County Transit District (District) needs to purchase seven new non-revenue support vehicles to replace older, unreliable, and costly-to maintain vehicles; and

**WHEREAS**, staff proposes to purchase four new 2017 Ford F250 super cab pickup trucks, two new 2017 Ford E350 pickup trucks, and one new 2017 Ford F350 super cab flatbed truck (seven service support vehicles) as replacement vehicles to be used in a variety of work-related activities such as deployment of field supervisors to verify routes and monitor service levels; and

**WHEREAS**, pursuant to California Public Contract Code Section 10298, the State of California Department of General Services (DGS) makes available to public agencies numerous items including vehicles from approved vendors who have been selected by the State through a sealed competitive bid process; and

**WHEREAS**, the District routinely uses this State procurement system to purchase cars, trucks, cargo vans, and other support service vehicles to meet its operational needs; and

**WHEREAS**, funding for the purchase of up to seven service support cab and chassis vehicles has been programmed into the Fiscal Year 2017 Capital Budget, and

maintenance and fuel costs have been programmed into the current and projected operating budgets; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that a contract be awarded to Downtown Ford of Sacramento, California through the DGS contract for the purchase and delivery of up to seven service support vehicles for a total cost of \$207,070.14, inclusive of delivery, taxes, and tire fees.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District awards a contract to Downtown Ford of Sacramento, California for the purchase and delivery of seven service support vehicles described above for a total cost of \$207,070.14; and

**BE IT FURTHER RESOLVED** that the General Manager/CEO or his designee is authorized to execute a contract on behalf of the District with Downtown Ford in accordance with the terms and conditions of the DGS competitively-bid contract and in a form approved by legal counsel

Regularly passed and adopted this 3<sup>rd</sup> day of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transit District

ATTEST:

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District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Kathleen Kelly  
Interim Chief Financial Officer

David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE THE DISPOSITION OF SIXTEEN SURPLUS HEAVY-DUTY BUSES**

**ACTION**

Staff proposes the Committee recommend the Board:

1. Authorize the disposition of the following surplus buses:
  - Six 1998 40-foot Gillig Buses
  - Six 2002 40-foot Gillig Buses
  - Four 2003 40-foot Gillig Buses
2. Authorize the General Manager/CEO or his designee to dispose of the above listed buses in accordance with the San Mateo County Transit District (District) Procurement Policy.

**SIGNIFICANCE**

The District routinely disposes of rolling stock, equipment and other property that has reached the end of its useful life. Disposition of the buses listed above is in keeping with this practice and will be carried out in full compliance with District Procurement Policy and applicable Federal Transit Administration (FTA) regulations. The Procurement Policy permits disposition by sealed bid, public auction, sale, negotiation, transfer to another public agency, or by discarding as scrap. A select number of these buses may be transferred to another public agency and the remainder sold at public auction.

**BUDGET IMPACT**

The Gillig buses originally were purchased with a mix of Federal and State funds. Any proceeds gained from the disposition of these buses, less auctioneer's fees and any proceeds due to the FTA, as applicable, will be deposited to the District's General Fund.

**BACKGROUND**

These buses were used for the Dumbarton Express Service and have reached the end of their useful lives. In order to reduce the District's surplus ratio, they have been identified for disposal.

Contract Officer: Brian Geiger 650-508-7973  
Project Manager: Natalie Chi, Bus Maintenance, Contract Administrator 650-508-6418

**RESOLUTION NO. 2017-**

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

**\* \* \***

**AUTHORIZE THE DISPOSITION OF SIXTEEN SURPLUS GILLIG BUSES**

**WHEREAS**, the San Mateo County Transit District (District) has a policy to routinely dispose of used surplus rolling stock; and

**WHEREAS**, District staff has identified the following as surplus and eligible for disposal:

- Six 1998 40-foot Gillig Buses
- Six 2002 40-foot Gillig Buses
- Four 2003 40-foot Gillig Buses; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the District's Board of Directors (Board) authorize the disposition of the surplus buses identified above by any means permitted by the District's Procurement manual, which follows applicable Federal Transit Administration (FTA) regulations, including through sealed bid procedures, auction, sale or transfer to another public agency, negotiation, or by discarding items as scarp; and

**WHEREAS**, the proceeds from the disposition of the surplus buses will be deposited in the District's General Fund, less auctioneer's fees and any proceeds due the FTA, if applicable.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District hereby authorizes the disposition of sixteen surplus buses identified above in accordance with the District's procurement policy; and

**BE IT FURTHER RESOLVED** that the Board authorizes the General Manager/CEO or his designee to determine, in a manner consistent with District's procurement policy, the appropriate method of and terms for disposition of these surplus buses.

Regularly passed and adopted this 3<sup>rd</sup> day of May 2017 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

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Chair, San Mateo County Transit District

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District Secretary



BOARD OF DIRECTORS 2017

ROSE GUILBAULT, CHAIR  
CHARLES STONE, VICE CHAIR  
JEFF GEE  
CAROLE GROOM  
ZOE KERSTEEN-TUCKER  
KARYL MATSUMOTO  
DAVE PINE  
JOSH POWELL  
PETER RAITO

JIM HARTNETT  
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, MAY 3, 2017 – 2:45 p.m.**  
or immediately following previous Committee meeting

1. Call to Order

**ACTION**

2. Approval of Minutes of Legislative Committee Meeting of April 5, 2017

**INFORMATIONAL**

3. State and Federal Legislative Update
4. Regional Measure 3 Update
5. Adjourn

Committee Members: Karyl Matsumoto, Josh Powell, Charles Stone

NOTE:

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

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

**MINUTES OF LEGISLATIVE COMMITTEE MEETING  
COMMITTEE OF THE WHOLE  
APRIL 5, 2017**

Committee Members Present: K. Matsumoto (Committee Chair), J. Powell, C. Stone

Other Board Members Present, Constituting Committee of the Whole: J. Gee, C. Groom, R. Guilbault (Chair), Z. Kersteen-Tucker, P. Ratto

Other Board Members Absent, Constituting Committee of the Whole: D. Pine

Staff Present: J. Cassman, A. Chan, C. Fromson, J. Hartnett, K. Kelly, M. Martinez, N. McKenna, S. Murphy, D. Olmeda, M. Simon, S. van Hoften

Committee Chair Karyl Matsumoto called the meeting to order at 4:15 p.m.

**Approval of Minutes of March 1, 2017**

Motion/Second: Stone/Powell

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Update on the State and Federal Legislative Program**

Casey Fromson, Director, Government and Community Affairs, said

Federal

- The transportation bill is moving forward. Caltrain is a key project in the House and Senate bill transportation program.
- The president released a Skinny Budget that provides some indications of the administration's priorities. There has been a lot of push back from the transportation world because of the severely reduced funding for the Capital Investment Grant Program.
- A full budget is expected to be released in the May timeframe
- The FY2017 appropriations could provide some guidance for what Congress may expect. April 28 is the key date for the FY2017 appropriations.

State

The governor and the leaders of the Senate and Assembly have negotiated a transportation package that they are now aggressively seeking votes for. This package would provide funding for local roads and highways. A vote is expected in both chambers on April 6.

Director Josh Powell asked if the \$647 million for Caltrain is in the appropriations. Ms. Fromson said it is. Each year the Federal Transit Administration Core Capacity Program appropriates funds to different projects. The application Caltrain has is for \$647 million. Caltrain has received some previously appropriated funds for FY2016 of approximately \$73 million and FY2017 could have an additional \$100 million on top of that. Ms. Fromson said in order to access these funds the Full Funding Grant Agreement must be executed.

Director Powell asked if there is anything in the State bill that would cover Caltrain electrification if the Federal funding falls through. Ms. Fromson said there are pots of money that would benefit many different aspects of Caltrain and Caltrain is called out along with the Highway 101 project in the new Congested Corridor Program.

