

DECEMBER 6, 2017  
SAMTRANS BOARD MEETING

- **COMMUNITY RELATIONS COMMITTEE LINK**
- **FINANCE COMMITTEE LINK**
- **LEGISLATIVE COMMITTEE LINK**
- **STRATEGIC, PLANNING, DEVELOPMENT AND SUSTAINABILITY 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, DECEMBER 6, 2017 – 2:00 p.m.**

1. Call to Order
2. Pledge of Allegiance

#### **ACTION**

3. Approval of Minutes of Community Relations Committee Meeting of November 1, 2017

#### **INFORMATIONAL**

4. Accessibility Update – Tina Dubost
5. Paratransit Coordinating Council Update – Mike Levinson
6. Citizens Advisory Committee Update – Sonny Koya
7. Mobility Management Report – ADA Paratransit
8. Multimodal Ridership Report – October 2017
9. Dashboard Report: July – September 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  
NOVEMBER 1, 2017**

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

Committee Member Absent: J. Powell

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

Staff Present: M. Beveridge, J. Cassman, A. Chan, C. Gumpal, D. Hansel, J. Hartnett, M. Martinez, C. Mau, S. Murphy, D. Olmeda, M. Simon

Committee Chair Zoe Kersteen-Tucker called the meeting to order at 2:01 p.m.

**Approval of Minutes of October 4, 2017**

Motion/Second: Stone/Gee

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

Absent: Powell

**Accessibility Update**

Tina Dubost, Manager Accessible Transit Service, said the Seniors-on-the-Move event is coming in November and Mobility Management Staff will be attending.

**Paratransit Coordinating Council (PCC) Update**

Mike Levinson, Chair, Paratransit Coordinating Council (PCC) reported on the following events:

- 1) Transition for Independence Fair took place October 21, 2017 at Sequoia High School
- 2) The Bi-Annual Retreat took place October 10, 2017
- 3) PCC members will attend the remaining Standing Advisory Group meetings through June
- 4) Seniors-on-the-Move Meeting will take place November 17, 2017

**Citizens Advisory Committee (CAC)**

Written report was included in the Board's Reading File.

**Mobility Management Report – Fixed Route Bus Service**

David Olmeda, Chief Operating Officer, Bus reported on Fixed Route Bus Service

- Service quality remains high
- Customer satisfaction remains high
- SamTrans ridership decline is consistent with national trends
- Two Disaster Relief Buses are maintained for immediate service

- On-going efforts continue to analyze and reinvest resources to improve system performance
- Pursuing savings through rebasing and sliding seats
- Analyze service area opportunities for reinvestment of savings

The Board discussed the decline in ridership and the existing and future challenges. The Board will need to review the ridership and how the agency will need to evolve.

### **Multimodal Ridership Report – September 2017**

David Olmeda, Director, Bus Transportation, reported:

- Average Weekday Ridership Compared to September 2016
  - 165,320, a decrease of 3.2 percent
  - 41,780, a decrease of 6.4 percent
  - Paratransit – 1,300, a decrease of 0.8 percent
  - Shuttles – 11,780 a decrease of 6.2 percent
  - Caltrain – 61,370, an increase of 1.0 percent
- Total Monthly Ridership
  - Grand Total – 4,027,330 a decrease of 4.6 percent
  - Bus – 1,019,130, a decrease of 8.1 percent
  - Paratransit – 30,060, a decrease of 3.0 percent
  - Shuttles – 244,420, a decrease of 7.6 percent
  - Caltrain – 1,545,270, a decrease of 2.4 percent

Director Jeff Gee said one of the topics at the retreat was improving the customer experience by having a mobile application and creating a cashless system. By extending these options we can attract new riders and reverse the trend. Moving forward in the customer experience will hopefully moderate the decline in ridership. Mr. Olmeda said that 41 percent of our transactions are done through Clipper and we are moving into a cashless system. He said the mobile application is much anticipated and we hope that it improves the customer experience so it facilitates the use of our system in addition to attract more riders.

Adjourned at 2:50 PM

**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 PCC and the PAL (PCC AL-Com) meet monthly (except for August).

The minutes of the October 10 PCC biennial retreat are not yet available.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

No additional information.

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

**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: **MOBILITY MANAGEMENT REPORT: ADA PARATRANSIT**

**ACTION**

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

**SIGNIFICANCE**

This presentation is part of this fiscal year's series of detailed mobility management reports presented to the Board. Each of the District's four transportation modes – SamTrans fixed-route bus service, ADA Paratransit, Caltrain and Shuttles – are featured individually each month. This month features ADA Paratransit.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

Staff will report on Paratransit ridership and performance metrics.

This month's presentation will be presented via PowerPoint.

Prepared by: Donald G. Esse, Senior Operations Financial Analyst 650-508-6329

**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 – OCTOBER 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) 2016, FY2017, and FY2018. Chart "B" has figures for total ridership year-to-date for FY2016, FY2017, and FY2018.

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.

Table "D" provides additional information regarding SamTrans performance standards, including On-Time Performance, the number of Complaints received, and the number of schedules not operated due to unplanned circumstances (DNO).

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

**Grand Total** – 165,020, a decrease of 0.6 percent

**Bus** – 40,670, a decrease of 4.4 percent

**Paratransit** – 1,250, a decrease of 3.1 percent

**Shuttles** – 12,670 a decrease of 2.2 percent

**Caltrain** – 61,830, an increase of 5.1 percent

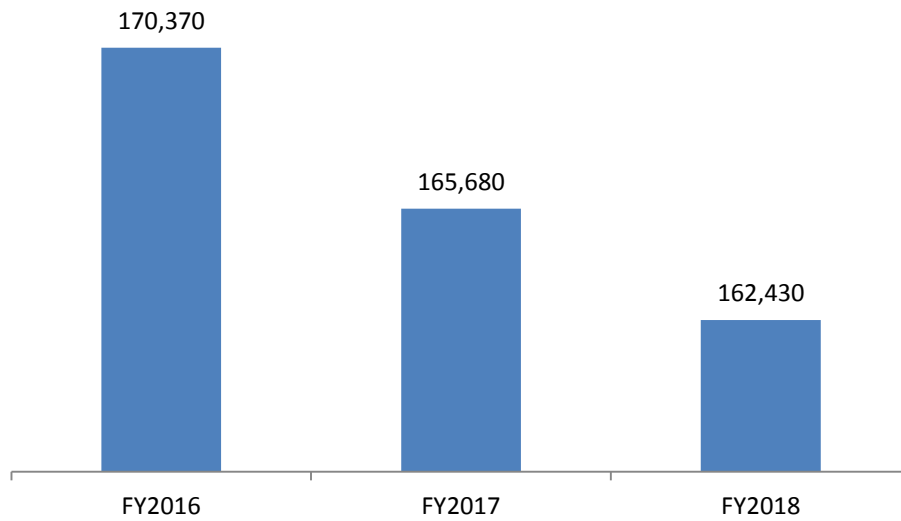
**Table A  
Average Weekday Ridership**

October 2017 Average Weekday Ridership				Percent Change FY2016/2017
Mode	FY2016	FY2017	FY2018	
Bus*	46,840	42,520	40,670	-4.4%
Paratransit*	1,270	1,290	1,250	-3.1%
Shuttles	11,410	12,950	12,670	-2.2%
Caltrain**	60,940	58,810	61,830	5.1%
<b>Total</b>	120,460	115,570	116,420	0.7%
BART Extension (No Daly City)	52,310	50,520	48,610	-3.8%
<b>Grand Total</b>	172,770	166,090	165,020	-0.6%
<b>Weekdays</b>	22	21	22	

October 2017 Year-to-date				Percent Change FY2016/2017
Mode	FY2016	FY2017	FY2018	
Bus*	43,360	40,090	37,820	-5.7%
Paratransit*	1,210	1,260	1,250	-0.8%
Shuttles	11,550	12,470	12,090	-3.0%
Caltrain**	62,310	60,760	62,050	2.1%
<b>Total</b>	118,430	114,590	113,210	-1.2%
BART Extension (No Daly City)	51,940	51,090	49,220	-3.7%
<b>Grand Total</b>	170,370	165,680	162,430	-2.0%

\* Demand-Response ridership is now reported in the Bus Ridership Category instead of Paratransit  
 \*\* Caltrain ridership has been updated for October 2016 and FY2017

**Chart A  
Grand Total 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 October for the past three fiscal years.

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

**Grand Total** – 4,270,620 an increase of 1.1 percent

**Bus** – 1,056,520, a decrease of 1.8 percent

**Paratransit** – 31,510, an increase of 0.9 percent

**Shuttles** – 278,410, an increase of 2.2 percent

**Caltrain** – 1,653,630, an increase of 5.3 percent

**Table B  
Total Monthly Ridership**

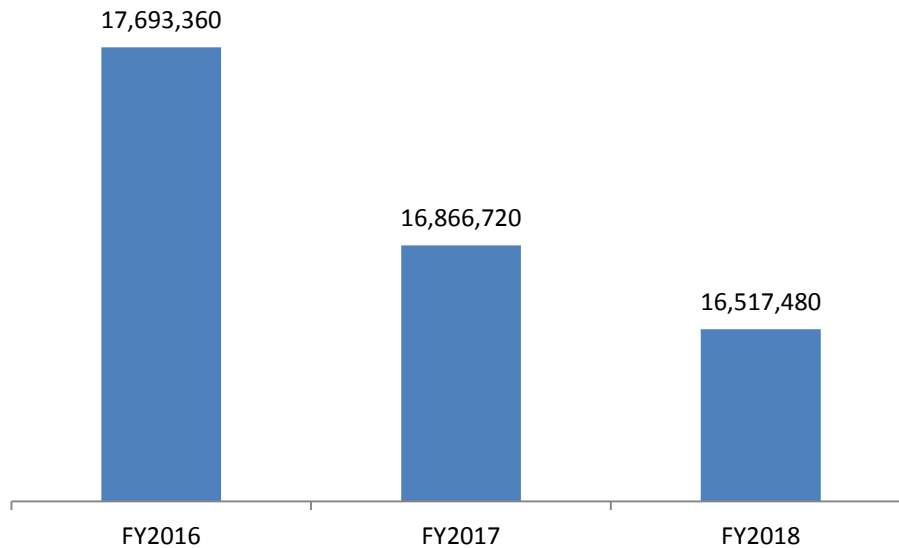
October 2017 Total Monthly Ridership				Percent Change FY2016/2017
Mode	FY2016	FY2017	FY2018	
Bus*	1,222,560	1,075,890	1,056,520	-1.8%
Paratransit*	31,650	31,230	31,510	0.9%
Shuttles	254,390	272,520	278,410	2.2%
Caltrain**	1,659,890	1,570,820	1,653,630	5.3%
<b>Total</b>	<b>3,168,490</b>	<b>2,950,460</b>	<b>3,020,080</b>	<b>2.4%</b>
BART Extension (No Daly City)	1,372,590	1,273,960	1,250,550	-1.8%
<b>Grand Total</b>	<b>4,541,080</b>	<b>4,224,420</b>	<b>4,270,620</b>	<b>1.1%</b>
<b>Weekdays</b>	<b>22</b>	<b>21</b>	<b>22</b>	

October 2017 Year-to-date				Percent Change FY2016/2017
Mode	FY2016	FY2017	FY2018	
Bus*	4,505,850	4,125,620	3,896,410	-5.6%
Paratransit*	119,130	123,070	123,010	0.0%
Shuttles	1,008,220	1,064,700	1,033,930	-2.9%
Caltrain**	6,709,250	6,470,440	6,498,930	0.4%
<b>Total</b>	<b>12,342,440</b>	<b>11,783,820</b>	<b>11,552,280</b>	<b>-2.0%</b>
BART Extension (No Daly City)	5,350,910	5,082,900	4,965,200	-2.3%
<b>Grand Total</b>	<b>17,693,360</b>	<b>16,866,720</b>	<b>16,517,480</b>	<b>-2.1%</b>

\* Demand-Response ridership is now reported in the Bus Ridership Category instead of Paratransit

\*\* Caltrain ridership has been updated for October 2016 and FY2017

**Chart B  
Grand Total Ridership (FYTD)**



The following summary illustrates the number of riders by fare category for the month of October 2017. SamTrans carried 1,052,840 passengers on its fixed-route service in October, and 9,613,428 for the 2017 Calendar Year-to-Date. These numbers do not include Dumbarton ridership and rural On-Demand service previously reflected under the Paratransit ridership.

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

	<b>October 2015</b>	<b>October 2016</b>	<b>October 2017</b>	<b>2017 Calendar Year-to-Date</b>
<b>Adult Cash</b>	267,910	186,251	165,538	1,630,646
<b>Adult Pass</b>	549,651	535,350	524,298	4,771,015
<b>Youth Cash</b>	152,781	149,073	152,323	1,298,855
<b>Youth Pass</b>	70,599	58,744	55,776	467,010
<b>Eligible Discount</b>	177,735	142,775	154,905	1,445,903
<b>Total</b>	1,218,676	1,072,193	1,052,840	9,613,428

**Other Notes:**

Total Monthly Ridership's factors:

- 22 weekdays instead of 21 in FY 2017
- Overall ridership trend in the San Francisco Bay Area is decreasing

**Table D  
Bus Performance Standards**

		AWR	OTP	Complaints	MBSC	Tokens		DNO
						Adult	Youth	
October	2016	42,500	82.23%	160	34,595	27,209	30,263	4
November	2016	41,520	83.46%	92	28,635	26,417	27,266	12
December	2016	36,140	82.51%	110	23,093	23,246	22,004	13
January	2017	35,720	83.81%	132	31,245	25,870	23,417	6
February	2017	37,150	83.22%	129	26,104	23,371	22,765	27
March	2017	40,500	82.21%	132	32,971	25,905	30,624	11
April	2017	36,672	82.83%	77	37,905	23,973	20,876	6
May	2017	40,439	81.94%	112	26,141	24,725	28,641	32
June	2017	34,596	81.07%	100	24,617	24,090	15,361	13
July	2017	32,293	83.50%	95	24,050	25,159	4,828	2
August	2017	36,201	80.36%	151	24,068	26,583	18,075	5
September	2017	44,590	81.48%	185	26,633	27,967	34,211	7
October	2017	40,861	81.71%	175	33,933	28,492	27,678	1

\*AWR: Does not include Dumbarton ridership

\*Performance standards reflect District Service only

**PERFORMANCE CATEGORY DESCRIPTION**

**AWR** (Average Weekday Ridership) - measures average ridership on a weekday basis for the month

**OTP** (On Time Performance) - sampling thousands of schedules in the system for lates, earlies, and on-times

**Complaints** - total complaints received for the month on SamTrans services and facilities

**MBSC** (Miles Between Service Calls) - measures miles between roadcalls

**Tokens** - total of Adult and Youth token usage for the month

**DNO** (Did Not Operate) - number of schedules not operated due to unplanned circumstances, such as accidents, street construction or mechanical issues

## **SamTrans Promotion – October 2017**

**Half Moon Bay Pumpkin Festival: Route 294** – The 47<sup>th</sup> Annual Half Moon Bay Pumpkin Festival was a great opportunity for SamTrans to connect San Mateo County residents to this popular coastal fall event. With over 250,000 people attending the weekend long event, the festival provided live entertainment, parade, children's activities, food, as well as for arts and crafts. SamTrans provides hourly service from the Hillsdale bus stop. Route 294 to the Pumpkin Fest was promoted so festival patrons could use SamTrans as a great option to avoid traffic. To promote SamTrans' Pumpkin Festival service, the bus agency ran paid geo-targeted mobile /tablet/display and social media ads in English/Spanish (El Observador), organic social campaign, GoSamtrans website information page and button, head sign/voice message onboard buses, posted temporary signs/schedule at Hillsdale station and Half Moon Bay stop with service supervisors on location to help customers and news releases/blog. SamTrans carried 343 passengers to the event over the weekend, which was a small decrease of .29 percent.

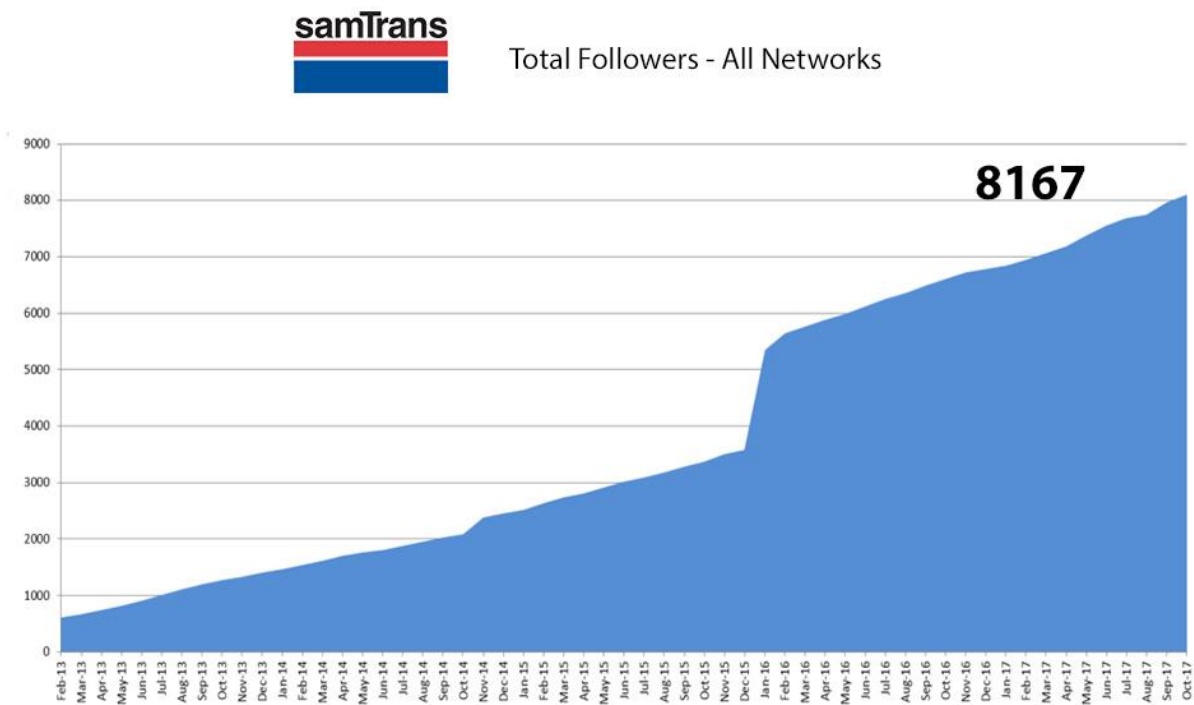
**Customer Service Week** – Customer Service Week is a national event held during the first week in October devoted to recognizing the importance of customer service and honoring the people who work on the frontlines serving and supporting customers. This recognition specifically honors the designated frontline employees that serve our customers and communities (Call center representatives, social media and distribution) Themed “Building Trust in the Community” The Customer Service Department highlighted staff with an attractive poster displayed throughout the building as a way to recognize these individuals.

**SamTrans October 2017 Social Media Analytics** – In October SamTrans had one paid campaign for the Half Moon Bay Pumpkin Fest. We also began promoting our Operator Recruitment campaign on behalf of Human Resources. We promoted Colma Parking Free during machine install, accepting credit cards/online payments as well as Route 399, several contests, job postings and we posted several service detours.

We also participated in APTA's Rally 4 Transit event to pressure Congress to fund transit.

Top Social Issues

1. Colma Parking
2. General Complaint



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

650-508-6227  
 650-508-7845  
 650-508-7924

**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: **DASHBOARD REPORT: JULY – SEPTEMBER 2017**

**ACTION**

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

**SIGNIFICANCE**

The Dashboard displays key performance indicators of the SamTrans fixed-route bus service. It is used as a tool to communicate to the operations staff the safety, quality, and productivity of SamTrans bus service.

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

Staff will report on ridership, safety, quality of service, and comparative economic data for the quarter July-September 2017.

**STRATEGIC INITIATIVE**

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

This month's presentation will be presented via PDF.