Director Jeff Gee said the dynamics of funding is not only at the national level, but also within California. He asked what staff's experience was at League of Cities asking them for their support. Ms. Fromson said there is broad support across the nation for electrification. In California, at the Federal level, Republicans and Democrats are at odds on funding and it centers on high-speed rail (HSR). At the League of Cities it wasn't as much about HSR, but more of an urban divide and where funds would be going towards.

Adjourned: 4:23 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Legislative Committee

THROUGH: Jim Hartnett  
Executive Director

FROM: Seamus Murphy  
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

**ACTION**

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

**SIGNIFICANCE**

**STATE ISSUES**

AS OF 4/24/2017:

On April 6, 2017, the Legislature passed a landmark transportation funding package, Senate Bill (SB) 1. The bill passed largely along party lines (Senate 27-11 and Assembly 54-26).

This is the first time in 40 years, that the Legislature has approved a major state transportation funding package with ongoing revenue backed by new transportation-related taxes and fee.

The \$5.24 billion per year funding package, which generates new revenues from various taxes and fees, is designed to repair and maintain state highways and local roads, improve trade corridors, and support public transit & active transportation.

The funding package also includes a provision ACA 5 (Frazier), which will place a constitutional amendment on the November 2018 ballot to firewall the resources from being diverted away from their intended use.

Highlights from SB1:

<b>Program</b>	<b>Amount (Annual)</b>
Local Streets and Roads	\$1.5B
State Highway Maintenance and Rehabilitation	\$1.5B
Public Transit Operations and Capital	\$750M
Highway Bridge and Culvert Maintenance	\$400M
High Priority Freight Corridor	\$300M
Congested Corridor Relief	\$250M
Local Partnership Program	\$200M
Active Transportation Program	\$100M
Regional Transportation Improvement Program	\$82.5M
Local Planning Grants	\$25M
Transportation Research	\$7M

<b>Revenue Source</b>	<b>Amount (Annual)</b>
12-Cent Per Gallon Gas Tax (effective 11/1/17)	\$24B
Vehicle Registration Surcharge (effective 1/1/18)	\$16.3B
20-Cent / Gallon Diesel Excise Tax (effective 1/1/17)	\$7.3B
4 Percent Diesel Sales Tax (effective 11/1/17)	\$3.5B
\$100 Zero Emission Vehicle Fee (effective 2020)	\$200M
General Fund Loan Repayments	\$706M (one time)

New Programs:

### **Congested Corridors Program**

The bill establishes a new “Solutions for Congested Corridors Program” and authorizes \$250 million per year for annual. The program, to be administered by the California Transportation Commission (CTC), focuses on multi-modal solutions to the most congested corridors in the state and takes a performance based approach. The Caltrain corridor and 101 highway projects would be eligible for funding.

### **State-Local Partnership Program for “Self-Help” Counties**

The bill authorizes \$200 million per year to be continuously appropriated for a new program for counties that have dedicated transportation funding from uniform developer fees or voter-approved taxes. The program is similar to the State-Local Partnership Program established by Proposition 1B except it is limited to counties, so unfortunately transit agencies with voter approved taxes are not eligible. The bill requires the CTC to adopt guidelines for the program on or before January 1, 2018

## **Intercity and Commuter Rail Funding**

The bill boosts funding for intercity rail and commuter rail by dedicating a new 0.5 percent diesel sales tax to this purpose. Funds may be spent for operations or capital and the actual amount of revenue each year will depend on diesel prices and sales. Of the approximately \$37.5 million available each year, funds would be distributed as the following:

- 50 percent intercity rail services (Capitol Corridor, San Joaquin, Pacific Surfliner)
- 50 percent commuter rail services (Caltrain, ACE, SMART, MetroLink, Coaster).  
The funding would be evenly split among the commuter rail services until July 1, 2019, when the funds will be allocated on a formula basis, pursuant to new guidelines to be established by CalSTA with input from commuter rail services.

## Other Programs:

**State Transit Assistance (STA):** Increases the incremental sales tax on diesel fuel dedicated to the STA, generating approx. \$250 million per year to be used for transit capital and operations purposes. Additional \$105 million per year to the STA program, for "state of good repair" types of expenditures.

**Transit and Intercity Rail Capital Program:** Increases approximately \$245 million per year to the Transit and Intercity Rail Capital Program, the competitive transit capital program overseen by the California State Transportation Agency.

**State Transportation Improvement Program (STIP):** Boosts funding the STIP by setting the rate at 17.3 cents/gallon on July 1, 2019, plus an annual adjustment to keep pace with inflation that will begin in July 1, 2020. The Metropolitan Transportation Commission estimates that for the Bay Area, this amounts to approximately \$140 million over 10 years.

## Related Legislation:

In parallel to the negotiations on SB 1 to secure two-thirds support, several other bills were amended and must pass for SB 1 to take effect. Notable earmarks include in the companion bills include:

- \$427 million for the Riverside County Transportation Efficiency Corridor for five specific projects, including grade separation projects, bridge widening, an interchange and the 91 Toll Connector to Interstate 15 North
- \$400 million for the extension of the Altamont Commuter Express to Ceres and Merced from the TIRCP
- \$100 million for the University of California, Merced Campus Parkway Project from the State Highway Account

SB 496 (Canella), whose provisions were recently amended into a bill originally authored by Senate President Pro Tempore Kevin DeLéon (who remains as a coauthor) now pertains to indemnity agreements with design professionals.

SB 496 provides that with respect to all contracts for design services entered into after January 1, 2018, indemnity agreements are unenforceable, except under certain circumstances.

**FEDERAL ISSUES**

AS OF 4/24/2017:

The Department of Transportation Fiscal Year (FY) 2017 Appropriations Bill expires on April 28, 2017. There are several items on President Trump's agenda such as the \$1.4 billion for the border wall that are stalling negotiations. Staff expects at least a one week continuing resolution of the FY2017 bills.

This week, while touring the John A. Volpe National Transportation Systems Center in Cambridge, Massachusetts, U.S. Transportation Secretary Elaine Chao said that the \$1 trillion infrastructures package will likely debut this summer, after the Administration tackles tax reform. Secretary Chao has previously said the infrastructure plan could be released as early as May.

Prepared By: Casey Fromson, Director, Government and  
Community Affairs

650-508-6493

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Legislative Committee

THROUGH: Jim Hartnett  
Executive Director

FROM: Seamus Murphy  
Chief Communications Officer

SUBJECT: **REGIONAL MEASURE 3**

**ACTION**

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

**SIGNIFICANCE**

The Metropolitan Transportation Commission (MTC) is leading an effort to pursue a new regional transportation funding measure (RM3) for the 2018 election cycle. RM3 would increase the tolls on the region's seven state-owned toll bridges (San Francisco-Oakland Bay Bridge, San Mateo-Hayward Bridge, Dumbarton Bridge, Carquinez Bridge, Benicia-Martinez Bridge, Antioch Bridge and Richmond-San Rafael Bridge).

Revenues generated by a \$1 to \$3 toll increase would potentially generate \$1.7 billion to \$5 billion over 25 years. Revenues generated by the toll increase are expected to fund projects that demonstrate a strong nexus to reducing congestion and increasing efficiency in the bridge corridor.

As a fee, a simple majority of voters would be needed to approve the measure. Before it would be voted on, it must first be authorized by the state through legislation. Senator Jim Beall has introduced Senate Bill 595 as the spot bill for this measure.

In December, MTC held a Commission workshop on the RM3 process and that agenda packet is also included for your reference as well as Senator Beall's authorizing bill factsheet.

The deadline to introduce legislation for consideration in the first half of the 2017-2018 Legislative Session was February 17. Staff is monitoring several bills that have been introduced including:

**BACKGROUND**

In 1988, Regional Measure 1 established a uniform \$1 base toll and funded primarily a small set of bridge replacement and expansion projects. In 2004, Regional Measure 2 raised the toll by \$1 and funded a much larger set of bridge, highway, and transit projects in the bridge corridors.