Prepared by: Ryan Cruz, Scheduler Planner

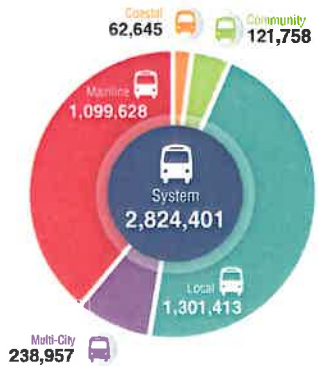
650-508-6479



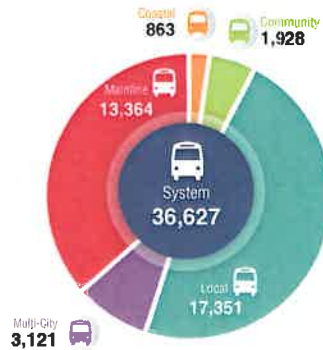
# 2017 SamTrans Service Statistics

## Quarterly Report (July-Sept)

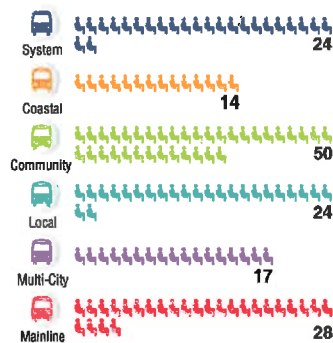
### TOTAL PASSENGERS



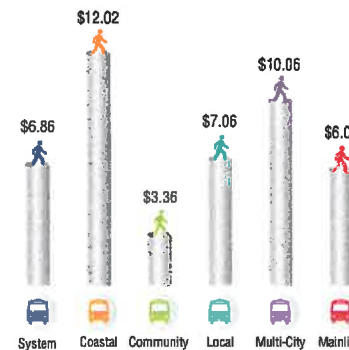
### AVERAGE WEEKDAY RIDERSHIP



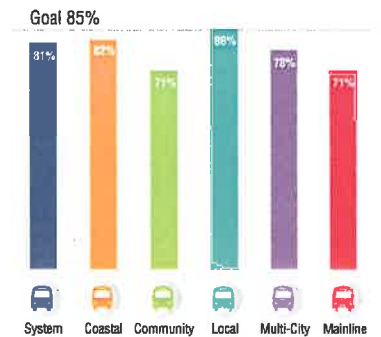
### WEEKDAY PASSENGERS/VEHICLE REVENUE HOUR



### WEEKDAY COST/PASSENGER



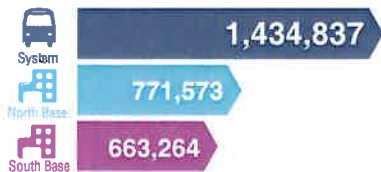
### WEEKDAY ON-TIME PERFORMANCE



**Coastal:** Routes serving the coast community – from Half Moon Bay to Pacifica. (Routes 16, 17, FLP...)  
**Community:** Infrequent, community-specific routes which do not operate during off-peak hours. (Routes 11, 43, 58 etc...)  
**Local:** Routes designed to carry passengers between major passenger hubs, employment centers, and residential neighborhoods. (Routes 110, 120, 250, 280, etc...)

**Multi-City:** Routes serving multiple cities, including some offering express or late-night service. (Routes 295, 398, IX, etc...)  
**Mainline:** Long-distance routes serving significant portions of the county, generally at higher frequency. (Routes 292 & ECR)

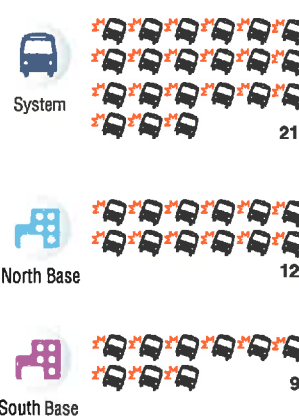
### TOTAL MILES TRAVELED



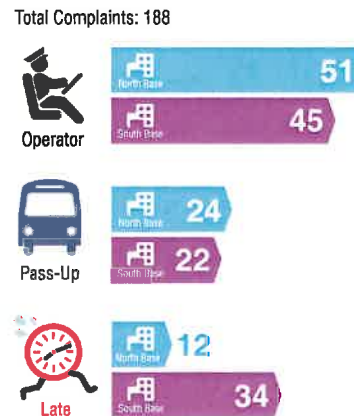
### MILES BETWEEN PREVENTABLE ACCIDENTS



### PREVENTABLE ACCIDENTS



### TOP 3 COMPLAINTS



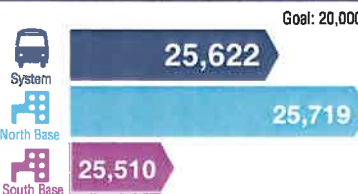
### FAREBOX RECOVERY RATIO



### DID NOT OPERATE



### MILES BETWEEN SERVICE CALLS







## AGENDA

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

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

**WEDNESDAY, DECEMBER 6, 2017 – 2:30 p.m.**

or immediately following previous Committee meeting

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

1. Call to Order

### **ACTION**

2. Approval of Minutes of Finance Committee Meeting of November 1, 2017
3. Acceptance of Statement of Revenue and Expenses for October 2017
4. Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook
5. Authorize to Receive State Transit Assistance (STA) State of Good Repair Program Funds for the Quarter ended September 30, 2017

### **CONTRACTS**

6. Authorize Rejection of Bid for Victor Stanley, Inc. for Bus Stop Benches and Trash Receptacles and Negotiation of a Contract on the Open Market
7. Authorize Award of Contract to Crossroads Facility Services for Janitorial and Bus Stop Cleaning Services for a Not-to-Exceed Amount of \$5,500,000 for a Five-Year Term
8. Authorize Award of Contract to Wells Fargo Insurance Services USA, Inc. to Provide Insurance Brokerage Services for a Total Estimated Cost of \$266,385 for a Five Year Term
9. Authorize Award of Contract to Conduent Transport Solutions for Software and Hardware Maintenance Support Services for a Not-to-Exceed Amount of \$2,000,000 for a Five-Year Term
10. Authorize Award of Contract to CH2M Hill Engineers, Inc. for Transit Asset Management Plan Services for a Not-to-Exceed Amount of \$347,794 for a Two-Year Term
11. Authorize Award of Contract to U.S. HealthWorks Medical Group, Prof. Corp., to Provide DMV/DOT Certification and Medical Examination Services for a Five-Year Term Not to Exceed \$293,900

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.

12. Authorize a Three-Year Renewal of the Agreement with Delta Dental Plan of California for Furnishing Dental Insurance Coverage for an Estimated Annual Cost of \$1.197 Million

13. 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  
NOVEMBER 1, 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, D. Pine, C. Stone

Other Board Members Absent, Constituting Committee of the Whole: J. Powell

Staff Present: M. Beveridge, J. Cassman, A. Chan, C. Gumpal, D. Hansel, J. Hartnett, M. Martinez, C. Mau, S. Murphy, D. Olmeda, M. Simon, J. Taylor

Committee Chair Carole Groom called the meeting to order at 2:50 p.m.

**Approval of Minutes of October 4, 2017**

Motion/Second: Gee/Stone

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

Absent: Powell

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

Derek Hansel, Chief Financial Officer, said the fiscal year did not end up with a higher surplus than projected (approximately \$2 million better) due to the following:

- 1) Improvement of the half cent sales tax
- 2) After three quarters of relatively middling performance, sales tax roared back in the 4<sup>th</sup> quarter and the trend appears to be continuing in the first quarter of this current fiscal year
- 3) Decrease in Motor bus expenses and insurance

Motion/Second: Stone/Ratto

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

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

Director Gee said the sales tax table for the month of July is down. Mr. Hansel said we are expecting for that number to be higher and will keep a close eye on this as it does fluctuate.

Motion/Second: Stone/Gee

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

Absent: Powell

**Authorize the Disposition of 70 Surplus Rolling Stock and Related Components**

Chair Guilbault asked for the percentage we get back from surplus rolling stock. Mr. Olmeda said anything above \$5,001 we have to provide money back to the Federal Transit Administration as part of our 80/20 split agreement. Staff will follow up in response.

Motion/Second: Gee/Stone

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

Absent: Powell

**Authorize Award of Contract for Security Guard Services to Allied Universal Security Services to San Mateo County Transit District for a Not to Exceed Amount of \$11.5 million for a Five-Year Term**

Motion/Second: Kersteen-Tucker /Gee

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

Absent: Powell

**Authorize Amendment to Contracts for Provision of On-Call Environmental Planning, Permitting and Support Services**

Motion/Second: Stone/ Kersteen-Tucker

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

Absent: Powell

**Authorize Amendment to Contracts for Provision of On-Call Transportation Planning and Support Services**

Motion/Second: Ratto/Stone

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

Absent: Powell

**Authorize Award of Contract to Creative Bus Sales, Inc. for Three New Paratransit Cutaway Vehicles for a Total Cost of \$369,930**

Motion/Second: Gee/Guilbault

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

Absent: Powell

Adjourned: 3:05 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDING  
OCTOBER 31, 2017**

**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 October 2017 and supplemental information.

This staff report provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through October 31, 2017. The statement has been designed to follow the Agency wide line item rollup as included in the adopted budget. The columns have been designed to provide easy comparison of year to date prior to current actuals for the current fiscal year including dollar and percentage variances. In addition, the current forecast of Revenues and Expenses is compared to the Adopted Budget for Fiscal Year (FY) 2018.

**SIGNIFICANCE**

**Annual Forecast:** The Forecast reflects a deficit of \$5.5 million compared to a \$6.0 million projected deficit in the revised budget (page 1, line 35). This is an improvement of \$0.5 million. It is driven by savings in Motorbus expenses (page 1, line 19), in Professional Services and CUB, which is Fuel driven, and in savings in Redi-Wheels. The Motorbus/ADA savings of \$1.7 million is partially offset by a decline in Passenger Fares (page 1, line 1) of \$1.2 million.

**Year to Date Revenues:** As of October year-to-date actuals, the Total Sources of Funds (page 1 of the Statement of Revenues and Expenses, line 15) are \$0.5 million higher than the prior year. This is primarily driven by the District ½ cent Sales Tax (page 1, line 10) offset by decline in revenues from Passenger Fares (page 1, line 1), Operating Grants (page 1, line 4), SM County Measure A & Other (page 1, line 6) due to a reduction in paratransit funding for FY2018, and Other Interest, Rent, & Other Income (page 1, line 12).

**Year to Date Expenses:** As of October year-to-date actuals, the Total Uses of Funds (page 1, line 33) are \$5.6 million higher than the prior year-to-date actual. This is primarily due to Total Motorbus expenses which are higher by \$1.3 million (page 1 line 19) due to inclusion of unfunded CalPERS and Other Post-Employment Benefits (OPEB) liability (this expense, which was incurred in July, will not recur throughout the year), ADA Programs are \$1.2 million higher than prior year (page 1, line 20) due to new insurance claims, and Sales Tax Allocation for Capital Programs (page 1, line 29) which was not broken out in prior years.

**BUDGET IMPACT**

There are no budget amendments for the month of October 2017.

**STRATEGIC INITIATIVE**

This item does not achieve a strategic initiative.

Prepared By:	Melanie Hartanto, Accountant	650-508-6478
	Jeannie Chen, Manager, General Ledger	650-508-6259
	Dapri Hong, FP&A	650-622-8055
	Ryan Hinchman, FP&A Manager	650-508-7733

**SAN MATEO COUNTY TRANSIT DISTRICT  
SUMMARY OF REVENUES AND EXPENSES  
FISCAL YEAR 2018  
OCTOBER 2017**

% OF YEAR ELAPSED: 33.3%

	YEAR-TO-DATE				ANNUAL			
	PRIOR ACTUAL	CURRENT ACTUAL	VARIANCE	% VARIANCE	BUDGET*	FORECAST	VARIANCE	% VARIANCE
<b>SOURCES OF FUNDS</b>								
<b>Operating Revenues</b>								
1 Passenger Fares	\$ 5,846,332	\$ 5,320,595	\$ (525,737)	-9.0%	\$ 16,977,116	\$ 15,818,453	\$ (1,158,663)	-6.8%
2 Local TDA and STA Funds	14,120,479	14,004,490	(115,989)	-0.8%	42,013,473	42,013,473	0	0.0%
3 Pass through to Other Agencies	18,917	276,845	257,928	1363.5%	836,536	836,536	0	0.0%
4 Operating Grants	1,164,429	668,518	(495,912)	-42.6%	5,309,973	5,309,973	0	0.0%
5 SMCTA Measure A	3,177,280	3,142,810	(34,470)	-1.1%	9,577,753	9,577,753	0	0.0%
6 SM County Measure A & Other	1,666,667	1,250,000	(416,667)	-25.0%	3,750,000	3,750,000	0	0.0%
7 AB434 Funds, TA Funded Shuttle & Other	36,333	103,000	66,667	183.5%	532,794	532,794	0	0.0%
8 <b>Subtotal - Operating Revenues</b>	<b>26,030,437</b>	<b>24,766,258</b>	<b>(1,264,180)</b>	<b>-4.9%</b>	<b>78,997,645</b>	<b>77,838,982</b>	<b>(1,158,663)</b>	<b>-1.5%</b>
<b>Other Revenue Sources</b>								
10 District 1/2 Cent Sales Tax	25,069,924	27,155,551	2,085,627	8.3%	84,660,000	84,660,000	0	0.0%
11 Investment Interest	707,829	658,938	(48,891)	-6.9%	1,100,920	1,100,920	0	0.0%
12 Other Interest, Rent & Other Income	2,741,730	2,435,737	(305,993)	-11.2%	7,832,588	7,832,588	0	0.0%
13 <b>Subtotal - Other Revenues</b>	<b>28,519,483</b>	<b>30,250,226</b>	<b>1,730,743</b>	<b>6.1%</b>	<b>93,593,508</b>	<b>93,593,508</b>	<b>0</b>	<b>0.0%</b>
14								
15 <b>Total Sources of Funds</b>	<b>54,549,920</b>	<b>55,016,484</b>	<b>466,564</b>	<b>0.9%</b>	<b>172,591,153</b>	<b>171,432,490</b>	<b>(1,158,663)</b>	<b>-0.7%</b>
<b>USES OF FUNDS</b>								
<b>Operating Expenses</b>								
19 Motor Bus	36,762,933	38,059,274	1,296,341	3.5%	120,354,148	119,396,161	(957,987)	-0.8%
20 A. D. A. Programs	5,439,674	6,604,363	1,164,690	21.4%	18,407,911	17,647,967	(759,944)	-4.1%
21 Caltrain	2,160,002	2,056,588	(103,414)	-4.8%	6,191,353	6,191,353	0	0.0%
22 Other Multi-modal Programs	699,480	784,615	85,135	12.2%	2,320,546	2,320,546	0	0.0%
23 Pass through to Other Agencies	18,917	276,845	257,928	1363.5%	836,536	836,536	0	0.0%
24 Land Transfer Interest Expense	0	0	0	0.0%	45,716	45,716	0	0.0%
25 <b>Total Operating Expense</b>	<b>45,081,005</b>	<b>47,781,686</b>	<b>2,700,680</b>	<b>6.0%</b>	<b>148,156,210</b>	<b>146,438,279</b>	<b>(1,717,931)</b>	<b>-1.2%</b>
26								
27 <b>Total Operating Surplus/ (Deficit)</b>	<b>9,468,915</b>	<b>7,234,798</b>	<b>(2,234,117)</b>	<b>-23.6%</b>	<b>24,434,943</b>	<b>24,434,943</b>	<b>0</b>	<b>0.0%</b>
28								
29 <b>Sales Tax Allocation - Capital Program **</b>	<b>0</b>	<b>2,929,804</b>	<b>2,929,804</b>	<b>0.0%</b>	<b>8,789,413</b>	<b>8,789,413</b>	<b>0</b>	<b>0.0%</b>
30								
31 <b>Total Debt Service</b>	<b>3,329,348</b>	<b>3,293,436</b>	<b>(35,912)</b>	<b>-1.1%</b>	<b>21,684,044</b>	<b>21,684,044</b>	<b>0</b>	<b>0.0%</b>
32								
33 <b>Total Uses of Funds</b>	<b>\$ 48,410,353</b>	<b>\$ 54,004,926</b>	<b>\$ 5,594,572</b>	<b>11.6%</b>	<b>\$ 178,629,667</b>	<b>\$ 176,911,736</b>	<b>\$ (1,717,931)</b>	<b>-1.0%</b>
34								
35 <b>PROJECTED SURPLUS/ (DEFICIT)</b>	<b>\$ 6,139,566</b>	<b>\$ 1,011,558</b>	<b>\$ (5,128,008)</b>	<b>-83.5%</b>	<b>\$ (6,038,514)</b>	<b>\$ (5,479,247)</b>	<b>\$ 559,267</b>	<b>-9.3%</b>

This report represents actuals and budgets on budgetary basis.

\* Reflects Revised Budget approved by the BOD on Sept 6th, 2017 plus Budget Transfers

\*\* In prior years, sales tax allocation for capital program was not reflected as a separate line on the financial statement.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STATEMENT OF REVENUES  
FISCAL YEAR 2018  
OCTOBER 2017**

% OF YEAR ELAPSED: 33.3%

	YEAR-TO-DATE				ANNUAL			
	PRIOR ACTUAL	CURRENT ACTUAL	VARIANCE	% VARIANCE	BUDGET*	FORECAST	VARIANCE	% VARIANCE
<b>OPERATING REVENUES - MOTOR BUS</b>								
1 TOTAL MOTOR BUS FARES	\$ 5,594,716	\$ 5,025,671	\$ (569,045)	-10.2%	\$ 16,235,675	\$ 15,077,012	\$ (1,158,663)	-7.1%
2 LOCAL (TDA) TRANSIT FUND:								
3 General Operating Assistance	12,513,536	12,146,917	(366,619)	-2.9%	36,440,750	36,440,750	0	0.0%
4 STATE TRANSIT ASSISTANCE:								
5 Local STA Operating Assistance	869,702	1,103,379	233,677	26.9%	3,310,138	3,310,138	0	0.0%
6 OPERATING GRANTS								
7 TOTAL OPERATING GRANTS	711,100	77,398	(633,702)	-89.1%	1,481,020	1,481,020	0	0.0%
8 DISTRICT 1/2 CENT SALES TAX:								
9 General Operating Assistance	14,364,935	17,373,256	3,008,321	20.9%	56,014,491	56,014,491	0	0.0%
11 Accessibility Fixed Route	299,218	315,680.09	16,462	5.5%	1,092,576	1,092,576	0	0.0%
12 TOTAL 1/2 CENT SALES TAX	14,664,153	17,688,936	3,024,783	20.6%	57,107,067	57,107,067	0	0.0%
13 INVESTMENT INTEREST INCOME:								
14 Investment Interest Income	550,888	526,726	(24,161)	-4.4%	861,312	861,312	0	0.0%
15 OTHER REVENUE SOURCES:								
16 Rental Income	523,630	501,309	(22,321)	-4.3%	1,400,000	1,400,000	0	0.0%
17 Advertising Income	251,550	411,287	159,737	63.5%	1,210,700	1,210,700	0	0.0%
18 Other Income	1,083,658	577,653	(506,005)	-46.7%	2,307,488	2,307,488	0	0.0%
19 TOTAL OTHER REVENUES	1,858,839	1,490,249	(368,590)	-19.8%	4,918,188	4,918,188	0	0.0%
20								
21								
22 TOTAL MOTOR BUS	36,762,932	38,059,274	1,296,342	3.5%	120,354,148	119,195,485	(1,158,663)	-1.0%
23								
24 AMERICAN DISABILITIES ACT:								
25 Passenger Fares Redi-Wheels	251,617	294,925	43,308	17.2%	741,441	741,441	0	0.0%
26 Local TDA 4.5 Redi-Wheels	614,748	639,311	24,563	4.0%	1,917,934	1,917,934	0	0.0%
27 Local STA - Paratransit	122,493	114,883	(7,610)	-6.2%	344,649	344,649	0	0.0%
28 Operating Grants	453,329	591,120	137,791	30.4%	3,828,953	3,828,953	0	0.0%
29 Sales Tax - District ADA Programs	166,068	1,499,874	1,333,806	803.2%	956,824	956,824	0	0.0%
30 Sales Tax - Paratransit Suppl. Coastside	608,887	577,172	(31,714)	-5.2%	1,842,100	1,842,100	0	0.0%
31 Interest Income - Paratransit Fund	156,941	132,212	(24,729)	-15.8%	239,608	239,608	0	0.0%
32 SMCTA Measure A Redi-Wheels	1,017,278	1,086,222	68,944	6.8%	3,386,400	3,386,400	0	0.0%
33 SM County Measure A & Other	1,666,667	1,250,000	(416,667)	-25.0%	3,750,000	3,750,000	0	0.0%
34 Measure M Paratransit	381,647	418,644	36,998	9.7%	1,400,000	1,400,000	0	0.0%
35 TOTAL ADA PROGRAMS	5,439,674	6,604,363	1,164,689	21.4%	18,407,911	18,407,911	0	0.0%
36								
37 MULTI-MODAL TRANSIT PROGRAMS:								
38 Transfer from SMCTA for Caltrain	2,160,001	2,056,588	(103,413)	-4.8%	6,191,353	6,191,353	0	0.0%
39 AB434 Funds, TA Funded Shuttle & Other	36,333	103,000	66,667	183.5%	460,013	460,013	0	0.0%
40 Employer SamTrans Shuttle Funds	501,244	526,844	25,600	5.1%	1,514,400	1,514,400	0	0.0%
41 Sales Tax - SamTrans Shuttle Program	106,670	93,217	(13,452)	-12.6%	103,352	103,352	0	0.0%
42 Bay Area Bike Share Pilot Program	0	0	0	0.0%	72,781	72,781	0	0.0%
43 Sales Tax - Gen. Operating Asst.	55,232	61,554	6,322	11.4%	170,000	170,000	0	0.0%
44								
45 TOTAL MULTIMODAL	2,859,481	2,841,203	(18,278)	-0.6%	8,511,899	8,511,899	0	0.0%
46								
47 TOTAL REVENUES	\$ 45,062,088	\$ 47,504,841	\$ 2,442,753	5.4%	\$ 147,273,958	\$ 146,115,295	\$ (1,158,663)	-0.8%

\* Reflects Revised Budget approved by the BOD on Sept 6th, 2017 plus Budget Transfers



**SAN MATEO COUNTY TRANSIT DISTRICT  
OPERATING EXPENSES  
FISCAL YEAR 2018  
OCTOBER 2017**

% OF YEAR ELAPSED: **33.3%**

EXPENSES	YEAR-TO-DATE				ANNUAL			
	PRIOR ACTUAL	CURRENT ACTUAL	VARIANCE	% VARIANCE	BUDGET*	FORECAST	VARIANCE	% VARIANCE
<b>DISTRICT OPERATED BUSES</b>								
1 Wages & Benefits	\$ 22,222,480	\$ 21,767,443	\$ (455,038)	-2.0%	\$ 60,029,645	\$ 60,029,645	0	0.0%
2								
3 Services:								
4 Board of Directors	16,009	21,243	5,234	32.7%	86,000	86,000	0	0.0%
5 Contracted Vehicle Maintenance	318,566	367,787	49,222	15.5%	1,335,850	1,335,850	0	0.0%
6 Property Maintenance	276,314	331,262	54,949	19.9%	1,055,500	1,055,500	0	0.0%
7 Professional Services	1,162,101	933,091	(229,010)	-19.7%	5,322,204	4,666,287	(655,917)	-12.3%
8 Technical Services	1,662,253	1,858,938	196,686	11.8%	7,646,080	7,646,080	0	0.0%
9 Other Services	442,080	757,219	315,139	71.3%	3,210,668	3,210,668	0	0.0%
10								
11 Materials & Supply:								
12 Fuel and Lubricants	936,272	916,854	(19,418)	-2.1%	3,783,600	3,783,600	0	0.0%
13 Bus Parts and Materials	605,665	628,365	22,701	3.7%	2,038,233	2,038,233	0	0.0%
14 Uniforms and Driver Expense	111,660	82,965	(28,695)	-25.7%	533,731	533,731	0	0.0%
15 Timetables and Tickets	19,280	24,161	4,881	25.3%	326,500	326,500	0	0.0%
16 Office Supplies / Printing	92,072	101,106	9,034	9.8%	489,412	489,412	0	0.0%
17 Other Materials and Supply	57,802	57,011	(792)	-1.4%	160,000	160,000	0	0.0%
18								
19 Utilities:								
20 Telecommunications	126,923	144,092	17,169	13.5%	745,491	745,491	0	0.0%
21 Other Utilities	405,724	407,126	1,402	0.3%	1,140,000	1,140,000	0	0.0%
22 Insurance Costs	264,130	982,496	718,366	272.0%	3,042,164	3,042,164	0	0.0%
23 Workers' Compensation	1,127,447	1,049,104	(78,344)	-6.9%	3,666,068	3,666,068	0	0.0%
24 Taxes and License Fees	175,746	215,977	40,232	22.9%	779,823	779,823	0	0.0%
25 Fixed Route Accessibility	299,218	315,680	16,462	5.5%	1,092,576	1,092,576	0	0.0%
26 Leases and Rentals	51,058	58,625	7,568	14.8%	182,670	182,670	0	0.0%
27 Promotional and Legal Advertising	115,293	84,150	(31,143)	-27.0%	869,000	869,000	0	0.0%
28 Training and Business Travel	52,207	49,023	(3,183)	-6.1%	878,513	878,513	0	0.0%
29 Dues and Membership	33,069	26,064	(7,005)	-21.2%	159,043	159,043	0	0.0%
30 Postage and Other	14,201	12,393	(1,808)	-12.7%	137,359	137,359	0	0.0%
31								
32 <b>Total District Operated Buses</b>	<b>30,587,567</b>	<b>31,192,176</b>	<b>604,608</b>	<b>2.0%</b>	<b>98,710,130</b>	<b>98,054,213</b>	<b>(655,917)</b>	<b>-0.7%</b>
33								
34 <b>CONTRACTED BUS SERVICES</b>								
35 Contracted Urban Bus Service	5,248,777	5,693,697	444,921	8.5%	17,987,300	17,685,230	(302,070)	-1.7%
36 Other Related Costs	172,854	148,934	(23,920)	-13.8%	358,694	358,694	0	0.0%
37 Insurance Costs	40,573	264,253	223,680	551.3%	773,422	773,422	0	0.0%
38 Coastside Services	511,203	562,339	51,136	10.0%	1,954,500	1,954,500	0	0.0%
39 Redi Coast Non-ADA	91,025	82,475	(8,550)	-9.4%	253,100	253,100	0	0.0%
40 Other Related Costs	37,388	38,691	1,303	3.5%	116,884	116,884	0	0.0%
41 La Honda - Pescadero	19,950	18,638	(1,313)	-6.6%	55,130	55,130	0	0.0%
42 SamCoast - Pescadero	45,102	55,466	10,365	23.0%	138,350	138,350	0	0.0%
43 Other Related Cost - SamCoast	8,496	2,606	(5,890)	-69.3%	6,638	6,638	0	0.0%
44 <b>Total Contracted Bus Service</b>	<b>6,175,366</b>	<b>6,867,099</b>	<b>691,733</b>	<b>11.2%</b>	<b>21,644,018</b>	<b>21,341,948</b>	<b>(302,070)</b>	<b>-1.4%</b>
45								
46 <b>TOTAL MOTOR BUS</b>	<b>\$ 36,762,933</b>	<b>\$ 38,059,274</b>	<b>\$ 1,296,341</b>	<b>3.5%</b>	<b>\$ 120,354,148</b>	<b>\$ 119,396,161</b>	<b>\$ (957,987)</b>	<b>-0.8%</b>

\* Reflects Adopted Budget approved by the Board on June 7, 2017

**SAN MATEO COUNTY TRANSIT DISTRICT  
OPERATING EXPENSES  
FISCAL YEAR 2018  
OCTOBER 2017**

% OF YEAR ELAPSED: **33.3%**

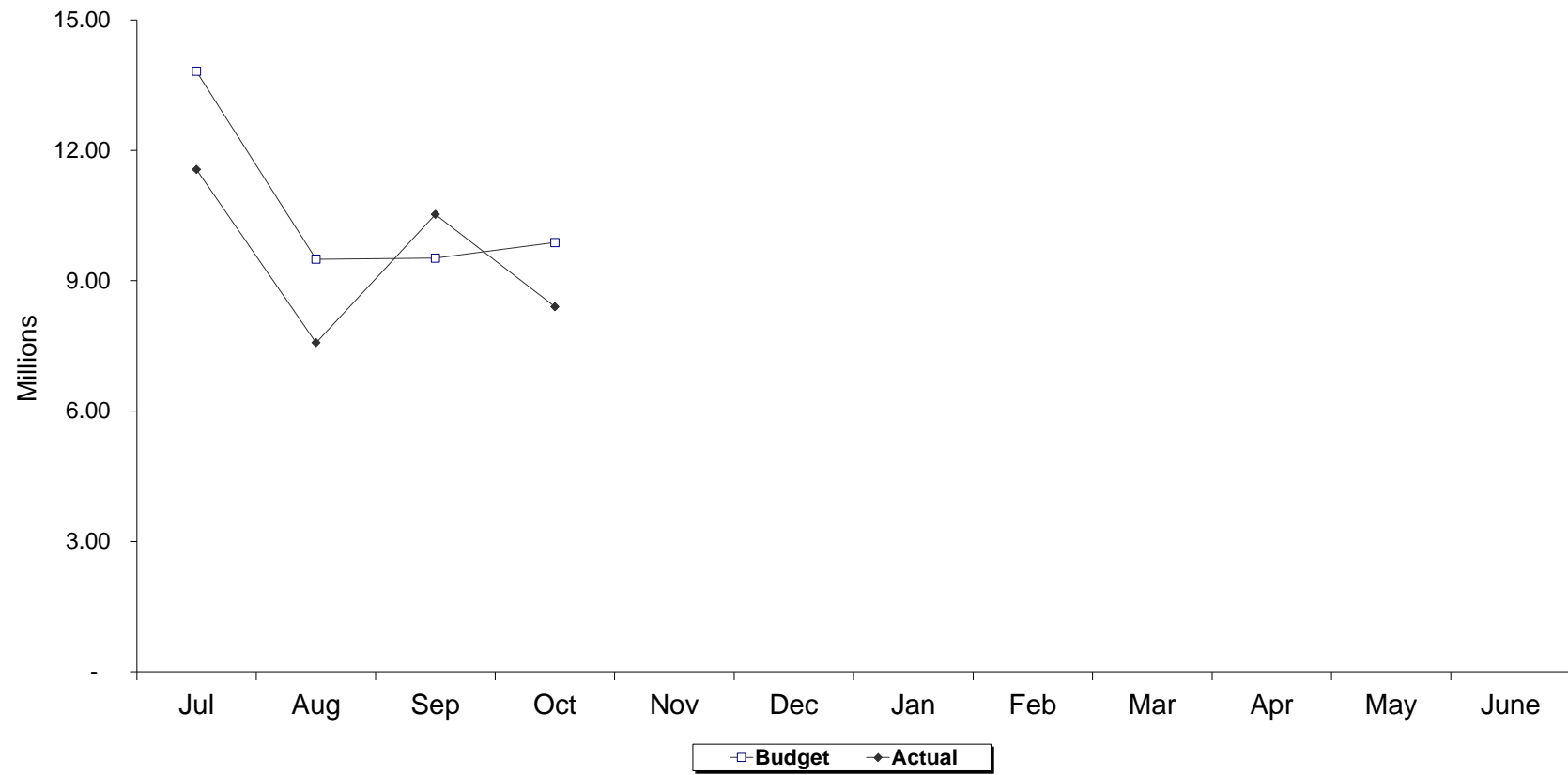
<u>EXPENSES</u>	YEAR-TO-DATE				ANNUAL			
	PRIOR ACTUAL	CURRENT ACTUAL	VARIANCE	%	BUDGET*	FORECAST	VARIANCE	%
<b>AMERICAN DISABILITY ACT PROGRAMS</b>								
Elderly & Disabled/Redi-Wheels	\$ 1,741,355	\$ 1,812,256	\$ 70,900	4.1%	\$ 7,716,600	\$ 6,956,656	\$ (759,944)	-9.8%
Other Related Costs	937,659	979,526	41,867	4.5%	3,030,191	3,030,191	0	0.0%
ADA Sedans/ Taxi Service	1,731,629	1,651,292	(80,336)	-4.6%	3,704,208	3,704,208	0	0.0%
ADA Accessibility Support	335,354	392,896	57,542	17.2%	1,505,855	1,505,855	0	0.0%
Coastside ADA Support	608,887	577,172	(31,714)	-5.2%	1,842,100	1,842,100	0	0.0%
Insurance Costs	84,791	1,191,220	1,106,430	1304.9%	608,957	608,957	0	0.0%
<b>TOTAL ADA PROGRAMS</b>	<b>5,439,674</b>	<b>6,604,363</b>	<b>1,164,690</b>	<b>21.4%</b>	<b>18,407,911</b>	<b>17,647,967</b>	<b>(759,944)</b>	<b>-4.1%</b>
<b>MULTI-MODAL TRANSIT PROGRAMS</b>								
<b>CALTRAIN SERVICE</b>								
Peninsula Rail Service	2,160,002	2,056,588	(103,414)	-4.8%	6,191,353	6,191,353	0	0.0%
<b>Total Caltrain Service</b>	<b>2,160,002</b>	<b>2,056,588</b>	<b>(103,414)</b>	<b>-4.8%</b>	<b>6,191,353</b>	<b>6,191,353</b>	<b>0</b>	<b>0.0%</b>
<b>OTHER SUPPORT</b>								
SamTrans Shuttle Service	644,248	723,061	78,813	12.2%	2,077,765	2,077,765	0	0.0%
Bicycle Coordinating Activities	0	0	0	0.0%	72,781	72,781	0	0.0%
Maintenance Multimodal Facilities	55,232	61,554	6,322	11.4%	170,000	170,000	0	0.0%
<b>Total Other Support</b>	<b>699,480</b>	<b>784,615</b>	<b>85,135</b>	<b>12.2%</b>	<b>2,320,546</b>	<b>2,320,546</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL MULTI-MODAL PROGRAMS</b>	<b>2,859,481</b>	<b>2,841,203</b>	<b>(18,277)</b>	<b>-0.6%</b>	<b>8,511,899</b>	<b>8,511,899</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 45,062,088</b>	<b>\$ 47,504,841</b>	<b>\$ 2,442,753</b>	<b>5.4%</b>	<b>\$ 147,273,958</b>	<b>\$ 145,556,027</b>	<b>\$ (1,717,931)</b>	<b>-1.2%</b>

\* Reflects Revised Budget approved by the BOD on Sept 6th, 2017 plus Budget Transfers

## SAN MATEO COUNTY TRANSIT DISTRICT

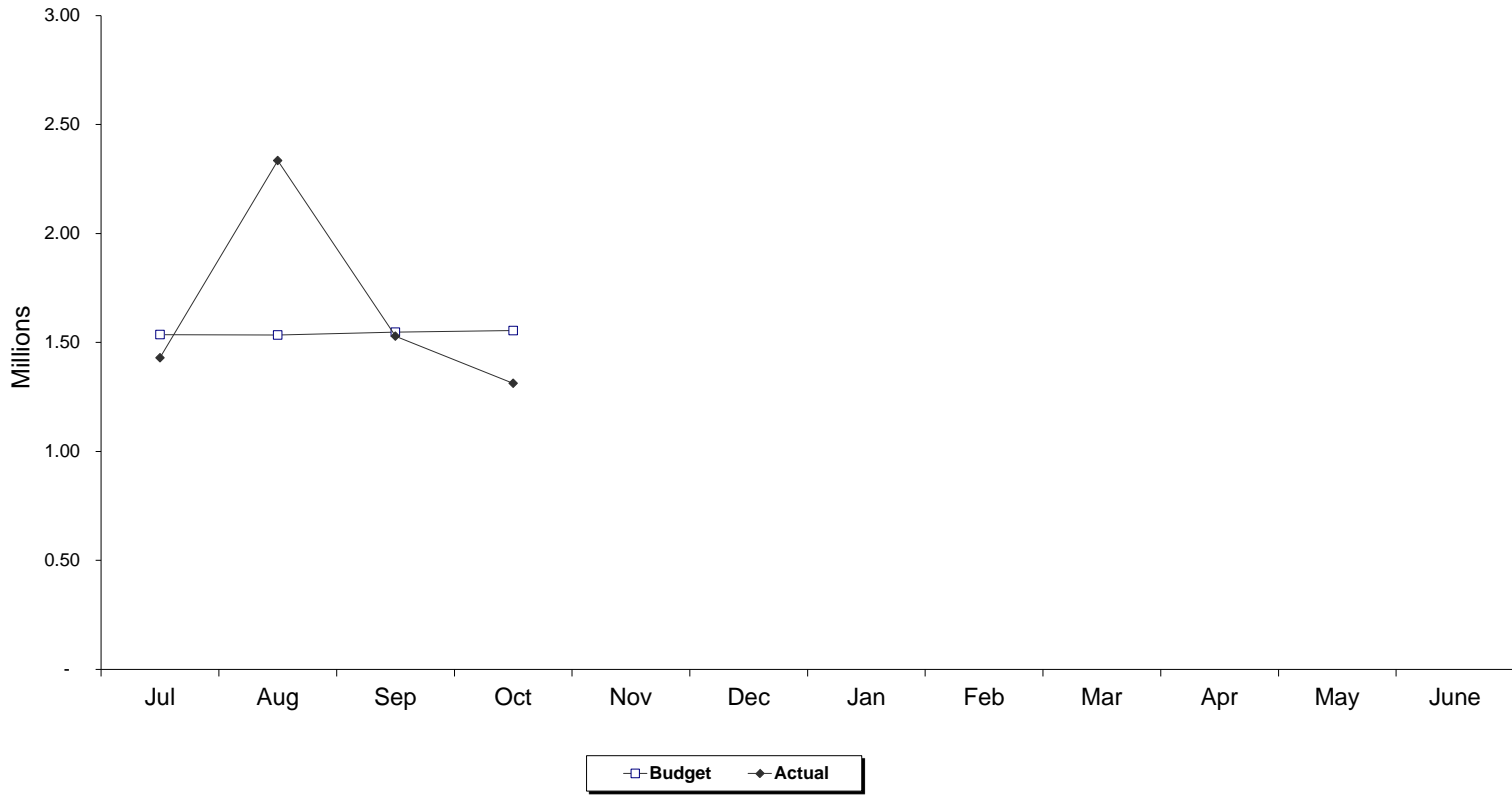
### MOTOR BUS MONTHLY EXPENSES - BUDGET VS ACTUAL

#### FISCAL YEAR 2018



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	
<b>MONTHLY EXPENSES</b>													
<b>Budget</b>	13,819,983	9,495,283	9,520,016	9,877,531									
<b>Actual</b>	11,560,304	7,573,200	10,525,864	8,399,907									
<b>CUMULATIVE EXPENSES</b>													
<b>Budget</b>	13,819,983	23,315,266	32,835,282	42,712,813									
<b>Actual</b>	11,560,304	19,133,503	29,659,368	38,059,274									
<b>Variance - F(U)</b>	2,259,679	4,181,762	3,175,915	4,653,539									
<b>Variance %</b>	16.35%	17.94%	9.67%	10.89%									

**SAN MATEO COUNTY TRANSIT DISTRICT**  
**ADA PROGRAM MONTHLY EXPENSES - BUDGET VS ACTUAL**  
**FISCAL YEAR 2018**

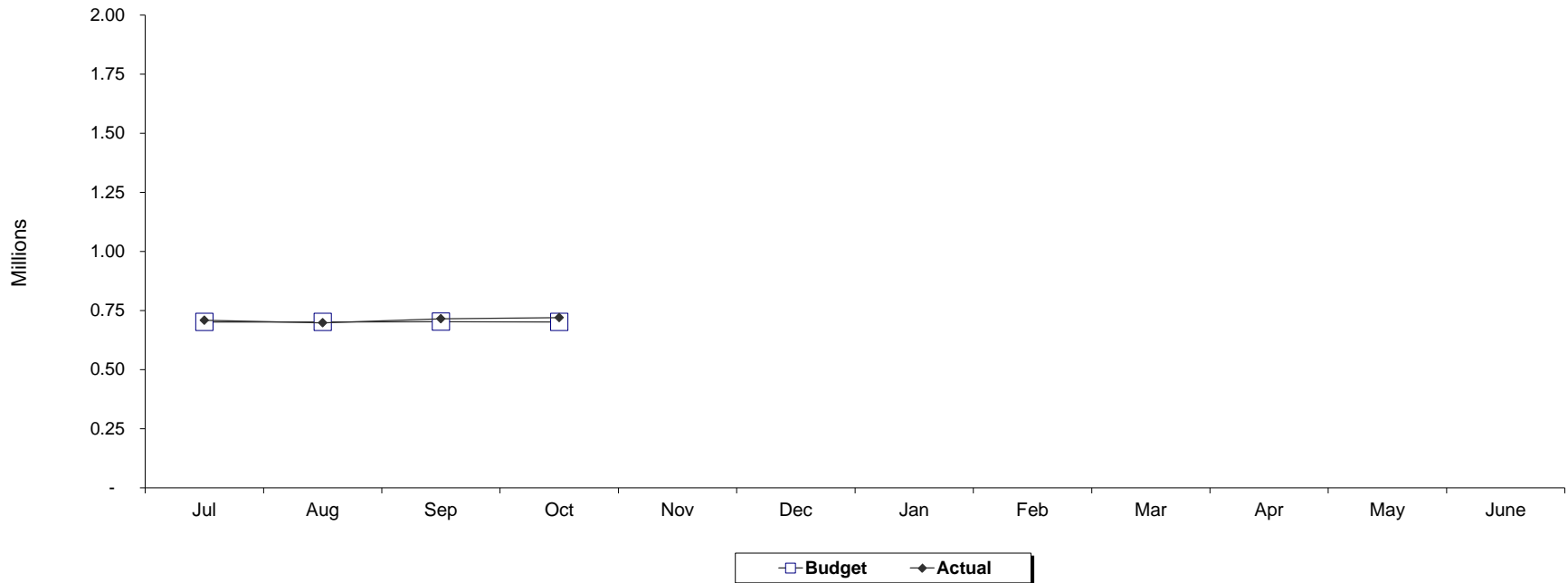


	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>MONTHLY EXPENSES</b>												
Budget	1,536,055	1,533,805	1,546,999	1,554,251								
Actual	1,429,022	2,334,351	1,528,316	1,312,675								
<b>CUMULATIVE EXPENSES</b>												
Budget	1,536,055	3,069,860	4,616,860	6,171,111								
Actual	1,429,022	3,763,373	5,291,689	6,604,363								
Variance - F(U)	107,033	(693,513)	(674,829)	(433,253)								
Variance %	6.97%	-22.59%	-14.62%	-7.02%								

# SAN MATEO COUNTY TRANSIT DISTRICT

## MULTIMODAL MONTHLY EXPENSES - BUDGET VS ACTUAL

### FISCAL YEAR 2018



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>MONTHLY EXPENSES</b>												
Budget	701,977	701,977	702,977	701,977								
Actual	708,355	697,901	714,972	719,974								
<b>CUMULATIVE EXPENSES</b>												
Budget	701,977	1,403,953	2,106,930	2,808,906								
Actual	708,355	1,406,257	2,121,229	2,841,203								
Variance - F(U)	(6,378)	(2,303)	(14,299)	(32,297)								
Variance %	-0.91%	-0.16%	-0.68%	-1.15%								