During 2017, MTC will continue engagement with partner agencies such as transit operators and congestion management agencies regarding projects and operations for consideration in RM3. During this same time period, there will be legislative review and action by the state Legislature to provide MTC with authorization to put the measure on the ballot.

In anticipation of continued engagement at the local, regional and State level on RM3, staff has provided the attached draft candidate project list for Board review and comment. This draft list includes projects that would not only benefit the agency but provide congestion relief throughout the Peninsula.

#### Attachments

- A. Draft Candidate Project List
- B. MTC December Commission Workshop RM3 Agenda Item
- c. Senate Bill 595 Fact Sheet

Prepared by: Casey Fromson, Director, Government and  
Community Affairs

650-508-6493

## Attachment A

<b>Regional Measure 3 (RM3) - Candidate Project List</b>					
<b>Sponsor</b>	<b>Project</b>	<b>Location</b>	<b>Project Description</b>	<b>Capital Cost</b>	<b>Annual Operations Cost</b>
SMCTA/ C/CAG	US 101 Managed Lanes (South of I-380)	San Antonio Rd (Santa Clara County) to I-380	Add 22 miles of managed lanes (HOV and/or HOT) in San Mateo County	up to \$325M	TBD
SMCTA/ C/CAG	US 101 Managed Lanes (North of I-380)	US 101 from I-380 to SF County Line	Add northbound and southbound managed lane (HOV and/or HOT) from I-380 to San Francisco County line.	up to \$250M	TBD
SamTrans	Dumbarton Corridor	Dumbarton SR 84 and Dumbarton Rail bridge, and approaches	Mix of transportation improvements to address both congestion on the Dumbarton Bridge (Highway 84) and connecting roadways, as well as the rehabilitation and repurposing of the Dumbarton rail bridge to the south.	Cost estimates will range from tens of millions to up to \$1.2B (rail solution on the rail bridge)	TBD
SamTrans	SamTrans El Camino Real Corridor	Palo Alto to Daly City	Add rapid transit in the ECR corridor	\$16.5m for rapid transit	\$2.5m
SamTrans	Operations at SF Transbay Terminal	Palo Alto to Daly City	Operating support for SamTrans buses operating at the SF Transbay Terminal	N/A	TBD
Caltrain	Calmod 2.0	SF to San Jose	Full conversion to 100% EMU + capacity increase (\$440m); broadband (\$30m); Maintenance Facility improvements (\$36m); level boarding & platform extensions (\$250M)	up to \$756M	TBD
Caltrain	Caltrain Downtown Extension (DTX)	SF Caltrain Station to Transbay Terminal	Extending Caltrain from current terminal station in SF to the Transbay Terminal	\$3.9B (total cost of project)	TBD

## Attachment A

SM/Foster City	101/92 Interchange improvements	San Mateo/Foster City	Array of alternatives that would improve traffic flow and increase mobility within the heavily congested 101/92 Interchange	up to \$160M	TBD
Redwood City	Woodside Interchange	US 101/SR 84 Woodside Interchange	Improve the US 101/Woodside Interchange.	\$142M	TBD
Various	Bicycle/Pedestrian facilities	Various	Improvements to bicycle/pedestrian access connected to toll corridors, including the San Francisco Bay Trail.	\$20M	TBD
WETA	Expanded Ferry Service RWC	Redwood City	The new Redwood City terminal will open between 2022 and 2026, offering ferry service to San Francisco.	\$94M	\$12M
WETA	Expanded Ferry Service SSF	South San Francisco	In June of 2012, construction of the new South San Francisco terminal was completed and service was launched.	\$18M	\$8M
BART	BART Rail Car Rehab	Systemwide across 5 counties	Rehabilitation of aging BART cars	TBD (SM share)	TBD
City of East Palo Alto	University Avenue Improvements	University Ave between Highway 101 and the Dumbarton Bridge	Improve traffic and safety through this major transportation corridor between Highway 101 and the Dumbarton Bridge.	\$5M	TBD
Cities	Grade Separation	Various	Grade separation connected to toll bridge corridors.	\$250M	TBD



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Agenda Item 2

Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105  
TEL 415.778.6700  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

## ATTACHMENT B

TO: Commission

DATE: December 8, 2016

FR: Executive Director

RE: Regional Measure 3

### **Background**

Included in the Commission's Draft Advocacy Program for 2017 is a recommendation that the Commission sponsor legislation authorizing MTC to place on the ballot a measure asking Bay Area voters to approve a bridge toll increase to fund congestion relief projects for improved mobility in the bridge corridors. This memo and the attachments include information for your discussion and policy direction as we seek to pass legislation in 2017 to achieve this goal.

Attached to this memo are the following documents.

- A map showing the major investments included in Regional Measures 1 and 2 – RM1 and RM2 (Attachment A)
- Key Policy Considerations (Attachment B)
- Charts that include data on the county of origin of the toll payers, the relative size of the toll collections at each of the toll bridges and registered voter information (Attachment C)

### **Process**

Unlike local sales tax measures where the Legislature has provided a general grant of authority to a county to create an expenditure plan to be placed on the ballot, RM1 and RM2 included an expenditure plan written and adopted by the Legislature as part of its normal bill passage process. The toll program is also unique in that it is regional in nature and the tolls are pooled together to fund projects throughout the bridge system. The toll revenue provides a benefit to those paying the fees (i.e. toll bridge users) or mitigates for the activity associated with the fees. As fees, toll increases are subject to a simple majority vote, rather than two-thirds. In the case of RM1 and RM2, and MTC's regional gas tax authorization statute, the vote is tallied region-wide, rather than county-by-county.

In 2003, when RM 2 was under consideration by the Legislature, then Senate Pro Tem Don Perata created a special Select Committee that held a number of public hearings to solicit public input on the expenditure plan. Concurrently, MTC hosted a Technical Advisory Committee that met monthly to provide interested parties — transit operators, CMA's and other stakeholders — an opportunity to propose projects and discuss the attributes of proposals as they emerged in an open public forum.

We expect a similar process to begin in earnest when the Legislature convenes in January 2017, with a goal of passing a bill in 2017 so that a measure can be placed on the ballot in 2018.

**Workshop Focus**

At your December workshop, staff hopes to solicit your guidance on the key policy considerations and draft principles outlined in Attachment B as well as any other related issues of concern to the Commission. We would expect to return to the Legislation Committee at regular intervals in 2017 to review further details about the Regional Measure 3 bill as it develops, including specific projects proposed for potential funding.



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Steve Heminger

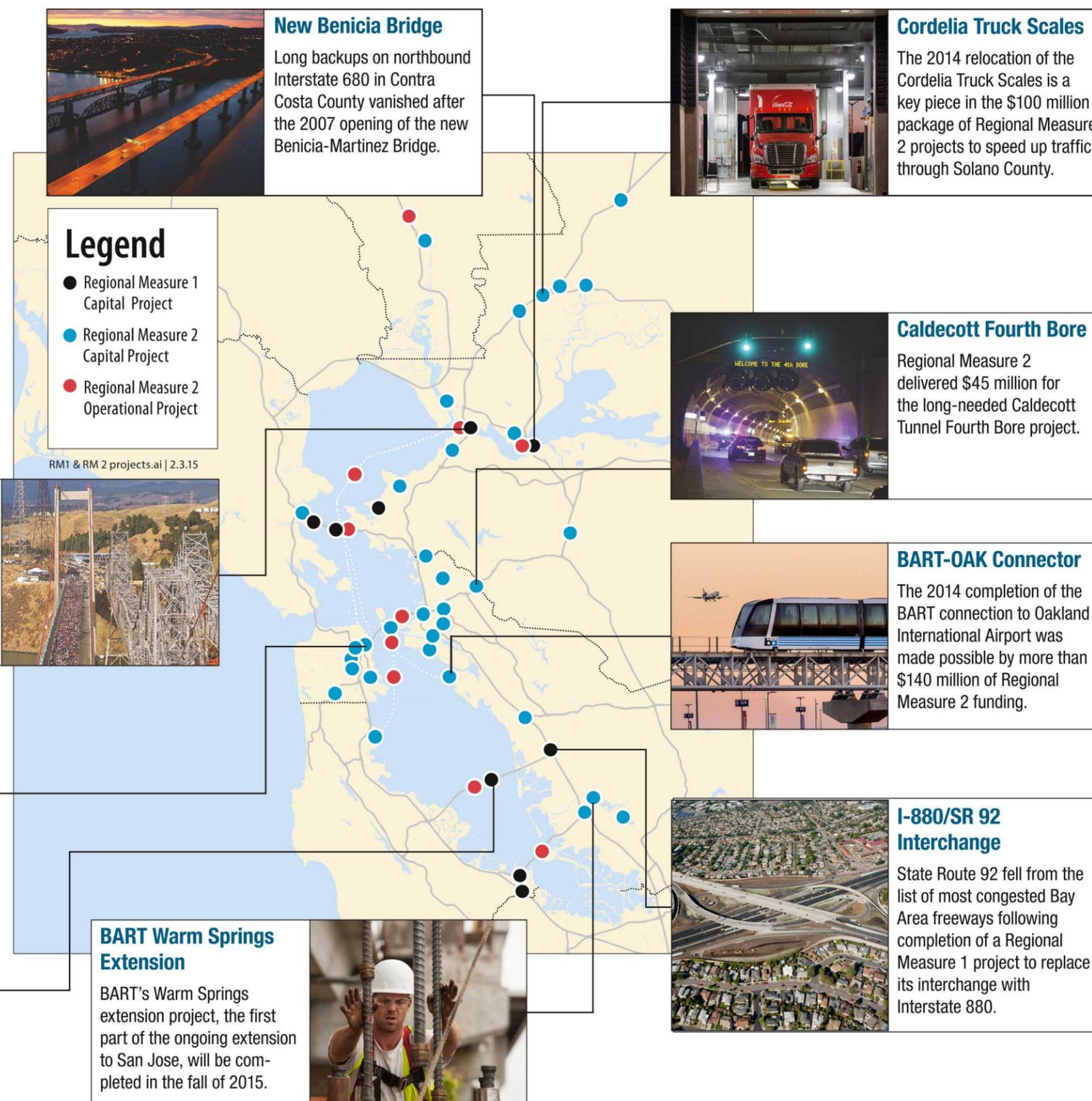
SH:RR  
Attachments



# Voter Approved Toll Bridge Measures Deliver Big Returns

Year after year, in good economic times and bad, Bay Area residents rank transportation as one of their highest priorities. Voters have proved this time and again at the ballot box, including through the passage of Regional Measure 1 in 1988 and Regional Measure 2 in 2004. These measures raised tolls on the Bay Area's seven state-owned toll bridges — and delivered dozens of the most important transportation investments of the past generation.

With these projects now completed or under construction, it's time for voters to consider a third regional measure for the Bay Area's next generation of improvements.



**New Benicia Bridge**  
Long backups on northbound Interstate 680 in Contra Costa County vanished after the 2007 opening of the new Benicia-Martinez Bridge.

**Cordelia Truck Scales**  
The 2014 relocation of the Cordelia Truck Scales is a key piece in the \$100 million package of Regional Measure 2 projects to speed up traffic through Solano County.

**Caldecott Fourth Bore**  
Regional Measure 2 delivered \$45 million for the long-needed Caldecott Tunnel Fourth Bore project.

**BART-OAK Connector**  
The 2014 completion of the BART connection to Oakland International Airport was made possible by more than \$140 million of Regional Measure 2 funding.

**I-880/SR 92 Interchange**  
State Route 92 fell from the list of most congested Bay Area freeways following completion of a Regional Measure 1 project to replace its interchange with Interstate 880.

**Legend**  
● Regional Measure 1 Capital Project  
● Regional Measure 2 Capital Project  
● Regional Measure 2 Operational Project

**New Carquinez Bridge**  
Thousands of people turned out in late 2003 to celebrate the opening of the Al Zampa Bridge linking Solano and Contra Costa counties.

**Third Street Light Rail**  
San Francisco's T-Third light-rail project provided faster and more reliable connections between downtown and the city's southeastern neighborhoods.

**San Mateo Bridge Widening**  
The late Congressman Tom Lantos was on hand in 2003 to cut the ribbon for the newly widened San Mateo-Hayward Bridge.

**BART Warm Springs Extension**  
BART's Warm Springs extension project, the first part of the ongoing extension to San Jose, will be completed in the fall of 2015.

REGIONAL MEASURE 1	Amount (\$ millions)
New Benicia-Martinez Bridge	\$1,200
Carquinez Bridge Replacement	\$518
Richmond-San Rafael Bridge Rehabilitation	\$117
San Mateo-Hayward Bridge Widening	\$210
I-880/SR 92 Interchange Replacement	\$235
Bayfront Expressway Widening	\$36
Richmond Parkway	\$6
US 101/University Avenue Interchange Improvements	\$4

REGIONAL MEASURE 2	Amount (\$ millions)
Transbay Transit Center <sup>1</sup>	\$353
e-BART/Hwy 4 Widening <sup>2</sup>	\$269
BART to Warm Springs <sup>1,2</sup>	\$304
BART Oakland Airport Connector <sup>1</sup>	\$146
Solano Co. I-80 HOV Lanes & Cordelia Truck Scales <sup>1</sup>	\$123
SMART Rail	\$82
AC Transit Bus Rapid Transit <sup>2</sup>	\$78
Transit Center Upgrades and New Buses (Regionwide)	\$65
I-580 HOV Lanes	\$53
Ferry Vessels <sup>2</sup>	\$46
Caldecott Tunnel Fourth Bore	\$45
Transit Technology (Clipper®, 511®, Signals)	\$42
Contra Costa I-80 HOV Lanes	\$37
BART Tube Seismic Retrofit <sup>2</sup>	\$34
San Francisco Third Street Light Rail	\$30
BART Central Contra Costa Crossover	\$25
Safe Routes to Transit Projects	\$23
Other Regional Projects	\$356
Transit Operations Support (Annual)	\$41

<sup>1</sup> Amount shown includes other toll revenue in addition to RM2  
<sup>2</sup> Under construction

## Draft Principles for Regional Measure 3

### Bridge Nexus

Ensure all projects benefit toll payers in the vicinity of the San Francisco Bay Area’s seven state-owned toll bridges

### Regional Prosperity

Invest in projects that will sustain the region’s strong economy by enhancing travel options and improving mobility in bridge corridors

### Sustainability

Ensure all projects are consistent with Plan Bay Area 2040’s focused growth and greenhouse gas reduction strategy

### State of Good Repair

Invest in projects that help restore bridges and transportation infrastructure in the bridge corridors

### Demand Management

Utilize technology and pricing to optimize roadway capacity

### Freight

Improve the mobility, safety and environmental impact of freight

### Resiliency

Invest in resilient bridges and approaches, including addressing sea level rise

## Regional Measure 3 – Key Policy Considerations



### When should the vote take place?

We recommend either the primary or general election in 2018. This will require the Legislature to pass the enabling legislation no later than the end of August 2017.

### How large of a toll hike should we seek?

A comparison of the revenue yield from a \$1–\$3 toll surcharge as well as a comparison of toll rates on other bridges are shown in the tables below. A multi-dollar toll surcharge could be phased in over a period of years.