**SAN MATEO COUNTY TRANSIT DISTRICT**

**INTEREST ON INVESTMENTS**

**October 31, 2017**

DESCRIPTION	TOTAL INVESTMENT 10-31-17	INTEREST RECEIVABLE 9-30-17	PREPAID INT RECEIVABLE 10-31-17	INTEREST EARNED 10-31-17	INTEREST RECEIVED 10-31-17	ADJ.	INTEREST RECEIVABLE 10-31-17
RESERVE FOR CAPITAL PROJ	0.00	(0.00)	0.00	0.00	0.00	0.00	(0.00)
LAIF -- CAPITAL PROJ	77,830.18	211.93	0.00	75.53	72.17	(139.76)	75.53
REIMB SECURITIES -- L76R	89,437,027.79	338,215.21	0.00	121,505.95	165,322.98	(164.43)	294,233.75
LAIF -- REIMB FUNDS L76R	3,018,458.99	5,630.70	0.00	7,624.69	7,435.45	1,804.75	7,624.69
PARATRANSIT FUNDS	25,382,752.68	85,374.04	0.00	34,666.58	38,910.56	25.83	81,155.89
LAIF -- PARATRANSIT	1,042,599.66	2,839.06	0.00	1,011.76	966.79	(1,872.27)	1,011.76
BANK OF AMERICA	33,091,884.81	0.00	0.00	4,049.86	4,049.86	0.00	0.00
WELLS FARGO	4,514.15	0.00	0.00	0.00	0.00	0.00	0.00
US Bank - Custodian account	8,746,446.35	4,116.16	0.00	4,733.95	4,116.16	0.00	4,733.95
Debt Service Reserves							
Held by Trustee:	9,024,034.08	0.00	0.00	0.00	0.00	0.00	0.00
	<u>169,825,548.69</u>	<u>436,387.10</u>	<u>0.00</u>	<u>173,668.32</u>	<u>220,873.97</u>	<u>(345.88)</u>	<u>388,835.57</u>

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

Interest Earned 10/31/17	173,322.44
<b>Add:</b>	
CEO Interest	0.00
<b>Less:</b>	
Trust Fees	(722.67)
Capital Gain(Loss)	<u>(1,455.32)</u>
Total Interest & Capital Gain(Loss)	<u>171,144.45</u>

**YEAR TO DATE -- SUMMARY**

Interest Earned	732,496.67
<b>Add:</b>	
CEO Interest	
<b>Less:</b>	
Trust Fees	(2,681.05)
Capital Gain(Loss)	<u>(66,913.97)</u>
Total Interest & Capital Gain(Loss)	<u>662,901.65</u>

**Balance Per Ledger as of 10/31/17**

Deferred Int Acct. 210852/3	16,040.55
Interest Acct. 409101	716,456.06
Less Trust Fees 530045	(2,681.05)
Gain(Loss) Acct. 405210	<u>(66,913.97)</u>
	<u>662,901.59</u>

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

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 10-31-17	MATURITY/CALL DATE	INT RATE	RATE/DAY	INTEREST REC'BLE 9-30-17	PREPAID INT REC'BLE 10-31-17	INTEREST EARNED 10-31-17	INTEREST RECEIVED 10-31-17	PP INTEREST RECEIVED DATE	INTEREST REC'BLE 10-31-17	INT REC'BLE LESS PREPAID 10-31-17	PAR VALUE
<b>U.S. TREASURY NOTES AND BONDS</b>															
US TREASURY NOTE	912828T8	03-25-15	64,987.30	64,715.63	04-30-19	1.250%	2.2569	340.01		69.96	406.25		(1.48)	2.24	65,000.00
US TREASURY NOTE	912828V4	12-07-15	1,845,821.49	1,855,391.56	05-31-20	1.375%	71.4236	8,641.08		2,214.13			(36.29)	10,818.92	1,870,000.00
US TREASURY NOTE	912828V4	12-07-15	592,242.19	596,648.44	10-10-17	1.375%	22.9167	2,772.54		206.25			(0.00)	(0.00)	600,000.00
US TREASURY NOTE	912828V4	12-07-15	888,363.28	894,550.78	10-20-17	1.375%	34.3750	4,158.81		653.13			(10.71)	(0.00)	900,000.00
US TREASURY NOTE	912828V4	12-07-15	444,181.64	446,748.05	10-26-17	1.375%	17.1875	2,079.40		429.69	2,502.05		(7.04)	0.00	450,000.00
US TREASURY NOTE	912828V2	05-18-16	1,705,623.04	1,662,825.45	07-31-20	2.000%	91.6667	5,559.78		2,841.67			(61.78)	8,339.67	1,650,000.00
US TREASURY NOTE	912828L32	06-29-16	417,495.32	406,140.26	08-31-20	1.375%	15.6597	508.30		485.45			(7.96)	985.79	410,000.00
US TREASURY NOTE	912828Q78	01-05-17	1,960,312.50	1,969,766.00	04-30-21	1.375%	76.3889	11,508.15		2,368.06	13,750.00		(50.24)	75.97	2,000,000.00
US TREASURY NOTE	912828R77	03-17-17	1,363,632.81	1,377,632.20	05-31-21	1.375%	53.4722	6,469.26		1,657.64			(27.17)	8,099.73	1,400,000.00
US TREASURY NOTE	912828D72	04-05-17	1,007,734.38	1,004,531.00	08-31-21	2.000%	55.5556	1,816.40		1,722.22			(6.01)	3,532.61	1,000,000.00
US TREASURY NOTE	912828D72	06-29-17	1,516,347.66	1,506,796.50	08-31-21	2.000%	83.3333	2,563.65		2,583.33			151.92	5,298.90	1,500,000.00
US TREASURY NOTE	912828D72	07-11-17	2,213,320.31	2,209,968.20	08-31-21	2.000%	122.2222	4,304.72		3,788.89			(321.87)	7,771.74	2,200,000.00
US TREASURY NOTE	912828T67	10-10-17	1,074,519.53	1,072,714.50	10-31-21	1.250%	38.1944	0.00		840.28	784.65			55.63	1,100,000.00
US TREASURY NOTE	912828T67	08-03-17	1,520,271.48	1,511,552.25	10-31-21	1.250%	53.8194	8,139.12		1,668.40	9,687.50		(60.39)	59.63	1,550,000.00
US TREASURY NOTE	912828T67	08-31-17	3,051,078.13	3,023,104.50	10-31-21	1.250%	107.6389	16,317.85		3,336.81	19,375.00			279.66	3,100,000.00
															19.93%
<b>GOVERNMENT BONDS</b>															
FHLMC	3137EAE81	07-20-16	2,693,466.00	2,666,503.80	07-19-19	0.875%	65.6250	4,725.01		1,968.75				6,693.76	2,700,000.00
FNMA	3135G0N33	08-02-16	1,597,312.00	1,579,376.00	08-02-19	0.875%	38.8889	2,294.44		1,166.67				3,461.11	1,600,000.00
FHUB GLOBAL NOTE	3130ABY72	08-04-16	449,136.00	444,130.65	08-05-19	0.875%	10.9375	612.50		328.13				940.63	450,000.00
FHMA NOTES	3135G0P49	09-02-16	2,695,788.00	2,669,892.30	08-28-19	1.000%	75.0000	2,475.00		2,250.00				4,725.00	2,700,000.00
FHUB GLOBAL NOTE	3130A9E72	09-08-16	2,697,651.00	2,667,500.10	09-26-16	1.000%	75.0000	375.00		2,250.00				2,625.00	2,700,000.00
FHMA NOTES	3135G0T29	02-28-17	1,299,168.00	1,293,799.00	02-28-20	1.500%	54.1667	1,787.50		1,625.00				3,412.50	1,300,000.00
FHLMC AGENCY	3137EAE72	04-20-17	1,295,554.00	1,288,540.50	04-20-20	1.375%	49.6528	7,994.10		1,489.58	8,937.50			546.18	1,300,000.00
FHMA NOTES	3135G0T60	08-01-17	1,495,455.00	1,490,016.00	07-30-20	1.500%	62.5000	3,750.00		1,975.00				5,625.00	1,500,000.00
FHUB NOTES	3130ACE26	09-07-17	438,587.60	434,646.52	09-28-20	1.375%	16.8056	50.42		504.17			(0.01)	554.58	440,000.00
FHUB NOTES	3137EAE14	09-29-17	578,950.20	577,067.52	09-29-20	1.625%	26.1806	52.36		785.42				837.78	580,000.00
FHUB GLOBAL NOTE	3130A8Q55	07-15-16	2,683,581.30	2,630,094.30	07-14-21	1.125%	84.3750	6,496.88		2,531.25				9,028.13	2,700,000.00
FNMA NOTES	3135G0N82	08-19-16	473,375.03	463,567.70	08-17-21	1.250%	16.4931	725.70		494.79				1,220.49	475,000.00
FNMA NOTES	3135G0N82	08-19-16	1,518,823.75	1,488,296.30	08-17-21	1.250%	52.9514	2,329.86		1,588.54				3,918.40	1,525,000.00
															22.30%
<b>CORPORATE NOTE</b>															
BEAR STEARNS CO INC. NOTE	073902PR3	11-22-16	1,147,091.00	1,100,000.00	10-02-17	6.400%	195.5556	35,004.44		195.56	35,200.00			0.00	1,100,000.00
JOHN DEERE CAPITAL CORP	24422ESR1	11-22-16	1,557,207.50	1,550,156.55	12-15-17	1.550%	66.7361	7,074.03		2,002.08				9,076.11	1,550,000.00
JOHN DEERE CAPITAL CORP	24422ETM1	01-06-17	799,480.00	800,381.60	10-15-18	1.650%	36.6667	6,086.67		1,100.00	6,600.00			586.67	800,000.00
TOYOTA MOTOR CORP	89236TDM4	01-09-17	1,099,615.00	1,099,376.30	01-09-19	1.700%	51.9444	4,259.44		1,558.33			0.01	5,817.78	1,100,000.00
BERKSHIRE HATHWAY GLOBAL	N 084670B1	12-23-16	1,810,188.00	1,811,608.20	08-14-19	2.100%	105.0000	4,935.00		3,150.00				8,085.00	1,800,000.00
AMERICAN HONDA FINANCE GU	02665WAH4	12-20-16	1,808,946.00	1,811,052.00	08-15-19	2.250%	112.5000	5,175.00		3,375.00				8,550.00	1,800,000.00
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-16	669,665.00	666,436.94	10-18-19	1.550%	28.8472	4,702.10		865.42	5,192.50		(0.01)	375.01	670,000.00
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	499,405.00	497,915.50	10-30-19	1.700%	23.6111	3,565.28		708.33	4,250.00		0.01	23.62	500,000.00
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	1,100,209.00	1,095,414.10	10-30-19	1.700%	51.9444	7,843.61		1,558.33	9,350.00			51.94	1,100,000.00
PEIZER INC CORP NOTE	717081EB5	11-21-16	1,184,146.80	1,183,870.70	12-15-19	1.700%	55.9583	5,931.58		1,678.75				7,610.33	1,185,000.00
CITIGROUP INC	172967LF6	01-10-17	899,640.00	905,092.20	01-10-20	2.450%	61.2500	4,961.25		1,837.50				6,798.75	900,000.00
MICROSOFT CORP	559491BBV5	02-06-17	899,397.00	900,535.50	02-06-20	1.850%	46.2500	2,543.75		1,387.50				3,931.25	900,000.00
WALT DISNEY CO CORP NOTES	25468PD98	03-06-17	379,901.20	380,645.62	03-04-20	1.950%	20.5833	555.75		617.50				1,173.25	380,000.00
APPLE INC BONDS	03783CS7	05-11-17	819,163.60	818,364.92	05-11-20	1.800%	41.0000	5,740.00		1,230.00				6,970.00	820,000.00
HOME DEPOT INC CORP NOTES	437076BQ4	06-05-17	449,739.00	449,424.45	06-05-20	1.800%	22.5000	2,610.00		675.00				3,285.00	450,000.00
MORGAN STANLEY CORP NOTE	6174467P8	11-10-16	2,009,250.00	1,953,167.40	07-24-20	5.500%	275.0000	18,425.00		8,250.00				26,675.00	1,800,000.00
CATERPILLAR FINL SERVICE NOTI	14913Q2A6	09-07-17	649,454.00	646,231.95	09-04-20	1.850%	33.4028	801.67		1,002.08				1,803.75	650,000.00
WAL-MART STORES INC CORP N	931142EA7	10-20-17	898,695.00	898,104.60	12-15-20	1.900%	47.5000	0.00		522.50				522.50	900,000.00
BRANCH MANKING & TRUST CO	05531FA26	10-26-17	449,793.00	449,207.10	02-01-21	2.150%	26.8750	0.00		134.38				134.38	450,000.00
PEPSICO INC CORP NOTE	71344DX3	10-10-17	599,880.00	598,379.40	04-15-21	2.000%	33.3333	0.00		700.00				700.00	600,000.00
GOLDMAN SACHS GROUP CORP	3814GGQ1	11-28-16	1,765,872.00	1,752,865.60	07-27-21	5.250%	233.3333	14,933.33		7,000.00				21,933.33	1,600,000.00
BANK OF AMERICA CORP	06051GG52	09-18-17	550,000.00	548,104.15	10-01-21	2.328%	35.5667	462.37		1,067.00				1,529.37	550,000.00
JOHN DEERE CAPITAL CORP	24422EJ3	03-15-17	448,015.50	456,314.85	01-06-22	2.650%	33.1250	2,815.63		993.75				3,809.38	450,000.00
JPMORGAN CHASES & CO CORP	46625HJ03	05-26-17	973,638.00	971,586.90	01-24-22	4.500%	112.5000	7,537.50		3,375.00				10,912.50	900,000.00
															24.41%
<b>COMMERCIAL PAPER</b>															
CANADIAN IMPERIAL HLDING	13607EXD6	01-19-17	1,781,510.25	1,800,000.00	10-13-17	0.000%		0.00		0.00				0.00	1,800,000.00
BANK OF TOKYO MITSUBISHI UF	06538BXP3	04-21-17	993,011.11	1,000,000.00	10-23-17	0.000%		0.00		0.00				0.00	1,000,000.00
CREDIT AGRICOLE CIB NY	22533TYL4	05-23-17	1,788,144.50	1,798,833.60	11-20-17	0.000%		0.00		0.00				0.00	1,800,000.00
BANK OF TOKYO MITSUBISHI U	06538CBG5	05-23-17	791,212.67	796,664.00	02-16-18	0.000%		0.00		0.00				0.00	800,000.00

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

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 10-31-17	MATURITY/CALL DATE	INT RATE	RATE/DAY	INTEREST REC'VBLE 9-30-17	PREPAID INT REC'VBLE 10-31-17	INTEREST EARNED 10-31-17	INTEREST RECEIVED 10-31-17	PP INTEREST RECEIVED DATE	ADJ.	INTEREST REC'VBLE 10-31-17	INT REC'VBLE LESS PREPAID 10-31-17	PAR VALUE
BNP PARIBAS NY BRANCH COM	09659CC71	07-07-17	1,781,775.00	1,791,034.20	03-07-18	0.000%		0.00		0.00				0.00	0.00	1,800,000.00
BANK OF MONTREAL CHICAGO	06366HF44	09-08-17	1,780,180.17	1,782,936.00	06-04-18	0.000%		0.00		0.00				0.00	0.00	1,800,000.00
ING (US) FUNDING LLC COMM P	4497W1G26	10-13-17	1,779,040.00	1,780,920.00	07-02-18	0.000%		0.00		0.00				0.00	0.00	1,800,000.00
BANK OF TOKYO MITSU UFJ LTD	C 06538CGL9	10-24-17	987,745.56	988,145.00	06-04-18	0.000%		0.00		0.00				0.00	0.00	1,000,000.00
10.05%																
<b>CERTIFICATION OF DEPOSIT</b>																
CANADIAN IMPERIAL BANK NY C	13606A527	12-05-16	1,798,596.00	1,804,449.60	11-30-18	1.760%	88.0000	10,912.00		2,640.00			88.00	13,640.00	13,640.00	1,800,000.00
NORDEA BANK FINLAND NY	65558LWA6	12-05-16	1,800,000.00	1,804,449.60	11-30-18	1.760%	88.0000	10,648.00		2,640.00				13,288.00	13,288.00	1,800,000.00
SVENSKA HANDELSBANKENY LT	86958JH88	01-12-17	1,800,000.00	1,794,870.00	01-10-19	1.890%	94.5000	7,843.50		2,835.00			94.50	10,773.00	10,773.00	1,800,000.00
BANK OF NOVA SCOTIA HOUST	06417GUE6	04-06-17	1,800,000.00	1,798,005.60	04-05-19	1.910%	95.5000	16,999.00		2,865.00	17,381.00		95.50	2,578.50	2,578.50	1,800,000.00
SUMITOMO MITSUI BANK NY CL	86563YVNO	05-04-17	1,500,000.00	1,502,685.00	05-03-19	2.050%	85.4167	12,556.25		2,562.50				15,118.75	15,118.75	1,500,000.00
9.72%																
<b>ASSET-BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</b>																
CCCT 2017-A2 A2	17305EGA7	01-26-17	1,549,703.18	1,550,547.31	01-17-21	1.740%	74.9167	5,543.83		2,247.50				7,791.33	7,791.33	1,550,000.00
TOYOTA ABS 2017-A A3	89238MAD0	03-15-17	449,947.04	449,947.04	02-15-21	1.730%	21.6250	346.00		648.75	648.75			346.00	346.00	450,000.00
ALLY ABS 2017-1 A3	0200PAC7	01-31-17	404,964.60	404,082.76	06-15-21	1.700%	19.1250	306.01		573.75	573.75			306.01	306.01	405,000.00
FORD ABS 2017-A A3	34531EAD8	01-25-17	1,199,995.56	1,196,623.20	06-25-21	1.670%	55.6667	890.67		1,670.00	1,670.00			890.67	890.67	1,200,000.00
TOYOTA ABS 2017-B A3	89190BA00	05-17-17	1,799,861.94	1,795,919.04	07-15-21	1.760%	88.0000	1,408.00		2,640.00	2,640.00			1,408.00	1,408.00	1,800,000.00
ALLY ABS 2017-2 A3	02007HAC5	03-29-17	1,444,829.63	1,443,399.23	08-15-21	1.780%	71.4472	1,143.16		2,143.42	2,143.42			1,143.16	1,143.16	1,445,000.00
HAROT 2017-2 A3	43814PAC4	09-29-17	329,964.26	329,358.61	09-18-21	1.790%	16.4083	32.82		492.25	311.76			213.31	213.31	330,000.00
JOHN DEERE ABS 2017-B A3	47788BAD6	07-18-17	599,956.08	598,651.80	10-15-21	1.820%	30.3333	485.33		910.00	910.00			485.33	485.33	600,000.00
AMXCA 2017-4 A	02582JHG8	05-30-17	679,891.06	678,646.05	12-15-21	1.640%	30.9778	498.67		929.33	929.33			498.67	498.67	680,000.00
CCCIT 2017-A3 A3	17305EG85	05-22-17	902,403.00	898,683.75	04-07-22	1.920%	48.0000	8,160.00		1,440.00	8,448.00			1,152.00	1,152.00	900,000.00
10.45%																
<b>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</b>																
FNMA	3136ANJY4	4-30-15	263,692.63	260,900.15	04-01-18	1.550%	11.2411	351.46		337.23	351.46			337.23	337.23	261,082.75
FNMA	3136ANJY4	4-30-15	11,124.59	11,018.48	10-25-17	1.550%	0.4742	0.00		0.00	0.00			0.00	0.00	11,014.48
FANNIE MEA	3136AQDQ0	10-30-15	559,483.20	553,209.03	09-01-19	1.646%	25.3272	815.05		759.82	1,039.24		(0.01)	535.62	535.62	553,936.13
FANNIE MEA	3136AQDQ0	10-30-15	40,673.51	40,270.25	10-25-17	1.646%	1.8412	0.00		0.00	0.00			0.00	0.00	40,270.25
FNA 2014-M6 A2	3136AJ7G5	12-15-16	2,040,468.75	2,031,784.40	05-25-21	2.679%	148.8333	4,464.21		4,464.18	4,464.18		(0.03)	4,464.18	4,464.18	2,000,000.00
3.14%																
<b>CASH AND CASH EQUIVALENTS</b>																
MONEY MARKET FUND	31846V534		532,361.25	532,361.25				170.34		450.21	170.34			450.21	450.21	0
LAIF			3,018,458.99	3,018,458.99				5,630.70		7,624.69	7,435.45		1,804.75	7,624.69	7,624.69	3,018,458.99
<b>MATURED/CALLED</b>																
US TREASURY NOTE	912828VF4	12-07-15	(592,242.19)	(596,648.44)	10-10-17											(600,000.00)
US TREASURY NOTE	912828VF4	12-07-15	(888,363.28)	(894,550.78)	10-20-17											(900,000.00)
US TREASURY NOTE	912828VF4	12-07-15	(444,181.64)	(446,748.05)	10-26-17											(450,000.00)
BEAR STEARNS CO INC. NOTE	073902PR3	11-22-16	(1,147,091.00)	(1,100,000.00)	10-02-17											(1,100,000.00)
CANADIAN IMPERIAL HLDING	13607EXD6	01-19-17	(1,781,510.25)	(1,800,000.00)	10-13-17											(1,800,000.00)
BANK OF TOKYO MITSUBISHI UF	06538BXP3	04-21-17	(993,011.11)	(1,000,000.00)	10-23-17											(1,000,000.00)
FNMA	3136ANJY4	4-30-15	(11,124.59)	(11,018.48)	10-25-17											(11,014.48)
FANNIE MEA	3136AQDQ0	10-30-15	(40,673.51)	(40,270.25)	10-25-17											(40,270.25)
TOTAL LAIF			3,018,458.99	3,018,458.99												
TOTAL A/C 121100 & 112010			89,811,147.26	89,437,027.79												89,545,018.88
<b>TOTAL (EXCLUDE LAIF AND CASH/CASH EQUIVALENTS)</b>			<b>89,811,147.26</b>	<b>89,437,027.79</b>				<b>338,215.22</b>	<b>0.00</b>	<b>121,505.95</b>	<b>165,322.98</b>		<b>(164.44)</b>	<b>294,233.75</b>	<b>294,233.75</b>	<b>89,545,018.88</b>