Toll Surcharge Amount	Annual Revenue	Capital Funding Available (25-year bond)
\$1	\$127 million	\$1.7 billion
\$2	\$254 million	\$3.3 billion
\$3	\$381 million	\$5.0 billion

### Toll Rate Comparisons

Facility	Standard Auto Toll	Carpool Toll
BATA Bridges	\$5.00	\$2.50
Golden Gate Bridge	\$7.50/\$6.50 Plate/FasTrak	\$4.50
MTA Verrazano Narrows Bridge	\$11.08 <sup>1</sup> /\$16.00 EZ-Pass/Cash	\$3.08 <sup>1,2</sup>
Port Authority of New York/New Jersey (Bridges and Tunnels)	\$10.50/\$12.50/\$15.00 Off-Peak/Peak/Cash	\$6.50

<sup>1</sup>Results from EZ-Pass discount rate

<sup>2</sup>Average rate, based on 24 trips





### Which counties should vote on the toll increase?

Regional Measure 1 (1988) and Regional Measure 2 (2004) were placed on the ballot in only seven of the nine Bay Area counties; Napa and Sonoma were excluded. We propose that all nine counties be included in Regional Measure 3.

### Should toll revenue be used for operating purposes?

If a portion of toll revenue is reserved for operating funding (such as to subsidize transit service), the capital funding shown in the table on the prior page would be reduced. For example, for every 10% of total revenue reserved for operating purposes under a \$2 toll scenario, the capital yield from toll revenue bonds would be reduced by approximately \$300 million. Accordingly, we recommend restricting operating funding to the smallest possible amount. If an operating program is created, we recommend establishing performance standards similar to those in Regional Measure 2 as a condition of funding eligibility.

### Should congestion pricing be expanded?

The \$6 peak/\$4 off-peak weekday toll on the San Francisco-Bay Bridge has successfully reduced congestion on that span by encouraging some commuters to change their time or mode of travel. The \$6/\$4 differential toll also raises about the same amount of revenue as would a flat \$5 toll on that span. To further reduce congestion, we suggest consideration of a greater discount between the peak and off-peak rate for the Bay Bridge in Regional Measure 3.

### Should a FasTrak® discount be authorized?

The Golden Gate Bridge district offers FasTrak Discounts to incentivize more drivers to sign up for FasTrak, since electronic toll collection significantly speeds up traffic throughput on the bridge. RM 3 is an opportunity to remove a statutory restriction that currently prohibits BATA from offering similar FasTrak discounts. We recommend pursuing this change to help reduce delays and associated emissions.

### Should trucks pay an additional toll?

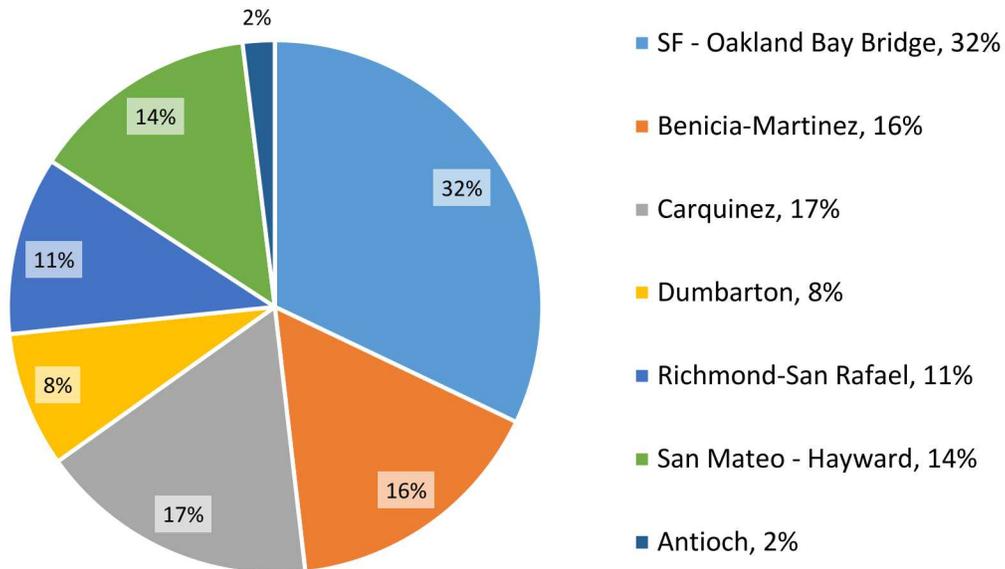
The last toll hike approved by the Bay Area Toll Authority (BATA) in 2010 included a substantial increase in the axle-based rate paid by commercial vehicles and trucks. As a result, we recommend that Regional Measure 3 be a flat surcharge added to all vehicles crossing the seven state-owned bridges.

### What kind of projects should be considered for funding?

Since bridge tolls are fees and not taxes, the use of toll revenue should benefit the payers of the fee. In other words, the projects funded by Regional Measure 3 should provide safety, mobility, access, or other related benefits in the toll bridge corridors. Regional Measure 1 funded primarily a small set of bridge replacement and expansion projects. By contrast, Regional Measure 2 funded a much larger set of both bridge, highway, and transit projects in the bridge corridors. Given the region's significant needs on all modes, we expect that Regional Measure 3 will resemble its immediate predecessor in the breadth and modal mix of projects.

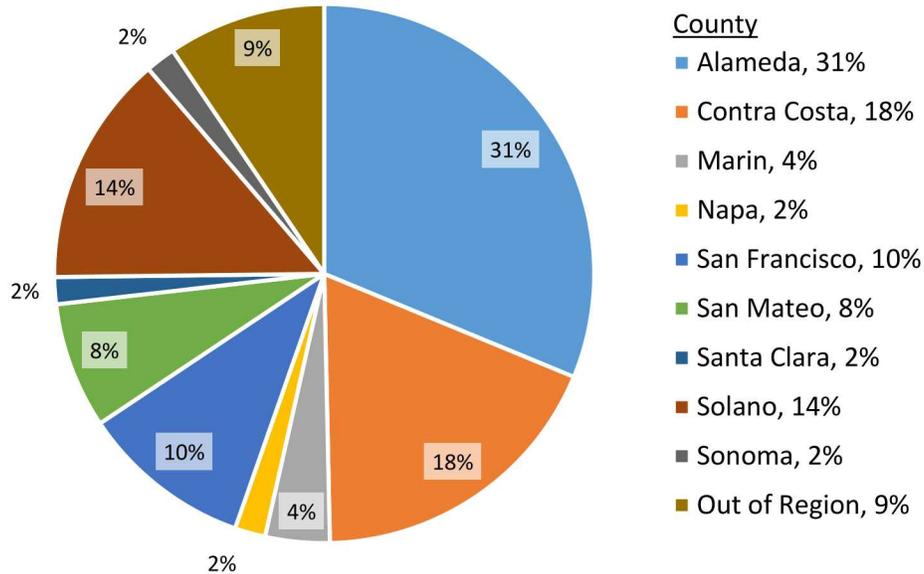


### Share of Bridge Toll Revenue by Bridge



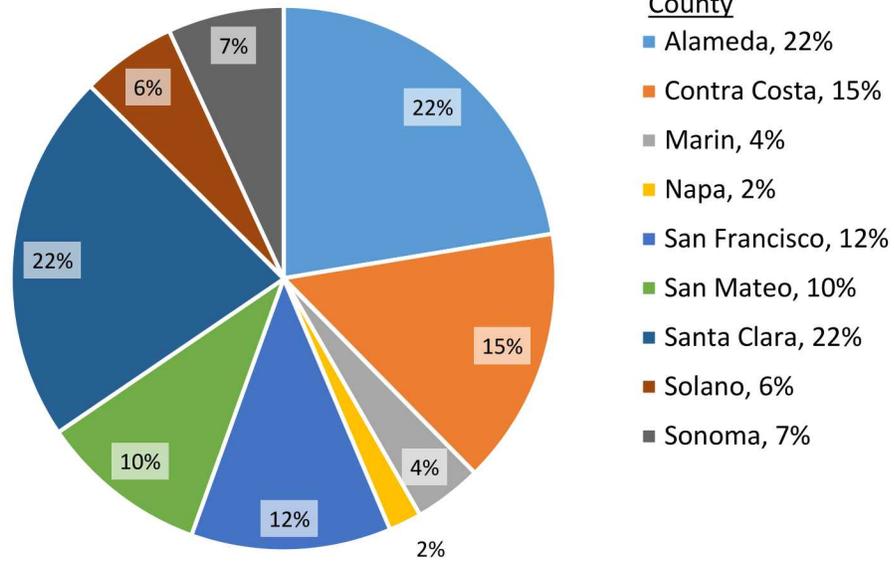
Source: FY16 Toll Revenues Collected by Bridge, MTC Comprehensive Annual Financial Report, June 30, 2016

### Share of Toll Revenue by County of Residence



Source: 2015 MTC FasTrak Data - Average Typical Weekday Transactions by County of Billing Address

### Share of Voters by County



Source: 2016 California Secretary of State Report of Registration (registered voters by county as of 10/24/2016)

**ISSUE**

Transportation infrastructure is key to supporting the San Francisco Bay Area’s strong economy and maintaining California’s leadership in high-tech and high-paying jobs. Traffic congestion on the region’s freeways, overcrowding on BART, Caltrain, ferries and buses in the toll bridge corridors is eroding the Bay Area’s quality of life, access to jobs, cultural and educational opportunities, and undermining job creation and retention. The traffic chokepoints are especially acute in the corridors of the seven state-owned toll bridges that are critical east-west and north-south arteries that bind the Bay Area together.

**BACKGROUND**

Bay Area voters have led California’s “self-help” movement in supporting new local revenue for congestion relief, including strong voter support for toll increases in 1988 and 2004. In 1988, the Legislature enacted SB 45 (Lockyer), placing on the ballot Regional Measure 1, which standardized all bridge tolls at \$1 to help build the new Benicia-Martinez Bridge and the Carquinez Bridge replacement, among other projects. The measure was approved by 70 percent.

In 2003, Senate Bill 916 (Perata) authorized Regional Measure 2, a \$1 toll increase to fund transit and roadway improvements in the bridge corridors. The measure helped build numerous transportation improvements, including the Caldecott Tunnel’s 4th Bore, BART to Warm Springs Extension (the first phase of BART to Silicon Valley), BART seismic retrofit and HOV lanes on Interstate 80, among other major projects. The measure was approved by 57 percent. In 2005, the Legislature delegated administration of all bridge toll revenue to the Bay Area Toll Authority, the Metropolitan Transportation Commission (MTC)’s affiliate agency which shares the same governing board.

**THIS BILL**

SB 595 would provide voters in the nine Bay Area counties (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma) the opportunity to jumpstart the next generation of critical transportation improvements in the bridge corridors funded by an increase in bridge tolls. The bill would require the MTC to place a measure on the ballot in all nine counties. The expenditure plan, the toll level and the timing of the vote are not yet specified in the bill and are subject to discussion with members of the Legislature and key stakeholders. SB 595 will include strong accountability provisions to ensure that funds are invested according to the voter-approved plan.

While SB 1 (Beall) provided a substantial increase in state funds focused primarily on repairing local roads and the state highway system – the state’s *aging* pains – SB 595 will address the Bay Area’s *growing* pains, by improving mobility and enhancing travel options in the region’s bridge corridors.



**STATUS/VOTES**

**SUPPORT**

Metropolitan Transportation Commission

**OPPOSITION**

None on file

**FOR MORE INFORMATION**

**Staff Contact:** Lynne Jensen Andres  
Lynne.Andres@sen.ca.gov (916) 651-4015



BOARD OF DIRECTORS 2017

ROSE GUILBAULT, CHAIR  
CHARLES STONE, VICE CHAIR  
JEFF GEE  
CAROLE GROOM  
ZOE KERSTEEN-TUCKER  
KARYL MATSUMOTO  
DAVE PINE  
JOSH POWELL  
PETER RAITO

JIM HARTNETT  
GENERAL MANAGER/CEO

## AGENDA

### **STRATEGIC PLANNING, DEVELOPMENT AND SUSTAINABILITY COMMITTEE COMMITTEE OF THE WHOLE**

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

**WEDNESDAY, MAY 3, 2017 – 3:00 p.m.**

or immediately following previous Committee meeting

1. Call to Order

#### **ACTION**

2. Approval of Minutes of Strategic Planning, Development and Sustainability Committee Meeting of April 5, 2017
3. Authorize Adoption of San Mateo County Transit District Fiscal Years 2017-2026 Short Range Transit Plan
4. Adjourn

Committee Members: Dave Pine, Jeff Gee, Charles Stone

#### NOTE:

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

Draft

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

**MINUTES OF STRATEGIC PLANNING, DEVELOPMENT AND SUSTAINABILITY  
COMMITTEE MEETING  
COMMITTEE OF THE WHOLE  
APRIL 5, 2017**

Committee Members Present: J. Gee, C. Stone

Committee Members Absent: D. Pine (Committee Chair)

Other Board Members Present, Constituting Committee of the Whole: C. Groom,  
R. Guilbault (Chair), Z. Kersteen-Tucker, K. Matsumoto, J. Powell, P. Ratto

Staff Present: J. Cassman, A. Chan, J. Hartnett, K. Kelly, M. Martinez, N. McKenna,  
S. Murphy, D. Olmeda, M. Simon, S. van Hoften

Director Jeff Gee called the meeting to order at 4:23 p.m.

**Approval of Minutes of Planning, Development and Sustainability Committee Meeting of  
March 1, 2017**

Motion/Second: Ratto/Guilbault

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**Authorize Adoption of San Mateo County Transit District Fiscal Years 2017-2026 Short  
Range Transit Plan**

This item was continued to the May meeting.

Motion/Second: Gee/Stone

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

Adjourned: 4:24 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Strategic Planning, Development and Sustainability Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: April Chan  
Chief Officer, Planning, Grants and Transportation Authority

SUBJECT: **AUTHORIZE APPROVAL OF SAN MATEO COUNTY TRANSIT DISTRICT  
FISCAL YEARS 2017-2026 SHORT RANGE TRANSIT PLAN**

**ACTION**

Staff proposes that the Committee recommend the Board approve the attached SamTrans Fiscal Year (FY) 2017 – FY 2026 [Short Range Transit Plan](#) (SRTP).

**SIGNIFICANCE**

Staff has prepared the Final SRTP that describes its transit capital and operating plans from FY2017 through FY2026. Major components of a SRTP include:

- Vision, guiding principles, and performance measures
- General system overview of fixed-route and paratransit services
- Service and system evaluation for FY2014 – FY2016
- Operations Plan and Budget for FY2017 – FY2026
- Capital Improvement Program (CIP) for FY2017 – FY2026

At the December 7, 2016 meeting, staff presented to the Board the Draft SRTP, and discussed the above elements of the plan. Since the meeting, staff submitted the Draft SRTP to the Metropolitan Transportation Commission (MTC) for review. The Final SRTP incorporates the Board-approved FY2016 audited actuals and comments received from the MTC, as appropriate.

The SRTP's operating plan reflects service changes made in 2014 to implement the SamTrans Service Plan and focuses on ongoing cost efficiency measures without additional growth in service levels over the next 10 years. The CIP addresses improvements needed to maintain the system in a state of good repair and to provide quality service to customers through smart investments.

**BUDGET IMPACT**

This project is currently funded through the FY2016 Capital Budget. No additional funding is needed for adoption of the SRTP and submission to MTC.