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

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 10-31-17	MATURITY/CALL DATE	INT RATE	RATE/ DAY	APPL. DAYS	INTEREST REC'VBLE 9-30-17	PREPAID INT REC'VBLE 10-31-17	INTEREST EARNED 10-31-17	INTEREST RECEIVED 10-31-17	ADJ.	INTEREST REC'VBLE 10-31-17	INT REC'VBLE LESS PREPAID 10-31-17	PAR VALUE
<b>CASH AND CASH EQUIVALENTS</b>																
FIRST AMER US TREASURY MM	31846V534		8,142,835.62	8,146,740.85					3,905.23		4,237.87	3,905.23		4,237.87	4,237.87	
LAIF			77,830.18	77,830.18					211.93		75.53	72.17	(139.76)	75.53	75.53	77,830
<b>MATURED/CALLED</b>																
TOTAL LAIF			77,830.18	77,830.18												
TOTAL A/C 121100 & 112010			0.00	0.00												
<b>TOTAL (EXCLUDE LAIF AND CASH/CASH EQUIVALENTS)</b>			<u>0.00</u>	<u>0.00</u>					<u># 0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

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

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 10-31-17	MATURITY/CALL DATE	INT RATE	RATE/DAY	INTEREST REC'VBLE 9-30-17	PP INTEREST REC'VBLE 10-31-17	INTEREST EARNED 10-31-17	INTEREST RECEIVED 10-31-17	PP INTEREST RECEIVED DATE	ADJ.	INTEREST REC'VBLE 10-31-17	INT REC'VBLE LESS PREPAID 10-31-17	PAR VALUE
<b>U.S. TREASURY NOTES AND BONDS</b>																
US TREASURY NOTE	912828VF4	12-7-15	641,595.70	644,922.20	05-31-20	1.375%	24.8264	3,003.58		769.62			(12.61)	3,760.59	3,760.59	650,000.00
US TREASURY NOTE	912828VF4	12-7-15	162,866.60	164,078.32	10-10-17	1.375%	6.3021	762.45		56.72	818.24		(0.93)	(0.00)	(0.00)	165,000.00
US TREASURY NOTE	912828VF4	12-7-15	246,767.58	248,486.33	10-20-17	1.375%	9.5486	1,155.22		181.42	1,333.67		(2.97)	0.00	0.00	250,000.00
US TREASURY NOTE	912828VF4	12-7-15	123,383.79	124,096.68	10-26-17	1.375%	4.7743	577.61		119.36	695.01		(1.96)	0.00	0.00	125,000.00
US TREASURY NOTE	912828VP2	5-18-16	816,631.64	796,140.67	07-31-20	2.000%	43.8889	2,661.96		1,360.56		(29.59)	3,992.93	3,992.93	790,000.00	
US TREASURY NOTE	912828L32	6-29-16	81,462.50	79,246.88	8-31-20	1.375%	3.0556	99.18		94.72		(1.55)	192.35	192.35	80,000.00	
US TREASURY NOTE	912828B90	10-5-16	181,323.24	176,141.53	02-28-21	2.000%	9.7222	299.72		301.39		(1.67)	599.45	599.45	175,000.00	
US TREASURY NOTE	912828Q78	01-05-17	573,391.41	576,156.56	04-30-21	1.375%	22.3438	3,366.13			4,021.88		(14.69)	22.22	22.22	585,000.00
US TREASURY NOTE	912828D72	04-05-17	251,933.59	251,132.75	08-31-21	2.000%	13.8889	567.05		430.56		(36.57)	961.04	961.04	250,000.00	
US TREASURY NOTE	912828D72	06-29-17	454,904.30	452,038.95	08-31-21	2.000%	25.0000	785.94		775.00		(5.05)	1,555.89	1,555.89	450,000.00	
US TREASURY NOTE	912828D72	07-11-17	528,178.71	527,378.78	08-31-21	2.000%	29.1667	910.60		904.17		(4.25)	1,810.52	1,810.52	525,000.00	
US TREASURY NOTE	912828T67	10-10-17	488,417.97	487,597.50	10-31-21	1.250%	17.3611	0.00		381.94	356.66	(1.37)	23.91	23.91	500,000.00	
US TREASURY NOTE	912828T67	08-03-17	514,930.66	511,977.38	10-31-21	1.250%	18.2292	2,757.19		565.11	3,281.25	(3.90)	37.15	37.15	525,000.00	
US TREASURY NOTE	912828T67	08-31-17	688,953.13	682,636.50	10-31-21	1.250%	24.3056	3,685.77		753.47	4,375.00	(6.82)	57.42	57.42	700,000.00	
																20.59%
<b>FEDERAL AGENCY COLLETERIALIZED MORTGAGE OBLIGATION</b>																
FNMA	3136ANJY4	4-30-15	73,488.11	72,709.88	04-01-18	1.550%	3.1328	97.29		93.98	97.95			93.32	93.32	72,760.77
FNMA	3136ANJY4	4-30-15	3,100.30	3,069.61	10-25-17	1.550%	0.1322	0.00		0.00	0.00			0.00	0.00	3,069.61
FANIE MAE	3136AQDQ0	10-30-15	160,851.43	159,047.60	09-01-19	1.646%	7.2816	234.33		218.45	298.79	64.46		218.45	218.45	159,256.64
FANIE MAE	3136AQDQ0	10-30-15	11,693.64	11,577.70	10-25-17	1.646%	0.5294	0.00		0.00				0.00	0.00	11,577.70
FNA 2014-M6 A2	3136A17G5	12-15-16	561,128.91	558,740.71	05-25-21	2.679%	40.9292	1,227.65		1,227.88	1,227.65	(0.23)		1,227.65	1,227.65	550,000.00
																3.08%
<b>CORPORATE NOTE</b>																
JOHN DEERE CAPITALCORP	24422ETM1	01-06-17	199,870.00	200,095.40	10-15-18	1.650%	9.1667	1,521.67		275.00	1,650.00			146.67	146.67	200,000.00
TOYOTA MOTOR CREDIT CORP	89236TDM4	01-09-17	299,895.00	299,829.90	01-09-19	1.700%	14.1667	1,161.67		425.00				1,586.67	1,586.67	300,000.00
BERKSHIRE HATHAWAY INC.	084670BL1	12-23-16	502,830.00	503,224.50	08-14-19	2.100%	29.1667	1,370.83		875.00				2,245.83	2,245.83	500,000.00
AMERICAN HONDA FINANCE GLOBAL N	02665WAH4	12-20-16	502,485.00	503,070.00	08-15-19	2.250%	31.2500	1,437.50		937.50				2,375.00	2,375.00	500,000.00
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-16	199,900.00	198,936.40	10-18-19	1.550%	8.6111	1,403.61		258.33	1,550.00			111.94	111.94	200,000.00
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	149,821.50	149,374.65	10-30-19	1.700%	7.0833	1,069.59		212.50	1,275.00	(0.01)		7.08	7.08	150,000.00
AMERICAN EXP CREDIT CORP	0258MOEC9	10-31-16	350,066.50	348,540.85	10-30-19	1.700%	16.5278	2,495.69		495.83	2,975.00	0.01		16.53	16.53	350,000.00
PEIZER INC CORP NOTE	717081EB5	11-21-16	329,762.40	329,685.51	12-15-19	1.700%	15.5833	1,651.83		467.50				2,119.33	2,119.33	330,000.00
CITIGROUP INC	172967LF6	01-10-17	249,900.00	251,414.50	01-10-20	2.450%	17.0139	1,378.13		510.42		(0.01)		1,888.54	1,888.54	250,000.00
MICROSOFT CORP	594918BV5	02-06-17	249,832.50	250,148.75	02-06-20	1.850%	12.8472	706.60		385.42		(0.01)		1,092.01	1,092.01	250,000.00
WALT DISNEY CO CORP NOTES	25468DP8	03-06-17	99,974.00	100,169.90	03-04-20	1.950%	5.4167	146.25		162.50				308.75	308.75	100,000.00
APPLE INC BONDS	037833CS7	05-11-17	224,770.50	224,551.35	05-11-20	1.800%	11.2500	1,575.00		337.50				1,912.50	1,912.50	225,000.00
HOME DEPOT INC CORP NOTES	43707BQ4	06-05-17	124,927.50	124,840.13	06-05-20	1.800%	6.2500	725.00		187.50				912.50	912.50	125,000.00
MORGAN STANLEY CORP NOTE	6174467P8	11-10-16	558,125.00	542,546.50	07-24-20	5.500%	76.3889	5,118.06		2,291.67		(0.01)		7,409.72	7,409.72	500,000.00
CATERPILLAR FINL SERIVE NOTE	1491302A6	09-07-17	184,844.60	183,927.56	09-04-20	1.850%	9.5069	228.17		285.21				513.38	513.38	185,000.00
WAL-MART STORES INC CORP NOTE	931142EA7	10-20-17	249,637.50	249,473.50	12-15-20	1.900%	13.1944	0.00		145.14				145.14	145.14	250,000.00
BRANCH MANKING & TRUST CORP NOT	05531FAZ6	10-26-17	124,942.50	124,779.75	02-01-21	2.150%	7.4653	0.00		37.33				37.33	37.33	125,000.00
PEPSICO INC CORP NOTE	71344DX3	10-10-17	164,967.00	164,554.34	04-15-21	2.000%	9.1667	0.00		192.50				192.50	192.50	165,000.00
GOLDMAN SACHS GROUP CORP	3814GGQ1	11-28-16	496,651.50	492,993.45	07-27-21	5.250%	65.6250	4,200.00		1,968.75				6,168.75	6,168.75	450,000.00
BANK OF AMERICA CORP	06051GGS2	09-18-17	160,000.00	159,448.48	10-01-21	2.328%	10.3467	134.51		310.40				444.91	444.91	160,000.00
JOHN DEERE CAPITALCORP	24422ETL3	03-15-17	114,492.85	116,613.80	01-06-22	2.650%	8.4653	719.55		253.96				973.51	973.51	115,000.00
JPMORGAN CHASE & CO CORP NOTES	46625HJD3	05-26-17	270,455.00	269,885.25	01-24-22	4.500%	31.2500	2,093.75		937.50				3,031.25	3,031.25	250,000.00
																22.36%
<b>COMMERCIAL PAPER</b>																
COOPERATIVE RABOANK UIA COMM P	21687AYT4	03-03-17	495,329.86	499,540.00	11-27-17	0.000%		0.00		0.00				0.00	0.00	500,000.00
CANADIAN IMPERIAL HLDING COMM P	13607EXD6	01-19-17	494,863.96	500,000.00	10-13-17	0.000%		0.00		0.00				0.00	0.00	500,000.00
BNP PARIBAS NY BRANCH COMM PAPE	09659BZ11	03-06-17	544,513.75	549,441.20	12-01-17	0.000%		0.00		0.00				0.00	0.00	550,000.00
BANK OF TOKYO MITSUBISHI UFJ LTD	06538CBG5	05-23-17	247,253.96	248,957.50	02-16-18	0.000%		0.00		0.00				0.00	0.00	250,000.00
BANK OF MONTREAL CHICAGO	06366HF44	09-08-17	543,943.94	544,786.00	06-04-18	0.000%		0.00		0.00				0.00	0.00	550,000.00
ING (US) FUNDING LLC COMM PAPER	4497W1G26	10-13-17	494,177.78	494,700.00	06-04-18	0.000%		0.00		0.00				0.00	0.00	500,000.00
																9.25%
<b>CERTIFICATE OF DEPOSIT</b>																
CANADIAN IMPERIAL BANK NY CD	13606A527	12-05-16	499,610.00	501,236.00	11-30-18	1.7600%	24.4444	3,031.11		733.33		24.45		3,788.89	3,788.89	500,000.00
NORDEA BANK FINLAND NY	65558LWA6	12-05-16	500,000.00	501,236.00	11-30-18	1.7600%	24.4444	2,957.78		733.33				3,691.11	3,691.11	500,000.00
SVENSKA HANDELSBANKEN NY LT CD	86958JHB8	01-12-17	500,000.00	498,575.00	01-10-19	1.8900%	26.2500	2,178.75		787.50		26.25		2,992.50	2,992.50	500,000.00
BANK OF NOVA SCOTIA HOUSTON	06417GUE6	04-06-17	500,000.00	499,446.00	04-05-19	1.9100%	26.5278	4,721.94		795.83	4,828.06	26.54		716.25	716.25	500,000.00

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

TYPE OF SECURITY	CUSIP #	SETTLE DATE	ORIGINAL PURCHASE PRICE	MARKET VALUE 10-31-17	MATURITY/CALL DATE	INT RATE	RATE/DAY	INTEREST REC'VBLE 9-30-17	PP INTEREST REC'VBLE 10-31-17	INTEREST EARNED 10-31-17	INTEREST RECEIVED 10-31-17	PP INTEREST RECEIVED DATE	ADJ.	INTEREST REC'VBLE 10-31-17	INT REC'VBLE LESS PREPAID 10-31-17	PAR VALUE
SUMITOMO MITSUI BANK NY CD	86563YVNO	05-04-17	500,000.00	500,895.00	05-03-19	2.0500%	28.4722	4,185.42		854.17			(0.01)	5,039.58	5,039.58	500,000.00 9.84%
<b>FEDERAL AGENCY BOND/NOTE</b>																
FHLB GLOBAL NOTES	3130A9AE1	08-26-16	199,864.00	198,980.00	10-10-17	0.8750%	4.8611	875.00			43.75	918.75		0.00	0.00	200,000.00
FHLB GLOBAL NOTES	3137EAD7	09-16-16	134,941.95	134,246.84	10-12-18	0.8750%	3.2813	555.09			98.44	590.63	(0.56)	62.34	62.34	135,000.00
FHLB GLOBAL NOTES	3137EAD7	09-16-16	249,892.50	248,662.50	10-10-17	0.8750%	6.0764	1,026.35			54.69	1,081.60	0.56	0.00	0.00	250,000.00
FEDERAL HOME LOAN BANK AGENCY	3130AAXX1	03-10-17	598,608.00	598,350.60	03-18-19	1.3750%	22.9167	297.92			687.50			985.42	985.42	600,000.00
FHLMC	3137EAE81	7-20-16	748,185.00	740,695.50	07-19-19	0.8750%	18.2292	1,312.50			546.88			1,859.38	1,859.38	750,000.00
FNMA	3135GON33	08-02-16	479,193.60	473,812.80	08-02-19	0.8750%	11.6667	688.33			350.00			1,038.33	1,038.33	480,000.00
FHLB GLOBAL NOTES	3130A8Y72	08-04-16	174,664.00	172,717.48	08-05-19	0.8750%	4.2535	238.19			127.61			365.80	365.80	175,000.00
FNMA NOTES	3135GOP49	09-02-16	798,752.00	791,079.20	08-28-19	1.0000%	22.2222	733.35			666.67			1,400.02	1,400.02	800,000.00
FNMA NOTES	3130A9EP2	09-09-16	799,304.00	790,370.40	09-26-19	1.0000%	22.2222	111.11			666.67			777.78	777.78	800,000.00
FNMA NOTES	3135GOT29	02-28-17	339,782.40	338,378.20	02-28-20	1.5000%	14.1667	467.50			425.00			892.50	892.50	340,000.00
FHLMC AGENCY	3137EAEF2	04-20-17	348,803.00	346,914.75	04-20-20	1.3750%	13.3681	2,152.26			401.04	2,406.25		147.05	147.05	350,000.00
FNMA NOTES	3135GOT60	08-01-17	398,788.00	397,337.60	04-20-20	1.5000%	16.6667	1,000.00			500.00			1,500.00	1,500.00	400,000.00
FHLB NOTES	3130ACE26	09-08-17	84,727.15	83,965.81	09-28-20	1.5000%	3.5417	9.74			106.25		(8.85)	107.14	107.14	85,000.00
FHLMC NOTES	3137EAEJ4	09-29-17	164,701.35	164,165.76	09-29-20	1.5000%	6.8750	14.90			206.25		17.18	238.33	238.33	165,000.00
FHLB GLOBAL NOTE	3130A8QS5	7-15-16	516,837.88	506,536.68	07-14-21	1.1250%	16.2500	1,251.25			487.50			1,738.75	1,738.75	520,000.00
FNMA NOTES	3135GON82	8-19-16	597,658.06	585,559.20	08-17-21	1.2500%	20.8333	916.67			625.00			1,541.67	1,541.67	600,000.00 24.41%
<b>ASSET BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</b>																
CCCI 2017-A2 A2	17305EGA7	01-26-17	449,913.83	450,158.90	01-17-21	1.7400%	21.7500	1,609.50			652.50			2,262.00	2,262.00	450,000.00
TOYOTA ABS 2017-A A3	89238MADO	03-15-17	124,985.29	124,840.16	02-15-21	1.7300%	6.0069	96.11			180.21	180.21		96.11	96.11	125,000.00
ALLY ABS 2017-1 A3	02007PAC7	01-31-17	114,989.95	114,739.55	06-15-21	1.7000%	5.4306	86.89			162.92	162.92		86.89	86.89	115,000.00
FORD ABS 2017-A A3	34531EAD8	01-25-17	349,998.71	349,015.10	06-25-21	1.6700%	16.2361	259.78			487.08	487.08		259.78	259.78	350,000.00
TOYOTA ABS 2017-B A3	89190BADO	05-17-17	499,961.65	498,866.40	07-15-21	1.7600%	24.4444	391.11			733.33	733.33		391.11	391.11	500,000.00
ALLY ABS 2017-2 A3	02007HAC5	03-29-17	399,952.84	399,556.88	08-15-21	1.7800%	19.7778	316.44			593.33	593.33		316.44	316.44	400,000.00
HAROT 2017-3 A3	43814PAC4	09-29-17	99,989.17	99,805.64	09-18-21	1.7900%	4.9722	9.94			149.17	94.47		64.64	64.64	100,000.00
JOHN DEERE ABS 2017-B A3	47788BAD6	07-18-17	169,987.56	169,618.01	10-15-21	1.8200%	8.5944	137.51			257.83	257.83		137.51	137.51	170,000.00
AMXCA 2017-4 A	02582JHG8	05-30-17	199,967.96	199,601.78	12-15-21	1.6400%	9.1111	145.84			273.33	273.33		145.84	145.84	200,000.00
CCCI 2017-A3 A3	170305GB5	05-22-17	250,667.50	249,634.38	04-07-22	1.9200%	13.3333	2,266.67			400.00	2,346.67		320.00	320.00	250,000.00 10.47%
<b>CASH AND CASH EQUIVALENTS</b>																
MONEY MARKET FUND	31846V534		67,344.25	67,344.25				40.59			45.87	40.59		45.87	45.87	0
LAIF			1,042,599.66	1,042,599.66				2,839.06	0.00	1,011.76	966.79		(1,872.27)	1,011.76	1,011.76	1,042,600
<b>MATURED/CALLED</b>																
US TREASURY NOTE	912828VF4	12-7-15	(162,866.60)	(164,078.32)	10-10-17											(165,000.00)
US TREASURY NOTE	912828VF4	12-7-15	(246,767.58)	(248,486.33)	10-20-17											(250,000.00)
US TREASURY NOTE	912828VF4	12-7-15	(123,383.79)	(124,096.68)	10-26-17											(125,000.00)
FNMA	3136ANJY4	4-30-15	(3,100.30)	(3,069.61)	10-25-17											(3,069.61)
FAMIE MAE	3136AQDQ0	10-30-15	(11,693.64)	(11,577.70)	10-25-17											(11,577.70)
CANADIAN IMPERIAL HLDING COMM P. 13607EXD6	01-19-17		(494,863.96)	(500,000.00)	10-13-17											(500,000.00)
FHLB GLOBAL NOTES	3130A9AE1	08-26-16	(199,864.00)	(198,980.00)	10-10-17											(200,000.00)
FHLB GLOBAL NOTES	3137EAD7	09-16-16	(249,892.50)	(248,662.50)	10-10-17											(250,000.00)
TOTAL LAIF			1,042,599.66	1,042,599.66												
TOTAL A/C 122010			25,495,532.29	25,382,752.68												25,402,017.41
<b>TOTAL (EXCLUDE LAIF AND CASH/CASH EQUIVALENTS)</b>			<b>25,495,532.29</b>	<b>25,382,752.68</b>				<b>85,374.03</b>	<b>0.00</b>	<b>34,666.58</b>	<b>38,910.56</b>	<b>0.00</b>	<b>25.83</b>	<b>81,155.89</b>	<b>81,155.89</b>	<b>25,402,017.41</b>

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

BUDGET AMENDMENTS

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

BUDGET REVISIONS

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

SAN MATEO COUNTY TRANSIT DISTRICT  
 1/2 CENT SALES TAX RECEIPTS AND PROJECTIONS  
 FY2018  
 October 2017

11/28/17 10:00 AM

Approved Budget		Receipts		Over/(Under) Budget/Projection	Current Projection
Date	Amount	Date	Amount		
<b>FY2017:</b>					
1st Quarter	19,338,441	1st Quarter	18,526,400	(812,041)	18,526,400
2nd Quarter	20,753,590	2nd Quarter	22,306,576	1,552,986	22,306,576
3rd Quarter	21,051,276	3rd Quarter	19,175,737	(1,875,539)	19,175,737
4th Quarter	21,856,693	4th Quarter	24,344,172	2,487,479	24,344,172
<b>FY2017 Total</b>	<b>83,000,000</b>	<b>FY2017 Total</b>	<b>84,352,885</b>	<b>1,352,885</b>	<b>84,352,885</b>
<b>FY2018:</b>					
Jul. 17	6,173,245	Sep. 17	5,760,900	(412,345)	6,173,245
Aug. 17	6,173,245	Oct. 17	5,760,900	(412,345)	6,173,245
Sep. 17	9,148,973	Nov. 17			9,148,973
3 Months Total	21,495,463		11,521,800	(824,690)	21,495,463
Oct. 17	6,484,778	Dec. 17			6,484,778
Nov. 17	6,279,663	Jan. 18			6,279,663
Dec. 17	9,645,126	Feb. 18			9,645,126
6 Months Total	43,905,030		11,521,800	(824,690)	43,905,030
Jan. 18	5,525,697	Mar. 18			5,525,697
Feb. 18	5,504,678	Apr. 18			5,504,678
Mar. 18	7,882,317	May 18			7,882,317
9 Months Total	62,817,722		11,521,800	(824,690)	62,817,722
Apr. 18	6,117,920	Jun. 18			6,117,920
May 18	6,103,123	Jul. 18			6,103,123
Jun. 18	9,621,235	Aug. 18			9,621,235
<b>FY2018 Total</b>	<b>84,660,000</b>	<b>FY2018 Total</b>	<b>11,521,800</b>	<b>(824,690)</b>	<b>84,660,000</b>
	21,083,118	1st Quarter			
	6,072,433	2nd Quarter			
		3rd Quarter			
		4th Quarter			
	<u><b>27,155,551</b></u>	YTD Actual Per Statement of Revenue & Expenses			

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

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

**ACTION**

Staff proposes the Finance 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 September 30, 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 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 Exhibit 1. The schedule separates the investments into three groups: the Investments managed by Public Financial Management 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 Federal Deposit Insurance Corporation (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.