## **BACKGROUND**

The SRTP fulfills Federal Transit Administration and MTC regulatory requirements to implement and inform the development of MTC's Regional Transportation Plan and the Transportation Improvement Program so that the San Mateo County Transit District can qualify for State and Federal funding. The goals, objectives, and standards in the SRTP will serve as a basis for the assessment of SamTrans' performance in the MTC's Triennial Performance Audits.

MTC requires that each Bay Area transit operator that receives Federal funding prepare and submit an updated SRTP every two years. The last SRTP update was adopted by the Board in January 2015 (Resolution No. 2015-06) and covered FY2014 – 2023.

## **STRATEGIC INITIATIVE**

Overall, the SRTP is aligned with the vision and goals set forth in the SamTrans Strategic Plan.

- Priority 1: Expand Mobility Options
  - Goal 1: Increase weekday fixed-route ridership by 15 percent
  
- Priority 2: Strengthen Fiscal Health
  - Goal 1: Increase fixed-route farebox revenue by 20 percent
  - Goal 2: Reduce debt service by \$1.5 million annually
  - Goal 3: Implement existing and new best practices
  
- Priority 3: Become a More Effective Organization
  - Goal 1: Improve organizational performance
  - Goal 2: Manage workforce change

Prepared By: Lindsey Kiner, Senior Planner

650-508-7912

**RESOLUTION NO. 2017-**

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

\* \* \*

**APPROVAL OF THE SAN MATEO COUNTY TRANSIT DISTRICT  
FISCAL YEARS (FY) 2017-2026 SHORT RANGE TRANSIT PLAN**

**WHEREAS**, the Metropolitan Transportation Commission (MTC) requires Bay Area transit agencies to prepare and submit Short Range Transit Plan (SRTP) at least every two years; and

**WHEREAS**, the MTC requires that an SRTP serve as a management and policy document for transit operators that describes an agency's capital and operating budgets, capacity, and plans; and

**WHEREAS**, key components of the SRTP include the operating plan, capital improvement program, and 10-year financial forecast; and

**WHEREAS**, the goals, objectives, and standards in an SRTP serve as a basis for the assessment of an agency's performance in the MTC's Triennial Performance Audits; and

**WHEREAS**, the SRTP fulfills Federal Transit Administration (FTA) and MTC regulatory requirements to implement and inform the Regional Transportation Plan (RTP) and the Transportation Improvement Program (TIP) to qualify for federal and State funding; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District adopts the SamTrans FY 2017-FY 2026 Short Range Transit Plan, attached hereto and incorporated herein by this reference.

Regularly passed and adopted this 3<sup>rd</sup> day of May, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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Chair, San Mateo County Transit District

ATTEST:

---

District Secretary



ROSE GUILBAULT, CHAIR  
CHARLES STONE, VICE CHAIR  
JEFF GEE  
CAROLE GROOM  
ZOE KERSTEEN-TUCKER  
KARYL MATSUMOTO  
DAVE PINE  
JOSH POWELL  
PETER RATO

JIM HARTNETT  
GENERAL MANAGER/CEO

## AGENDA

### BOARD OF DIRECTORS

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

**WEDNESDAY, MAY 3, 2017 – 3:15 p.m.**

or immediately following Committee meetings

#### **1. CALL TO ORDER/ROLL CALL**

#### **2. CONSENT CALENDAR**

##### MOTION

- a. Approval of Minutes of Board of Directors Meeting of April 5, 2017
- b. Acceptance of Statement of Revenues and Expenses for March 2017
- c. Acceptance of Quarterly Investment Review and Fixed Income Market Review and Outlook for the Period Ending March 31, 2017

#### **3. PUBLIC COMMENT**

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

#### **4. REPORT OF THE CHAIR**

#### **5. CALL FOR A PUBLIC HEARING ON JUNE 7, 2017 FOR THE PROPOSED ELIMINATION OF ROUTES 11, 43 AND 89**

#### **6. REPORT OF THE GENERAL MANAGER/CEO**

- a. Annual Operations and Maintenance Base Safety Awards

#### **7. COMMUNITY RELATIONS COMMITTEE – Z. KERSTEEN-TUCKER**

##### MOTION

- a. Designate May as "Older Americans Month"

##### SUBJECTS DISCUSSED

- b. Accessibility Update
- c. Paratransit Coordinating Council Update
- d. Citizens Advisory Committee Update
- e. Multimodal Ridership Report – March 2017

**7. FINANCE COMMITTEE – C. GROOM**

INFORMATIONAL

- a. Preliminary Fiscal Year 2018 Operating Budget
- b. Preliminary Fiscal Year 2018 Capital Budget

RESOLUTIONS

- c. Award of Contract to Reliance Standard Insurance Company for Long-Term Disability Insurance for a Total Estimated Cost of \$78,000 for a Two-Year Period
- d. Contract to Reliance Standard Insurance Company for Life and Accidental Death and Dismemberment Insurance for a Total Estimated Cost of \$164,000 for a Two-Year Period
- e. 12 On-Call Contracts for Information Technology Consulting and Support Services in an Aggregate Not-to-Exceed Amount of \$11.1 Million for a Three-Year Base Term
- f. Contract for New Heavy-Duty Differentials to Gillig LCC for a Total Estimated Cost of \$176,000 for a Five-Year Term
- g. Amendment to the Contract with T&J Lewis, Inc. (dba Classic Graphics) for Provision of Autobody Repair and Repainting Services with for an Estimated Total Amount of \$826,567
- h. Purchase of Seven 2017 Support Vehicles Through the State of California for A Total Estimated Cost of \$207,070

MOTION

- i. Approve Disposition of 16 Surplus Heavy-Duty Buses

**8. LEGISLATIVE COMMITTEE – K. MATSUMOTO**

SUBJECT DISCUSSED

- a. State and Federal Legislative Update
- b. Regional Measure 3 Update

**9. STRATEGIC PLANNING, DEVELOPMENT AND SUSTAINABILITY COMMITTEE – D. PINE**

RESOLUTION

- a. Adopt the San Mateo County Transit District Fiscal Years 2017-2026 Short Range Transit Plan

**10. WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**

**11. BOARD MEMBER REQUESTS/COMMENTS**

**12. DATE, TIME AND PLACE OF NEXT REGULAR MEETING** – June 7, 2017 at 2 p.m.,  
San Mateo County Transit District, Administrative Building, Bacciocco Auditorium,  
2<sup>nd</sup> Floor, 1250 Carlos Ave., San Carlos 94070

**13. REPORT OF LEGAL COUNSEL**

- a. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Gipson v. Lorenzo, et al., Case No. CIV537859
- b. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Todd v. San Mateo County, et al., Case No. 4:15-cv-05823-JSW
- c. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1): Taylor v. San Mateo County, et al., Case No. 4:16-cv-03317-JSW

**14. ADJOURN**

## **INFORMATION FOR THE PUBLIC**

If you have questions on the agenda, please contact the District Secretary at 650-508-6242. Agendas are available on the SamTrans Website at [www.samtrans.com](http://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](mailto: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 (DISTRICT)  
1250 SAN CARLOS AVENUE, SAN CARLOS, CALIFORNIA**

**MINUTES OF BOARD OF DIRECTORS MEETING  
APRIL 5, 2017**

Board Members Present: J. Gee, C. Groom, R. Guilbault (Chair), Z. Kersteen-Tucker, K. Matsumoto, J. Powell, P. Ratto, C. Stone

Board Members Absent: D. Pine

Staff Present: J. Cassman, A. Chan, J. Hartnett, K. Kelly, M. Martinez, N. McKenna, S. Murphy, D. Olmeda, M. Simon, S. van Hoften

Chair Rose Guilbault called the meeting to order at 4:24p.m.

**CONSENT CALENDAR**

- a. Approval of Minutes of Board of Directors Meeting of March 1, 2017
- b. Acceptance of Statement of Revenues and Expense's for February 2017
- c. Receive and File Executed Contracts Up to \$100,000 (Non-Contracts and Procurement) Quarterly Report

Motion/Second: Stone/Gee

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

**PUBLIC COMMENT**

Alan Sarver, Trustee Sequoia Union School District, said SamTrans has been a wonderful partner with the Sequoia Union School District over the last few years in looking to improving transit options for students including Route 61 and now Route 78 from Cañada College to Woodside High School in the fall. He said the key challenge is the funding issue and the need to be sure that the public transit agency has funding support to be able to provide the service the community wants. Mr. Sarver said he strongly advocates that public engagement be done between now and the election in 2018.

Gladyn d'Souza, Belmont, said on behalf of the Sierra Club there needs to be a public process for a possible revenue ballot measure. Parents need to get their children to school and if it can be funded at SamTrans it makes it easier for the school district and addresses community needs. Mr. d'Souza said Route KX is the best way to get to the airport.

**REPORT OF THE GENERAL MANAGER/CEO – J. Hartnett**

Jim Hartnett, General Manager/CEO, said due to the length of the meeting he will send a written report to the Board.

**COMMUNITY RELATIONS COMMITTEE – Z. Kersteen-Tucker**

MOTION:

- a. Appointment of Citizens Advisory Committee Members
  - John Baker, Representing Bus Riders (Incumbent)
  - Andrew Barnes, Representing Community Riders
  - Jason Galisatus, Representing Multimodal Riders, to a Partial Term Ending April 23, 2018
  - Alexandra Juarez, Representing Bus Riders
  - Sonny Koya, Representing Bus Riders (Incumbent)
  - Frank Liu, Representing Multimodal Riders (Incumbent), to a Partial Term Ending April 23, 2019

Motion/Second: Kersteen-Tucker/Gee

Ayes: Gee, Groom, Guilbault, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone

Absent: Pine

SUBJECTS DISCUSSED

- b. Accessibility Update
- c. Paratransit Coordinating Council
- d. Citizens Advisory Committee Update
- e. Mobility Management Report – Caltrain
- f. Multimodal Ridership Report – February 2017

**FINANCE COMMITTEE – C. Groom**

RESOLUTIONS

- a. Authorize Filing of Applications to the California Governor's Office of Emergency Services to Receive \$885,124 in State Proposition 1B Transit Security Grant Program Funds for Transportation Security Programs
- b. Authorize Federal Funding Under Federal Transit Administration Section 5310 with California State Department of Transportation
- c. Award of Contract to Parts Warehouse Distributors, DBA City Auto Supply to Furnish and Deliver New 8D Bus Batteries in the Total Estimated Amount of \$218,964 for a Five-Year Term
- d. Authorize Execution of an Amendment to the Contract with Universal Building Services for the Provisions of Bus Stop Cleaning Services for a Contract Amount Not-to-Exceed \$1,102,059
- e. Amendment to the Contract to Increase Contract Authority by \$163,365 with Universal Building Services for the Provision of Bus Stop Cleaning Services
- f. Authorize the Purchase and Delivery of New Light-Emitting Diode Lighting from Gonville, Inc. Through the State of California Department of General Services for a Total Cost of \$334,313

MOTION

- g. Rejection of Single Bid from G&K Services, Inc. for Rental, Purchase, and Laundering of Work Clothing and Related Items and Negotiation of a Contract on the Open Market

Motion/Second: Groom/Ratto

Ayes: Gee, Groom, Kersteen-Tucker, Matsumoto, Powell, Ratto, Stone, Guilbault

Absent: Pine

**LEGISLATIVE COMMITTEE – K. Matsumoto**

SUBJECT DISCUSSED

- a. State and Federal Legislative Update

**DATE AND TIME OF NEXT REGULAR MEETING** – May 3, 2017, at 2 p.m., San Mateo County Transit District, Administrative Building, 1250 San Carlos Avenue, San Carlos, CA 94070.

**REPORT OF LEGAL COUNSEL**

- a. Closed Session: Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6  
Agency designated representatives: Pat Glenn and Bill Carson  
Employee organizations: Teamsters Union, Local 856 (Maintenance/Utility Supervisors; Bus Transportation Supervisors/Dispatchers/Radio Controllers; Transit Instructors; Bus Contract Inspectors) and Amalgamated Transit Union Local 1574 (Bus Operators/Mechanics/Storekeepers/Utility Workers; Customer Service Representatives)
- b. Closed Session: Conference with Legal Counsel – Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): one case
- c. Closed Session: Public Employee Performance Evaluation Pursuant to Government Code Section 54957(b)(1), Conference with Labor Negotiator Pursuant to Government Code Section 54957.6:  
Agency designated representative: Board Chair  
Title/Unrepresented Employee: General Manager/CEO Jim Hartnett

Recessed to closed session at 4:34 p.m.

Reconvened to open session at 5:33 p.m.

Joan Cassman, Legal Counsel, said no action was taken on items a and b.

Ms. Cassman said Mr. Harnett has completed his second year as General Manager/CEO and received an outstanding performance review from the Board and performance pay in the amount of \$50,000 as set forth in Section 3.1 of the employment agreement has been awarded. She said the second amendment to the employment agreement includes a 3.5 percent increase to his base salary, which equates to the amount of increase awarded to all

administrative employees on July 1, 2016 and the committee is also recommending a \$5,000 increase in the stipend paid to Mr. Hartnett for his work with Caltrain as the Executive Director bringing it to \$85,000. Ms. Cassman said the committee is recommending the employment agreement term be extended one-year so the five-year term is maintained that was originally in place.

Motion/Second: Ratto/Matsumoto

Ayes: Gee, Kersteen-Tucker, Matsumoto, Powell, Ratto, Guilbault

Absent: Groom, Pine, Stone

Adjourned at 5:45 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **CALL FOR PUBLIC HEARING: ELIMINATION OF ROUTES 11, 43, AND 89**

**ACTION**

Staff recommends the Board call for a hearing to consider the elimination of Routes 11, 43, and 89 at the June 7, 2017 meeting.

**SIGNIFICANCE**

In accordance with the San Mateo County Transit District's (District) Public Comment for Fare and Service Change Policy, adopted December 8, 2004, a public hearing will be set to consider the elimination of three low performing routes.

**BUDGET IMPACT**

Holding a public hearing will not impact the budget

**BACKGROUND**

As part of the District's ongoing commitment to route monitoring, Routes 11, 43, and 89 have been identified as the lowest performers among SamTrans' Community Routes. Route 11 runs between Hickey Boulevard and Thomas Edison Elementary School/Fernando Rivera Intermediate School in Daly City. Route 43 runs between Burlingame Plaza/Mills High School in Millbrae and the San Bruno BART station, and provides service to Capuchino High School in San Bruno. Route 89 runs from Encinal Elementary School in Atherton south to Santa Monica/Andreas.

These routes comprise a total of four daily trips and average around five riders per trip. On average SamTrans Community Routes serve approximately 19 riders per trip.

While these routes only operate on school days, about half of the passengers are youth riders. Routes 11, 43 and 89 average approximately less than one, three, and two youth riders per day, respectively.

Routes 11, 43 and 89 cost approximately \$170,000 per year to operate. Elimination of these underperforming routes will help ensure that resources are available to invest in more productive services beginning in August and throughout Fiscal Year 2018. These investments will be made to help advance the goals identified in the District's Strategic Plan.

A Title VI equity analysis of the proposed service changes will be presented to the Board of Directors and the public at the July 5 Board meeting, when the Board is asked to consider the proposed changes. These routes do not operate during the summer. Elimination of the routes would be effective with implementation of the August Runbook on August 6, 2017.

Prepared By: Sean Hedgpeth, Senior Planner

650-508-6457