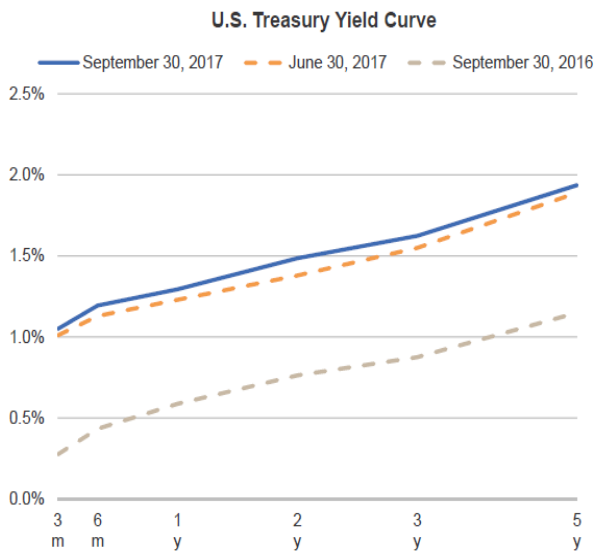
## **DISCUSSION**

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

- Two-year treasury yields moved modestly higher towards the end of the quarter, possibly due to heightened expectations of another rate hike and a tax overhaul that could increase government borrowing.
- Gross domestic product (GDP) increased at an annualized rate of 3.1 percent in the second quarter of 2017. The acceleration in second quarter GDP reflected positive contributions from personal consumption, nonresidential private investments, exports, and federal government spending, offset by negative contributions from residential fixed investments, imports, and state and local government spending.
- Hurricane Harvey is expected to be the second most destructive natural disaster over the last three decades. Destruction to property caused by Hurricane Harvey is estimated to range from \$77 to \$97 billion. The lost economic output is forecasted

to be \$9 - \$11 billion. The U.S. labor market lost 33,000 jobs in September, the first decline in U.S. nonfarm payrolls in seven years.

- Despite the impact of the hurricanes on the September job numbers, headline unemployment rate ticked down to 4.2 percent, hitting the lowest level in more than 16 years. The U6 unemployment rate also decreased slightly from 8.6 percent in June to 8.3 percent in September, while the labor force participation rate ticked up from 62.8 percent in June to 63.1 percent in September.
- Average hourly earnings – an important gauge of wage growth – grew 2.9 percent over the past 12 months.
- Treasury yields are substantially higher compared to a year ago. Short-term yields continue to rise in response to the Fed raising rates in their efforts to normalize policy. Longer-term yields still remain relatively low in response to low inflation and growth expectations.



**Yield Curve History**

Maturity	6/30/17	9/30/17	Change
3-Mo.	1.01	1.05	0.04
6-Mo.	1.13	1.19	0.06
1-Yr.	1.23	1.29	0.06
2-Yr.	1.38	1.49	0.11
3-Yr.	1.55	1.62	0.07
5-Yr.	1.89	1.94	0.05
10-Yr.	2.31	2.33	0.02
20-Yr.	2.61	2.60	0.01
30-Yr.	2.84	2.86	0.02



## **Portfolio Recap**

- Policy challenges in the U.S., combined with escalating tensions on the geopolitical front, led to bouts of uncertainty which triggered periods of "risk-off" and "risk-on" during the third quarter. Nonetheless, volatility remained low and equities continued to book new record highs, reflective of investor complacency.
- After three rate hikes since December 2016, the Federal Reserve (Fed) shifted gears and announced the beginning of their program to reduce the central bank's enormous balance sheet. The plan is to gradually reduce the Fed's securities holdings by decreasing its reinvestment of the principal payments on its large holdings of Treasury and agency mortgage-backed securities. This had little impact on our strategy as the process was telegraphed well in advance and will be gradual and predictable.
- Strong investor appetite for high-quality bonds generally caused the yield spreads on investment-grade fixed income sectors (relative to U.S. Treasuries) to tighten over the quarter, resulting in strong relative performance for corporate, mortgage-backed (MBS), and asset-backed (ABS) securities.
  - The yield spreads on federal agency securities vs. comparable-maturity Treasuries narrowed to historic lows, in some cases near zero, leading to diminished value of the agency sector.
  - Corporate yield spreads also tightened to multi-year lows as investors reaching for yield piled into a limited market supply of investment-grade securities.
  - Following three straight quarters of underperformance, the MBS sector generated solid excess returns during the third quarter and is now in positive excess return territory year-to-date.
  - Despite weakening collateral metrics in some higher risk areas of the ABS sector (e.g., subprime auto loans which PFM does not purchase), higher quality prime auto loan and credit-card-backed tranches performed well, benefitting from higher initial yields.
- Without a clear trend in the direction of interest rates, we maintained the portfolio duration in line with the benchmark to minimize return volatility.

## **Outlook and Strategy**

- Although current low inflation is a conundrum, recent signaling from Fed officials boosted expectations for another rate hike this year, raising the market-implied probability of a December hike from 30 percent mid-third quarter to over 70 percent.
- With 2-year Treasury yields at the highest level since 2008, we plan to maintain the portfolio duration generally in line with the benchmark. However, the significant flattening of the yield curve since the beginning the year has reduced the benefit of some maturity extensions, so we will carefully assess value along the yield curve.

- As we near the end of Janet Yellen's term as Chair of the Federal Reserve, which will expire early next year, we will assess the market implications of all new appointees to the Fed (there will be a total of 4 openings on the Fed's 7-member Board of Governors).
- Our prevailing economic theme includes moderate growth expectations in the U.S. and abroad, further improvements in the tightening U.S. labor market, healthy consumer demand, and a stable corporate backdrop.
- The impact from the recent Gulf Coast hurricanes will likely manifest itself in weaker economic data for September and early fourth quarter. However, history shows the effects of weather-related events are typically short-lived and may be smoothed over by the subsequent recovery and rebuilding activity.
- On the policy front, the potential for tax reform is worth watching, as will be the debt ceiling debate, which will resurface in December.
- 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 September 30, the total return of the General Funds portfolio was **0.40 percent**. The Paratransit Fund portfolio returned **0.39 percent**. This compares to the benchmark return of **0.29 percent**. The Performance graph on page 12 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 **1.64 percent**. The yield to maturity at cost for the Paratransit Fund's portfolio was **1.62 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 September 30, the General Fund's portfolio market yield to maturity was **1.74 percent**. The Paratransit Fund's portfolio market yield to maturity was **1.67 percent**.

## Investment Glossary:

**Asset Backed Securities** - An asset-backed security (ABS) is a financial security backed by a loan, lease or receivables against assets other than real estate and mortgage-backed securities. For investors, asset-backed securities are an alternative to investing in corporate debt.

**Certificate of Deposit** - A certificate of deposit (CD) is a savings certificate with a fixed maturity date, specified fixed interest rate and can be issued in any denomination aside from minimum investment requirements. A CD restricts access to the funds until the maturity date of the investment. CDs are generally issued by commercial banks and are insured by the FDIC up to \$250,000 per individual.

**Collateralized Mortgage Obligation** - Collateralized mortgage obligation (CMO) refers to a type of mortgage-backed security that contains a pool of mortgages bundled together and sold as an investment. Organized by maturity and level of risk, CMOs receive cash flows as borrowers repay the mortgages that act as collateral on these securities. In turn, CMOs distribute principal and interest payments to their investors based on predetermined rules and agreements.

**Commercial Paper** - Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts receivable, inventories and meeting short-term liabilities. Maturities on commercial paper rarely range any longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.

**Credit Spreads** - The **spread** between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

**Duration** - The term duration has a special meaning in the context of bonds. It is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows. It is an important measure for investors to consider, as bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

**Net Asset Value** - Net asset value (NAV) is value per share of a mutual fund or an exchange-traded fund (ETF) on a specific date or time. With both security types, the per-share dollar amount of the fund is based on the total value of all the securities in its portfolio, any liabilities the fund has and the number of fund shares outstanding.

**Roll-down** - A roll-down return is a form of return that arises when the value of a bond converges to par as maturity is approached. The size of the roll-down return varies greatly between long and short-dated bonds. Roll-down is smaller for long-dated bonds that are trading away from par compared to bonds that are short-dated.

Roll-down return works two ways in respect to bonds. The direction depends on if the bond is trading at a premium or at a discount. If the bond is trading at a discount the

roll-down effect will be positive. This means the roll-down will pull the price up towards par. If the bond is trading at a premium the opposite will occur. The roll-down return will be negative and pull the price of the bond down back to par.

**Volatility** - Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

**Yield Curve** - A yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates, and it is also used to predict changes in economic output and growth.

**Yield to Maturity** - Yield to maturity (YTM) is the total return anticipated on a bond if the bond is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate. In other words, it is the internal rate of return of an investment in a bond if the investor holds the bond until maturity and if all payments are made as scheduled.

Source: Investopedia.com

**REPORT OF INVESTMENTS  
FOR QUARTER ENDED SEPTEMBER 30, 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	912828T8	04-30-19	65,000.00	64,987.30	64,812.09	340.01	65,152.10
US TREASURY NOTE	912828VF4	05-31-20	3,820,000.00	3,770,608.60	3,799,555.36	17,651.84	3,817,207.20
US TREASURY NOTE	912828VP2	07-31-20	1,650,000.00	1,705,623.04	1,667,917.35	5,559.78	1,673,477.13
US TREASURY NOTE	912828L32	08-31-20	410,000.00	417,495.32	407,181.25	508.30	407,689.55
US TREASURY NOTE	912828Q78	04-30-21	2,000,000.00	1,960,312.50	1,974,688.00	11,508.15	1,986,196.15
US TREASURY NOTE	912828R77	05-31-21	1,400,000.00	1,363,632.81	1,381,077.60	6,469.26	1,387,546.86
US TREASURY NOTE	912828D72	08-31-21	1,000,000.00	1,007,734.38	1,007,969.00	1,816.40	1,009,785.40
US TREASURY NOTE	912828D72	08-31-21	1,500,000.00	1,516,347.66	1,511,953.50	2,563.65	1,514,517.15
US TREASURY NOTE	912828D72	08-31-21	2,200,000.00	2,213,320.31	2,217,531.80	4,304.72	2,221,836.52
US TREASURY NOTE	912828T67	10-31-21	1,550,000.00	1,520,271.48	1,515,366.80	8,139.12	1,523,505.92
US TREASURY NOTE	912828T67	10-31-21	3,100,000.00	3,051,078.13	3,030,733.60	16,317.85	3,047,051.45
<b>GOVERNMENT BONDS</b>							
FHLMC	3137EAE81	07-19-19	2,700,000.00	2,693,466.00	2,668,742.10	4,725.01	2,673,467.11
FNMA	3135GON33	08-02-19	1,600,000.00	1,597,312.00	1,581,134.40	2,294.44	1,583,428.84
FHLB GLOBAL NOTE	3130A8Y72	08-05-19	450,000.00	449,136.00	444,676.05	612.50	445,288.55
FHMA NOTES	3135GOP49	08-28-19	2,700,000.00	2,695,788.00	2,673,545.40	2,475.00	2,676,020.40
FHLB GLOBAL NOTE	3130A9EP2	09-26-16	2,700,000.00	2,697,651.00	2,671,952.40	375.00	2,672,327.40
FHMA NOTES	3135GOT29	02-28-20	1,300,000.00	1,299,168.00	1,296,908.60	1,787.50	1,298,696.10
FHLMC AGENCY	3137EAEF2	04-20-20	1,300,000.00	1,295,554.00	1,291,717.70	7,994.10	1,299,711.80
FHMA NOTES	3135GOT60	07-30-20	1,500,000.00	1,495,455.00	1,491,801.00	3,750.00	1,495,551.00
FHLB NOTES	3130ACE26	09-28-20	440,000.00	438,587.60	435,790.96	50.42	435,841.38
FHLB NOTES	3137EAEJ4	09-29-20	580,000.00	578,950.20	578,518.68	52.36	578,571.04
FHLB GLOBAL NOTE	3130A8QS5	07-14-21	2,700,000.00	2,683,581.30	2,637,543.60	6,496.88	2,644,040.48
FNMA NOTES	3135GON82	08-17-21	475,000.00	473,375.03	464,792.25	725.70	465,517.95
FNMA NOTES	3135GON82	08-17-21	1,525,000.00	1,518,823.75	1,492,227.75	2,329.86	1,494,557.61
<b>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</b>							
FNMA	3136ANJY4	04-01-18	272,097.23	274,817.22	271,953.13	351.46	272,304.59
FANNIE MEA	3136AQDQ0	09-01-19	594,206.38	600,156.71	593,848.67	815.05	594,663.72
FNA 2014-M6 A2	3136AJ7G5	05-25-21	2,000,000.00	2,040,468.75	2,038,179.80	4,464.21	2,042,644.01
<b>CORPORATE NOTE</b>							
BEAR STEARNS CO INC. NOTE	073902PR3	10-02-17	1,100,000.00	1,147,091.00	1,100,000.00	35,004.44	1,135,004.44
JOHN DEERE CAPITAL CORP	24422ESR1	12-15-17	1,550,000.00	1,557,207.50	1,550,562.65	7,074.03	1,557,636.68
JOHN DEERE CAPITAL CORP	24422ETM1	10-15-18	800,000.00	799,480.00	800,488.80	6,086.67	806,575.47
TOYOTA MOTOR CORP	89236TDM4	01-09-19	1,100,000.00	1,099,615.00	1,100,257.40	4,259.44	1,104,516.84
BERKSHIRE HATHWAY GLOBAL NOTE	084670BL1	08-14-19	1,800,000.00	1,810,188.00	1,817,478.00	4,935.00	1,822,413.00
AMERICAN HONDA FINANCE GLOBAL NOTES	02665WHA4	08-15-19	1,800,000.00	1,808,946.00	1,814,283.00	5,175.00	1,819,458.00
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-19	670,000.00	669,665.00	666,388.03	4,702.10	671,090.13
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	500,000.00	499,405.00	498,428.50	3,565.28	501,993.78
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	1,100,000.00	1,100,209.00	1,096,542.70	7,843.61	1,104,386.31
PEIZER INC CORP NOTE	717081EB5	12-15-19	1,185,000.00	1,184,146.80	1,184,369.58	5,931.58	1,190,301.16
CITIGROUP INC	172967LF6	01-10-20	900,000.00	899,640.00	907,145.10	4,961.25	912,106.35
MICROSOFT CORP	594918BV5	02-06-20	900,000.00	899,397.00	903,705.30	2,543.75	906,249.05
WALT DISNEY CO CORP NOTES	25468PDP8	03-04-20	380,000.00	379,901.20	381,266.54	555.75	381,822.29
APPLE INC BONDS	037833CS7	05-11-20	820,000.00	819,163.60	820,369.00	5,740.00	826,109.00
HOME DEPOT INC CORP NOTES	437076BQ4	06-05-20	450,000.00	449,739.00	450,328.95	2,610.00	452,938.95
MORGAN STANLEY CORP NOTE	6174467P8	07-24-20	1,800,000.00	2,009,250.00	1,955,358.00	18,425.00	1,973,783.00
CATERPILLAR FINL SERVICE NOTE	14913Q2A6	09-04-20	650,000.00	649,454.00	647,000.90	801.67	647,802.57
GOLDMAN SACHS GROUP CORP	3814GGQ1	07-27-21	1,600,000.00	1,765,872.00	1,758,104.00	14,933.33	1,773,037.33
BANK OF AMERICA CORP	06051GGS2	10-01-21	550,000.00	550,000.00	548,851.05	462.37	549,313.42
JOHN DEERE CAPITAL CORP	2442ETL3	01-06-22	450,000.00	448,015.50	456,038.55	2,815.63	458,854.18
JPMORGAN CHASES & CO CORP NOTES	46625HJD3	01-24-22	900,000.00	973,638.00	975,159.90	7,537.50	982,697.40

**SAN MATEO COUNTY TRANSIT DISTRICT  
REPORT OF INVESTMENTS (continued)  
FOR QUARTER ENDED SEPTEMBER 30, 2017**

TYPE OF SECURITY	CUSIP #	MATURITY/CALL DATE	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE + ACCR. INT.
<b>COMMERCIAL PAPER</b>							
CANADIAN IMPERIAL HLDING	13607EXD6	10-13-17	1,800,000.00	1,781,510.25	1,799,168.40	0.00	1,799,168.40
BANK OF TOKYO MITSUBISHI UFJ	06538BXP3	10-23-17	1,000,000.00	993,011.11	999,195.00	0.00	999,195.00
CREDIT AGRICOLE CIB NY	22533TYL4	11-20-17	1,800,000.00	1,788,144.50	1,796,940.00	0.00	1,796,940.00
BANK OF TOKYO MITSUBISHI UFJ LTD	06538CBG5	02-16-18	800,000.00	791,212.67	795,604.00	0.00	795,604.00
BNP PARIBAS NY BRANCH COMM PAPER	09659CC71	03-07-18	1,800,000.00	1,781,775.00	1,788,775.20	0.00	1,788,775.20
BANK OF MONTREAL CHICAGO COMM PAPER	06366HF44	06-04-18	1,800,000.00	1,780,180.17	1,780,617.60	0.00	1,780,617.60
<b>CERTIFICATION OF DEPOSIT</b>							
CANADIAN IMPERIAL BANK NY CD	13606A5Z7	11-30-18	1,800,000.00	1,798,596.00	1,804,537.80	10,912.00	1,815,449.80
NORDEA BANK FINLAND NY	65558LWA6	11-30-18	1,800,000.00	1,800,000.00	1,804,537.80	10,648.00	1,815,185.80
SVENSKA HANDELSBANKEN NY LT CD	86958JHB8	01-10-19	1,800,000.00	1,800,000.00	1,794,231.00	7,843.50	1,802,074.50
BANK OF NOVA SCOTIA HOUSTON LT CD	06417GUE6	04-05-19	1,800,000.00	1,800,000.00	1,797,658.20	16,999.00	1,814,657.20
SUMITOMO MITSUI BANK NY CD	86563YVNO	05-03-19	1,500,000.00	1,500,000.00	1,502,805.00	12,556.25	1,515,361.25
<b>ASSET-BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</b>							
CCCIT 2017-A2 A2	17305EGA7	01-17-21	1,550,000.00	1,549,703.18	1,551,487.38	5,543.83	1,557,031.21
TOYOTA ABS 2017-A A3	89238MAD0	02-15-21	450,000.00	449,947.04	449,715.47	346.00	450,061.47
ALLY ABS 2017-1 A3	0200PAC7	06-15-21	405,000.00	404,964.60	404,492.41	306.01	404,798.42
FORD ABS 2017-A A3	34531EAD8	06-25-21	1,200,000.00	1,199,995.56	1,198,114.44	890.67	1,199,005.11
TOYOTA ABS 2017-B A3	89190BAD0	07-15-21	1,800,000.00	1,799,861.94	1,799,790.48	1,408.00	1,801,198.48
ALLY ABS 2017-2 A3	02007HAC5	08-15-21	1,445,000.00	1,444,829.63	1,444,257.27	1,143.16	1,445,400.43
HAROT 2017-2 A3	43814PAC4	09-18-21	330,000.00	329,964.26	329,659.54	32.82	329,692.36
JOHN DEERE ABS 2017-B A3	47788BAD6	10-15-21	600,000.00	599,956.08	599,604.90	485.33	600,090.23
AMXCA 2017-4 A	02582JHG8	12-15-21	680,000.00	679,891.06	679,182.44	498.67	679,681.11
CCCIT 2017-A3 A3	17305EGB5	04-07-22	900,000.00	902,403.00	900,562.86	8,160.00	908,722.86
<b>CASH AND CASH EQUIVALENTS</b>							
US TREASURY MM FUND	31846V534		268,031.65	268,031.65	268,031.65	170.34	268,201.99
<b>TOTAL RESERVE PORTFOLIO MANAGED BY PFM</b>			<b>89,864,335.26</b>	<b>90,187,703.39</b>	<b>89,933,213.63</b>	<b>338,385.56</b>	<b>90,271,599.19</b>
<b>PARATRANSIT FUNDS PORTFOLIO:</b>							
<b>U.S. TREASURY NOTES AND BONDS</b>							
US TREASURY NOTE	912828VF4	05-31-20	1,190,000.00	1,174,613.67	1,183,631.12	5,498.87	1,189,129.99
US TREASURY NOTE	912828VP2	07-31-20	790,000.00	816,631.64	798,578.61	2,661.96	801,240.57
US TREASURY NOTE	912828B90	02-28-21	175,000.00	181,323.24	176,681.58	299.72	176,981.30
US TREASURY NOTE	912828L32	08-31-20	80,000.00	81,462.50	79,450.00	99.18	79,549.18
US TREASURY NOTE	912828Q78	04-30-21	585,000.00	573,391.41	577,596.24	3,366.13	580,962.37
US TREASURY NOTE	912828D72	08-31-21	250,000.00	251,933.59	251,992.25	567.05	252,559.30
US TREASURY NOTE	912828D72	08-31-21	450,000.00	454,904.30	453,586.05	785.94	454,371.99
US TREASURY NOTE	912828D72	08-31-21	525,000.00	528,178.71	529,183.73	910.60	530,094.33
US TREASURY NOTE	912828T67	10-31-21	525,000.00	514,930.66	513,269.40	2,757.19	516,026.59
US TREASURY NOTE	912828T67	10-31-21	700,000.00	688,953.13	684,359.20	3,685.77	688,044.97
<b>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</b>							
FNMA	3136ANJY4	04-01-18	75,830.38	76,588.41	75,790.22	97.29	75,887.51
FANIE MAE	3136AQDQ0	09-01-19	170,834.34	172,545.07	170,731.50	234.33	170,965.83
FNA 2014-M6 A2	3136AJ7G5	05-25-21	550,000.00	561,128.91	560,499.45	1,227.65	561,727.10
<b>FEDERAL AGENCY BOND/NOTE</b>							
FHLB GLOBAL NOTES	3130A9AE1	10-01-18	200,000.00	199,864.00	199,122.40	875.00	199,997.40
FHLB GLOBAL NOTES	3137EAED7	10-12-18	385,000.00	384,834.45	383,087.71	1,581.44	384,669.15
FEDERAL HOME LOAN BANK AGENCY	3130AAXX1	03-18-19	600,000.00	598,608.00	599,206.80	297.92	599,504.72
FHLMC	3137EAEB1	07-19-19	750,000.00	748,185.00	741,317.25	1,312.50	742,629.75
FNMA	3135GON33	08-02-19	480,000.00	479,193.60	474,340.32	688.33	475,028.65
FHLB GLOBAL NOTES	3130A8Y72	08-05-19	175,000.00	174,664.00	172,929.58	238.19	173,167.77
FNMA NOTES	3135GOP49	08-28-19	800,000.00	798,752.00	792,161.60	733.35	792,894.95
FNMA NOTES	3130A9EP2	09-26-19	800,000.00	799,304.00	791,689.60	111.11	791,800.71
FNMA NOTES	3135GOT29	02-28-20	340,000.00	339,782.40	339,191.48	467.50	339,658.98
FHLMC AGENCY	3137EAEF2	04-20-20	350,000.00	348,803.00	347,770.15	2,152.26	349,922.41

**SAN MATEO COUNTY TRANSIT DISTRICT  
REPORT OF INVESTMENTS (continued)  
FOR QUARTER ENDED SEPTEMBER 30, 2017**

TYPE OF SECURITY	CUSIP #	MATURITY/CALL DATE	PAR VALUE	CARRYING AMOUNT	MARKET VALUE	ACCRUED INTEREST	MARKET VALUE + ACCR. INT.
<b><u>FEDERAL AGENCY BOND/NOTE</u></b>							
FNMA NOTES	3135GOT60	04-20-20	400,000.00	398,788.00	397,813.60	1,000.00	398,813.60
FHLB NOTES	3130ACE26	09-28-20	85,000.00	84,727.15	84,186.89	9.74	84,196.63
FHLMC NOTES	3137EAEJ4	09-29-20	165,000.00	164,701.35	164,578.59	14.90	164,593.49
FHLB GLOBAL NOTE	3130A8QS5	07-14-21	520,000.00	516,837.88	507,971.36	1,251.25	509,222.61
FNMA NOTES	3135G0N82	08-17-21	600,000.00	597,658.06	587,106.00	916.67	588,022.67
<b><u>CORPORATE NOTE</u></b>							
JOHN DEERE CAPITALCORP	24422ETM1	10-15-18	200,000.00	199,870.00	200,122.20	1,521.67	201,643.87
TOYOTA MOTOR CREIDT CORP	89236TDM4	01-09-19	300,000.00	299,895.00	300,070.20	1,161.67	301,231.87
BERKSHIRE HATHAWY INC.	084670BL1	08-14-19	500,000.00	502,830.00	504,855.00	1,370.83	506,225.83
AMERICAN HONDA FINANCE GLOBAL NOTES	02665WAH4	08-15-19	500,000.00	502,485.00	503,967.50	1,437.50	505,405.00
TOYOTA MOTOR CORP NOTES	89236TDH5	10-18-19	200,000.00	199,900.00	198,921.80	1,403.61	200,325.41
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	150,000.00	149,821.50	149,528.55	1,069.59	150,598.14
AMERICAN EXP CREDIT CORP	0258MOEC9	10-30-19	350,000.00	350,066.50	348,899.95	2,495.69	351,395.64
PEIZER INC CORP NOTE	717081EB5	12-15-19	330,000.00	329,762.40	329,824.44	1,651.83	331,476.27
CITIGROUP INC	172967LF6	01-10-20	250,000.00	249,900.00	251,984.75	1,378.13	253,362.88
MICROSOFT CORP	594918BV5	02-06-20	250,000.00	249,832.50	251,029.25	706.60	251,735.85
WALT DISNEY CO CORP NOTES	25468DP8	03-04-20	100,000.00	99,974.00	100,333.30	146.25	100,479.55
APPLE INC BONDS	037833CS7	05-11-20	225,000.00	224,770.50	225,101.25	1,575.00	226,676.25
HOME DEPOT INC CORP NOTES	43707BQ4	06-05-20	125,000.00	124,927.50	125,091.38	725.00	125,816.38
MORGAN STANLEY CORP NOTE	6174467P8	07-24-20	500,000.00	558,125.00	543,155.00	5,118.06	548,273.06
CATERPILLAR FINL SERIVE NOTE	1491302A6	09-04-20	185,000.00	184,844.60	184,146.41	228.17	184,374.58
GOLDMAN SACHS GROUP CORP	3814GGQ1	07-27-21	450,000.00	496,651.50	494,466.75	4,200.00	498,666.75
BANK OF AMERICA CORP	06051GG52	10-01-21	160,000.00	160,000.00	159,665.76	134.51	159,800.27
JOHN DEERE CAPITALCORP	24422ETL3	01-06-22	115,000.00	114,492.85	116,543.19	719.55	117,262.74
JPMORGAN CHASE & CO CORP NOTES	46625HJD3	01-24-22	250,000.00	270,455.00	270,877.75	2,093.75	272,971.50
<b><u>COMMERCIAL PAPER</u></b>							
CANADIAN IMPERIAL HLDING COMM PAPER	13607EXD6	10-13-17	500,000.00	494,863.96	499,769.00	0.00	499,769.00
COORPERATIVE RABOANK UA COMM PAPER	21687AYT4	11-27-17	500,000.00	495,329.86	498,976.50	0.00	498,976.50
BNP PARIBAS NY BRANCH COMM PAPER	09659BZ11	12-01-17	550,000.00	544,513.75	548,852.70	0.00	548,852.70
BANK OF TOKYO MITTISHI UFJ LTD	06538CBG5	02-16-18	250,000.00	247,253.96	248,626.25	0.00	248,626.25
BANK OF MONTREAL CHICAGO	06366HF44	06-04-18	550,000.00	543,943.94	544,077.60	0.00	544,077.60
<b><u>CERTIFICATE OF DEPOSIT</u></b>							
CANADIAN IMPERIAL BANK NY CD	13606ASZ7	11-30-18	500,000.00	499,610.00	501,260.50	3,031.11	504,291.61
NORDEA BANK FINLAND NY	65558LWA6	11-30-18	500,000.00	500,000.00	501,260.50	2,957.78	504,218.28
SVENSKA HANDELSBANKEN NY LT CD	86958JHB8	01-10-19	500,000.00	500,000.00	498,397.50	2,178.75	500,576.25
BANK OF NOVA SCOTIA HOUSTON	06417GUE6	04-05-19	500,000.00	500,000.00	499,349.50	4,721.94	504,071.44
SUMITOMO MITSUI BANK NY CD	86563YVNO	05-03-19	500,000.00	500,000.00	500,935.00	4,185.42	505,120.42
<b><u>ASSET BACKED SECURITY/COLLATERALIZED MORTGAGE OBLIGATION</u></b>							
CCCIT 2017-A2 A2	17305EGA7	01-17-21	450,000.00	449,913.83	450,431.82	1,609.50	452,041.32
TOYOTA ABS 2017-A A3	89238MADO	02-15-21	125,000.00	124,985.29	124,920.96	96.11	125,017.07
ALLY ABS 2017-1 A3	02007PAC7	06-15-21	115,000.00	114,989.95	114,855.87	86.89	114,942.76
FORD ABS 2017-A A3	34531EAD8	06-25-21	350,000.00	349,998.71	349,450.05	259.78	349,709.83
TOYOTA ABS 2017-B A3	89190BADO	07-15-21	500,000.00	499,961.65	499,941.80	391.11	500,332.91
ALLY ABS 2017-2 A3	02007HAC5	08-15-21	400,000.00	399,952.84	399,794.40	316.44	400,110.84
HAROT 2017-3 A3	43814PAC4	09-18-21	100,000.00	99,989.17	99,896.83	9.94	99,906.77
JOHN DEERE ABS 2017-B A3	47788BAD6	10-15-21	170,000.00	169,987.56	169,888.06	137.51	170,025.57
ANMCA 2017-4 A	02582JHG8	12-15-21	200,000.00	199,967.96	199,759.54	145.84	199,905.38
CCCIT 2017-A3 A3	170305EGB5	04-07-22	250,000.00	250,667.50	250,156.35	2,266.67	252,423.02
<b><u>CASH AND CASH EQUIVALENTS</u></b>							
US TREASURY MM FUND	31846V534		51,584.70	51,584.70	51,584.70	40.59	51,625.29
<b>TOTAL PARATRANSIT PORTFOLIO MANAGED BY PFM</b>			<b>25,418,249.42</b>	<b>25,517,406.61</b>	<b>25,448,592.54</b>	<b>85,414.63</b>	<b>25,534,007.17</b>
<b>TOTAL DISTRICT PORTFOLIO MANAGED BY PFM</b>			<b>115,282,584.68</b>	<b>115,705,110.00</b>	<b>115,381,806.17</b>	<b>423,800.18</b>	<b>115,805,606.35</b>

**SAN MATEO COUNTY TRANSIT DISTRICT  
REPORT OF INVESTMENTS (continued)  
FOR QUARTER ENDED SEPTEMBER 30, 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>CASH AND CASH EQUIVALENTS</b>							
US TREASURY MM	31846V534		8,142,835.62	8,142,835.62	8,142,835.62	3,905.23	8,146,740.85
<b>TOTAL INVESTMENT FUNDS PORTFOLIO NON MANAGED BY PFM</b>			<b>8,142,835.62</b>	<b>8,142,835.62</b>	<b>8,142,835.62</b>	<b>3,905.23</b>	<b>8,146,740.85</b>
<b><u>LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF:</u></b>							
BANK OF AMERICA CHECKING			34,196,690.12	34,196,690.12	34,196,690.12		34,196,690.12
LAIF			9,130,414.42	9,130,414.42	9,130,414.42		9,130,414.42
WELLS FARGO			5,908.00	5,908.00	5,908.00		5,908.00
<b>TOTAL FUNDS MANAGED BY DISTRICT STAFF</b>			<b>43,333,012.54</b>	<b>43,333,012.54</b>	<b>43,333,012.54</b>		<b>43,333,012.54</b>
<b><u>TRUST FUNDS MANAGED BY THIRD PARTY TRUSTEE:</u></b>							
First American Govt Obligation C/D Chesham Finance Ltd.			7,217,991.08	7,217,991.08	7,217,991.08		7,217,991.08
<b>TOTAL AS OF SEPTEMBER 30, 2017</b>			<b>173,976,423.92</b>	<b>174,398,949.24</b>	<b>174,075,645.41</b>		<b>174,503,350.82</b>



## EXHIBIT 2

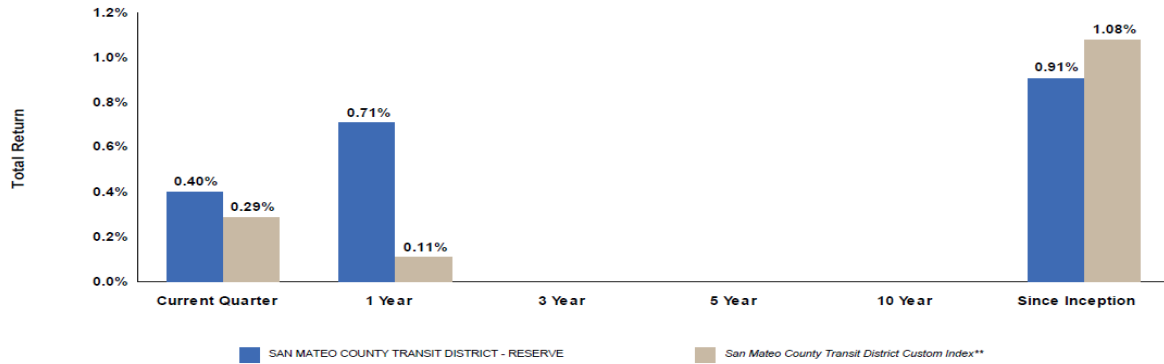
For the Quarter Ended September 30, 2017

SAN MATEO COUNTY TRANSIT DISTRICT - RESERVE

Portfolio Performance

### Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (03/31/15)
				3 Year	5 Year	10 Year	
SAN MATEO COUNTY TRANSIT DISTRICT - RESERVE*	2.18	0.40%	0.71%	-	-	-	0.91%
San Mateo County Transit District Custom Index**	2.15	0.29%	0.11%	-	-	-	1.08%
Difference		0.11%	0.60%	-	-	-	-0.17%



\*Portfolio performance is gross of fees unless otherwise indicated.

\*\*Composed of the 0-5 Year U.S. Treasury Index since 6/30/2016. Before 6/30/2016, composed of 40% 1-3 Year U.S. Treasury Index, 10% 1-3 Year High Grade Corporate Index, 40% 3-5 Year U.S. Treasury Index, and 10% 3-5 Year High Grade Corporate Index.

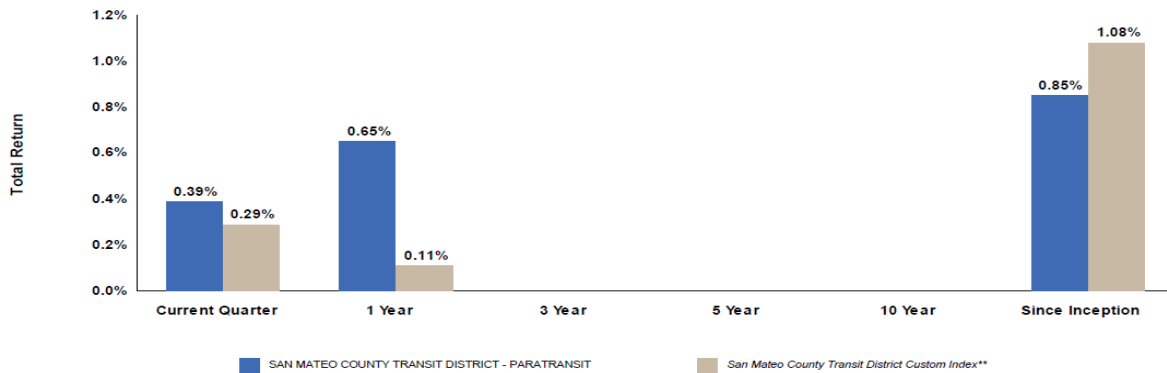
For the Quarter Ended September 30, 2017

SAN MATEO COUNTY TRANSIT DISTRICT - PARATRANSIT

Portfolio Performance

### Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (03/31/15)
				3 Year	5 Year	10 Year	
SAN MATEO COUNTY TRANSIT DISTRICT - PARATRANSIT*	2.18	0.39%	0.65%	-	-	-	0.85%
San Mateo County Transit District Custom Index**	2.15	0.29%	0.11%	-	-	-	1.08%
Difference		0.10%	0.54%	-	-	-	-0.23%



\*Portfolio performance is gross of fees unless otherwise indicated.

\*\*Composed of the 0-5 Year U.S. Treasury Index since 6/30/2016. Before 6/30/2016, composed of 40% 1-3 Year U.S. Treasury Index, 10% 1-3 Year High Grade Corporate Index, 40% 3-5 Year U.S. Treasury Index, and 10% 3-5 Year High Grade Corporate Index.

# EXHIBIT 3

SAN MATEO COUNTY TRANSIT DISTRICT - RESERVE

For the Quarter Ended September 30, 2017

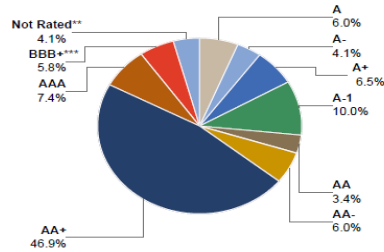
Portfolio Snapshot

### Portfolio Statistics

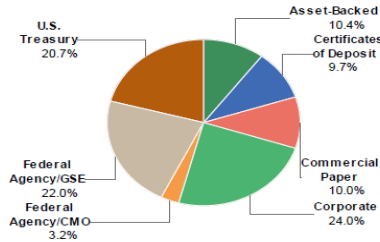
As of September 30, 2017

Par Value:	\$89,596,304
Total Market Value:	\$90,270,632
Security Market Value:	\$89,665,182
Accrued Interest:	\$337,419
Cash:	\$268,032
Amortized Cost:	\$89,834,724
Yield at Market:	1.74%
Yield at Cost:	1.64%
Effective Duration:	2.18 Years
Duration to Worst:	2.24 Years
Average Maturity:	2.48 Years
Average Credit: *	AA

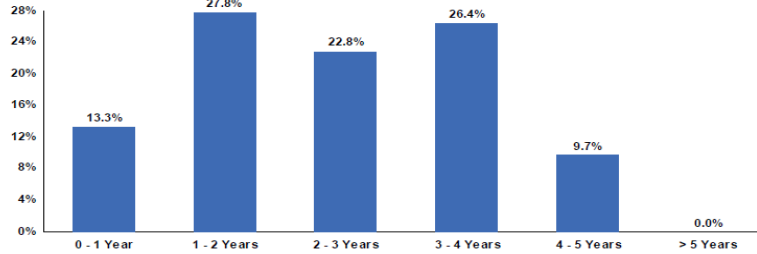
### Credit Quality (S&P Ratings)



### 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.  
 \*\* The "Not Rated" category comprises asset-backed securities rated Aaa by Moody's.  
 \*\*\* The "BBB+" category comprises securities rated A- or better by Moody's and/or Fitch.

For the Quarter Ended September 30, 2017

SAN MATEO COUNTY TRANSIT DISTRICT - PARATRANSIT

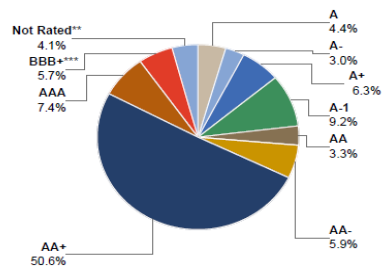
Portfolio Snapshot

### Portfolio Statistics

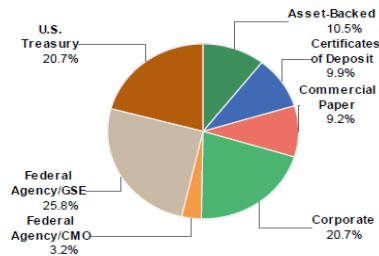
As of September 30, 2017

Par Value:	\$25,366,665
Total Market Value:	\$25,533,762
Security Market Value:	\$25,397,008
Accrued Interest:	\$85,169
Cash:	\$51,585
Amortized Cost:	\$25,454,077
Yield at Market:	1.67%
Yield at Cost:	1.62%
Effective Duration:	2.18 Years
Duration to Worst:	2.24 Years
Average Maturity:	2.47 Years
Average Credit: *	AA

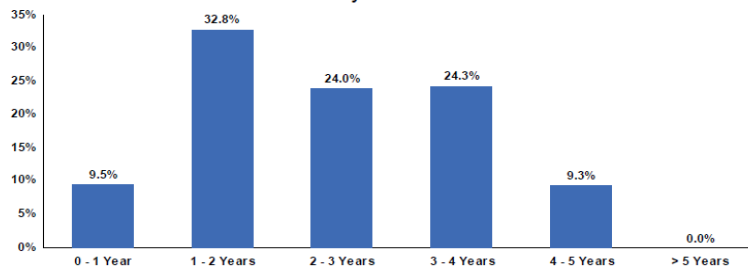
### Credit Quality (S&P Ratings)



### 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.  
 \*\* The "Not Rated" category comprises asset-backed securities rated Aaa by Moody's.  
 \*\*\* The "BBB+" category comprises securities rated A- or better by Moody's and/or Fitch.

## Exhibit 4

### 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 September 30, 2017	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$18,578,786	20.7%	100%	✓
Federal Agency/GSE	\$19,729,351	21.9%	100%	✓
Federal Agency/CMO	\$2,903,982	3.2%	20%	✓
Corporate Notes	\$21,432,126	23.8%	30%	✓
Negotiable CDs	\$8,703,770	9.7%	10%	✓
Asset-Backed Securities	\$9,356,867	10.4%	30%	✓
Commercial Paper	\$8,960,300	10.0%	15%	✓
<b>Securities Sub-Total</b>	<b>\$89,665,182</b>	<b>99.7%</b>		
Accrued Interest	\$337,419			
<b>Securities Total</b>	<b>\$90,002,601</b>			
Money Market Fund	\$268,032	0.3%	10%	✓
<b>Total Investments</b>	<b>\$90,270,632</b>	<b>100.0%</b>		

As of 9/30/2017. Detail may not add to total due to rounding.

### 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 September 30, 2017	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$5,248,328	20.6%	100%	✓
Federal Agency/GSE	\$6,582,473	25.9%	100%	✓
Federal Agency/CMO	\$807,021	3.2%	20%	✓
Corporate Notes	\$5,258,584	20.7%	30%	✓
Negotiable CDs	\$2,501,203	9.8%	10%	✓
Asset-Backed Securities	\$2,659,096	10.4%	30%	✓
Commercial Paper	\$2,340,302	9.2%	15%	✓
<b>Securities Sub-Total</b>	<b>\$25,397,008</b>	<b>99.8%</b>		
Accrued Interest	\$85,169			
<b>Securities Total</b>	<b>\$25,482,177</b>			
Money Market Fund	\$51,585	0.2%	10%	✓
<b>Total Investments</b>	<b>\$25,533,762</b>	<b>100.0%</b>		

As of 9/30/2017. Detail may not add to total due to rounding.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

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

SUBJECT: **AUTHORIZATION TO RECEIVE STATE TRANSIT ASSISTANCE STATE OF GOOD REPAIR PROGRAM FUNDS**

**ACTION**

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

1. Affirm that the San Mateo County Transit District (District) agrees to comply with all conditions and requirements of the State Transit Assistance (STA) State of Good Repair Program (SGR), as set forth in the certification and assurances and applicable statutes, regulations and guidelines, and
2. Execute and file the Certifications and Assurances and Authorized Agent form as well as any amendments, or furnish any additional information as Caltrans may require of recipients of SGR funds.

**SIGNIFICANCE**

This is a new formula program funded through Senate Bill (SB) 1 revenues, and the California Department of Transportation (Caltrans) requires recipient agencies of SGR funds to execute Certifications and Assurances and an Authorized Agent form prior to receiving the funding. The Certifications and Assurances contain general conditions of the SGR program, as well as some additional cost principles and record retention requirements that are standard for other State-funded projects. The Certifications and Assurances need to be submitted only once, and will be valid for the remainder of the 10-year SGR program.

**BUDGET IMPACT**

There is no budget impact from this action. SGR-funded projects have been included in the Fiscal Year (FY) 2018 Capital Budget in the amount of \$937,326. Funds for subsequent years will be included as part of annual budget deliberations.

## **BACKGROUND**

The Road Repair and Accountability Act of 2017, SB 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, will provide additional revenues for investment in public transit state of good repair projects. The SGR program provides funding of approximately \$105 million annually for eligible transit maintenance, rehabilitation and capital projects statewide.

## **STRATEGIC INITIATIVE**

- Priority 2: Strengthen Fiscal Health
- Goal 3: Implement existing and new best practices

Prepared By: Rebecca Arthur, Senior Grants Analyst

650-508-6368

**RESOLUTION NO. 2017 –**

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

**\* \* \***

**AUTHORIZING RECEIPT OF STATE TRANSIT ASSISTANCE STATE OF GOOD REPAIR PROGRAM  
FUNDS**

**WHEREAS**, the Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements; and

**WHEREAS**, this investment in public transit will be referred to as the State Transit Assistance (STA) State of Good Repair (SGR) program, and

**WHEREAS**, the Road Repair and Accountability Act of 2017 named the California Department of Transportation (Caltrans) as the administrative agency for SGR funds; and

**WHEREAS**, Caltrans has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors; and

**WHEREAS**, these guidelines require that recipient agencies of SGR funds execute Certifications and Assurances and an Authorized Agent form prior to receiving an allocation.

**NOW, THEREFORE, BE IT RESOLVED** that the General Manager/CEO, or his designee, is authorized to:

1. Affirm that the San Mateo County Transit District agrees to comply with all conditions and requirements of the State Transit Assistance State of Good Repair

Program as set forth in the certification and assurances and applicable statutes, regulations and guidelines, and

2. Execute and file the Certifications and Assurances and Authorized Agent form as well as any amendments, or furnish any additional information as Caltrans may require of recipients of SGR funds.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

---

Chair, San Mateo County Transit District

ATTEST:

---

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE REJECTION OF BID FOR BUS STOP BENCHES AND TRASH  
RECEPTACLES AND NEGOTIATION OF A CONTRACT ON THE OPEN MARKET**

**ACTION**

Staff proposes the Committee recommend the Board approve the following:

1. Reject the single bid received from Victor Stanley, Inc. of Dunkirk, MD, for the provision of bus stop benches and trash receptacles, which staff and legal counsel determined to be non-responsive; and
2. Authorize the General Manager/CEO, or his designee, to negotiate terms and conditions for a contract for the purchase and delivery of bus stop benches and trash receptacles with a qualified firm, following staff's solicitation of firms on the open market. The resulting contract will be presented to the Board for award if the contract amount is over \$150,000.

**SIGNIFICANCE**

Approval of the above action will allow for rejection of the single bid received and will provide staff with the requisite authority to research the marketplace to identify contractors with which to negotiate fair and reasonable prices for the required services.

The subject solicitation resulted in a single, non-responsive bid. The San Mateo County Transit District (District) has historically experienced difficulties obtaining fully-responsive bids for these commodities, and a re-solicitation is unlikely to yield different results. Staff requests authorization to negotiate appropriate contractual arrangements on the open market with qualified suppliers of these commodities.

State law and the District's Procurement Policy and procedures permit the District to reject the sole bid, solicit qualified firms on the open market, and enter into negotiations with one or more qualified firms.



**BUDGET IMPACT**

Rejection of the bid will have no budget impact.

**BACKGROUND**

In January 2016, an Invitation for Bids (IFB) was issued to obtain bids for bus stop benches and trash receptacles; three bids were received. Staff concluded that the quality, workmanship, and durability of the amenities supplied by the various vendors were difficult to ascertain without a comprehensive evaluation of sample products. Therefore, in accordance with the terms of the IFB and District procurement rules, the District rejected the three bids.

In August 2017, the IFB was re-issued in order to require potential bidders to submit a prototype of the offered products for evaluation and acceptance by the District prior to bid submittal. It was anticipated that this further step to review and handle the products would reveal more acceptable results to the District. The solicitation was advertised in a newspaper of general circulation and on the District's procurement website for interested bidders, including Small Business and Disadvantaged Business Enterprises, registered in the vendor database.

The District received one bid as listed below:

<b>Company</b>	<b>Bid Amount</b>
Victor Stanley, Inc., Dunkirk, MD	\$153,037.40

Upon review by staff and legal counsel, the single bid was found to be non-responsive because the bidder altered the "Bid Price" form and provided modifications to the technical specifications and the special provisions. In addition, the "Waiver of Subrogation" provision was deleted from the Insurance provisions of the agreement. These are material irregularities that the District may not waive, and, therefore, the bid is unacceptable.

There is no previous contract for these products as they were purchased in small quantities on an as-needed basis through the Request for Quote procurement process. Neither the current bidder nor the three previous bidders have supplied such products to the District in the past. The benches and trash receptacles will be used to replace those located at SamTrans bus stops in parts of Daly City, East Palo Alto, San Mateo, North Fair Oaks, South San Francisco and San Bruno.

Sr. Contract Officer: Juanita Vigil 650-508-7731  
Project Manager: Theresa Ostello, Associate Contract Administrator (Facilities) 650-508-7993

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE AWARD OF A CONTRACT FOR JANITORIAL AND BUS STOP  
CLEANING SERVICES**

**ACTION**

Staff proposes the Committee recommend the Board:

1. Award a contract to Crossroads Facility Services (Crossroads), of Sacramento, California, to provide janitorial and bus stop cleaning services for a not-to-exceed amount of \$5,500,000 for a five-year term.
2. Authorize the General Manager/CEO to execute a contract with Crossroads in full conformity with the terms and conditions set forth in the solicitation documents and in a form approved by legal counsel.

**SIGNIFICANCE**

Approval of the above actions will provide the San Mateo County Transit District (District) with a qualified firm to provide janitorial and bus stop cleaning services. The Contractor will perform routine and emergency cleaning services at the District's facilities in five locations and for the District's 287 owned bus stops.

**BUDGET IMPACT**

Funds to support the award of this contract are provided by the adopted Fiscal Year (FY) 2018 Operating Budget and savings in the FY 2018 Operating Budget, and will be included in future adopted operating budgets.

**BACKGROUND**

The District issued a Request for Proposals (RFP) detailing the scope of services. The solicitation was advertised in a newspaper of general circulation and on the District's procurement website. Standard language setting forth the District's policy regarding Small Business Enterprises (SBEs) was included in the solicitation documents. Staff received six proposals, two of which were from SBE firms.

An Evaluation/Selection Committee (Committee) composed of qualified District staff reviewed, evaluated, and scored all proposals according to the following weighted criteria:

- Approach to Scope of Services 0-20 points
- Qualifications and Experience of Firm and Key Personnel 0-30 points
- Health, Safety and Environmental Procedures of Firm 0-15 points
- Cost Proposal 0-35 points
- Small Business Enterprise Preference 0-5 points

After review, evaluation, and initial scoring of all proposals received, the following firms were found to be within the competitive range and were invited to interview and make oral presentations:

1. Bamacor, Inc., San Carlos, CA
2. Crossroads Facility Services, Sacramento, CA
3. IMPEC Group, Santa Clara, CA
4. Universal Building Services and Supply Company (UBS), Richmond, CA

Upon completion of interviews and final scoring, Crossroads achieved the highest consensus ranking and the proposal submitted by Crossroads was determined to be responsive to the RFP requirements.

Crossroads possesses the requisite depth of experience, has the required qualifications to successfully perform the scope of work defined in the contract, and is capable of providing the specified services at fair and reasonable prices. In keeping with District sustainability goals, environmentally preferable cleaning products were requested to be used as appropriate. Staff therefore recommends contract award to this firm.

The current contractor for the District is UBS. The amount of the current contract was \$2,918,895. Janitorial services and bus shelter services are currently furnished by two distinct contracts that were awarded separately to UBS. The bus shelter services contract, awarded in 2010, has an average annual expenditure of \$123,173. The janitorial service contract has an average annual expenditure of \$435,682.

A significant reason for the increase in costs for these services is current labor market conditions; over the past three years, median janitorial wages have increased from \$11 an hour to \$13 an hour. Additionally, the new contract will increase both the level and frequency of services (e.g. increased trash collection) and provides for additional types of services (e.g. vacuum trucks/sweepers). This increased level and frequency of service will help address customer complaints and maintain the District's desired service levels.

Contract Officer: Brian Geiger 650-508-7973  
Project Manager: Jeff Thomas, Maintenance Contract Administrator, 650-508-6309  
Facilities Maintenance

**RESOLUTION NO. 2017 –**

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

**AWARDING A CONTRACT TO CROSSROADS FACILITY SERVICES TO  
PROVIDE JANITORIAL AND BUS STOP CLEANING SERVICES FOR A FIVE-YEAR TERM  
FOR A NOT-TO-EXCEED COST OF \$5,500,000**

**WHEREAS**, the San Mateo County Transit District (District) solicited competitive proposals for janitorial and bus stop cleaning services; and

**WHEREAS**, in response to the Request for Proposals (RFP), six firms submitted proposals; and

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

**WHEREAS**, upon completion of the initial evaluation and scoring process, four firms were found to be in the competitive range, and were invited to interview; and

**WHEREAS**, upon completion of the interviews, final evaluation and scoring process, it was determined that Crossroads Facility Services (Crossroads) of Sacramento, California was the highest ranked proposer; and

**WHEREAS**, staff and Legal Counsel have reviewed the Crossroads proposal and found it to be responsive to the District's requirements and solicitation documents; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs that a contract be awarded to Crossroads for the provision of janitorial and bus stop cleaning services for a five-year term for a not-to-exceed amount of \$5,500,000.

**NOW, THEREFORE, BE IT RESOLVED** the Board of Directors of San Mateo County Transit District awards a contract to Crossroads Facility Services to provide janitorial and

bus stop cleaning services for a five-year term for a not-to-exceed amount of \$5,500,000.

**BE IT FURTHER RESOLVED** that the General Manager/CEO or his designee is authorized to execute a contract on behalf of the District with Crossroads in full conformity with all the terms and conditions of the RFP and negotiated agreement.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

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

ATTEST:

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

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

SUBJECT: **AUTHORIZE AWARD OF CONTRACT FOR INSURANCE BROKERAGE SERVICES**

**ACTION**

Staff proposes the Committee recommend the Board:

1. Award a contract to Wells Fargo Insurance Services USA, Inc. (Wells Fargo), of San Francisco, California, or its anticipated successor firm, USI Insurance Services (USI), to provide insurance brokerage services for a total estimated cost of \$266,385, composed of a firm-fixed cost of \$191,385 for base brokerage services and a not-to-exceed amount of \$75,000 for additional on-call brokerage services, in accordance with fixed hourly rates set forth in the proposal. The contract is for a five-year term.
2. Authorize the General Manager/CEO to execute a contract with Wells Fargo, or USI, in full conformity with the terms and conditions of the solicitation.

**SIGNIFICANCE**

Award of this contract will provide the San Mateo County Transit District (District) with the services of a qualified and experienced insurance brokerage firm that is well-versed in the public transit property and casualty insurance market, including comprehensive risk management services. The contract will ensure continued, uninterrupted liability and property coverage at competitive, world-market rates including, but not limited to, general liability, employment practices, public officials, crime, cyber liability and terrorism coverage.

**BUDGET IMPACT**

Funds to support the award of this contract are included in the adopted Fiscal Year 2018 Operating Budget and will be included in future adopted operating budgets.

**BACKGROUND**

The District, Peninsula Corridor Joint Powers Board and the San Mateo County Transportation Authority, collectively referred to as "Agencies," jointly issued a Request

for Proposals (RFP) for insurance brokerage services. Staff advertised the RFP in a newspaper of general circulation and on the District's procurement website. Standard language setting forth the Agencies' policy regarding Small Business Enterprises (SBEs) was included in the solicitation documents. Staff received three proposals, none of which were from SBE firms. This RFP included up to 5 preference points (out of a possible 105 points) for proposals that included the utilization of SBEs. One firm, Alliant Insurance Services, received the maximum five (5) preference points for its proposed utilization of an SBE subcontractor for a portion of the proposed services. Neither of the other two proposers claimed SBE utilization in their proposals. The following firms submitted proposals:

1. Alliant Insurance Services, San Francisco, CA
2. AON Risk Insurance Services West, Inc., San Francisco, CA
3. Well Fargo Insurance Services USA, INC., San Francisco, CA

An Evaluation Committee (Committee) composed of qualified staff reviewed and scored all proposals according to the following weighted criteria:

- Approach to Scope of Services 0 – 25 points
- Company Qualifications, Experience and References 0 – 25 points
- Qualifications & Experience of Management Team and Key Personnel 0 – 30 points
- Small Business Enterprise Preference 0 – 5 points
- Cost Proposal 0 – 20 points

After review, evaluation, and scoring, only one firm (Wells Fargo) was found to be in the competitive range and determined to be the highest ranked proposer. The Committee deemed Wells Fargo's approach to services to be thorough and comprehensive. The proposal provided detailed information and recommendations for types of insurance coverages for each Agency, and was found to be responsive to the RFP requirements. An analysis of Wells Fargo's final cost proposal was conducted and staff determined the pricing to be fair and reasonable.

The District's incumbent vendor is Wells Fargo, which was previously awarded a five-year contract for a firm-fixed price of \$305,000 and additional on-call insurance brokerage services at a not-to-exceed amount of \$100,000. Wells Fargo's favorable pricing for this proposed contract, which the firm offered in order to be competitive with other proposers, represents a significant savings for the District in comparison to the existing contract. The proposal informed the Agencies that Wells Fargo will join USI in the fourth quarter of 2017. Upon close of the sale and regulatory approvals, the newly combined firm will operate as USI Insurance Services, LLC.

Contract Officer: Mario Giacobbe  
Project Manager: Marshall Rush, Claims Administrator

650-622-8077  
650-508-7742

**RESOLUTION NO. 2017 –**

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

**\* \* \***

**AWARDING A CONTRACT TO WELLS FARGO INSURANCE SERVICES USA, INC.  
FOR INSURANCE BROKERAGE SERVICES  
FOR A TOTAL ESTIMATED COST OF \$266,385 FOR A FIVE-YEAR TERM**

**WHEREAS**, the San Mateo County Transit District (District), the Peninsula Corridor Joint Powers Board and the San Mateo County Transportation Authority (collectively, "Agencies") jointly solicited competitive proposals for Insurance Brokerage Services; and

**WHEREAS**, in response to the Request for Proposals (RFP), three firms submitted proposals; and

**WHEREAS**, an Evaluation Committee composed of qualified staff for the Agencies reviewed and scored the proposals in accordance with the criteria set forth in the RFP; and

**WHEREAS**, upon completion of the evaluation and scoring process, only one firm, Wells Fargo Insurance Services USA, Inc. (Wells Fargo) of San Francisco, California, was found to be in the competitive range and was determined to be the highest ranked proposer; and

**WHEREAS**, staff and Legal Counsel have reviewed the Wells Fargo proposal and have found it responsive to the District's requirements and solicitation documents; and

**WHEREAS**, the Wells Fargo proposal informed the Agencies that Wells Fargo will join with USI Insurance Services (USI) in the fourth quarter of 2017, and upon close of the sale and regulatory approvals, the newly combined firms will operate as USI; and

**WHEREAS**, this proposed contract will be entered into with the then-current legal entity, which will either be Wells Fargo or USI, depending on the status of the corporate transition discussed above at that time; and

**WHEREAS**, the General Manager/CEO recommends and the Finance Committee concurs, that a five-year contract for insurance brokerage services be awarded to Wells Fargo,



or USI, for a total estimated cost of \$266,385, composed of a total firm-fixed price of \$191,385 for base brokerage services and a not-to-exceed amount of \$75,000 for additional on-call brokerage services at the fixed hourly rates set forth in the proposal.

**NOW, THEREFORE, BE IT RESOLVED** the Board of Directors of San Mateo County Transit District awards a contract to Wells Fargo Insurance Services USA, Inc., or USI Insurance Services, to provide Insurance Brokerage Services for a five-year term at a total estimated cost of \$266,385 inclusive of all costs and expenses, based on the estimated requirements of the District and the rates submitted by Wells Fargo for these services; and

**BE IT FURTHER RESOLVED** that the General Manager/CEO or designee is authorized to execute a contract on behalf of the District with Wells Fargo, or USI, in full conformity with the terms and conditions of the solicitation documents.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

---

Chair, San Mateo County Transit District

ATTEST:

---

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

David Olmeda  
Chief Operating Office, Bus

SUBJECT: **AUTHORIZE AWARD OF A CONTRACT FOR SOFTWARE AND HARDWARE  
MAINTENANCE SUPPORT SERVICES**

**ACTION**

Staff proposes the Committee recommend the Board approve the following:

1. Award a contract to Conduent Transport Solutions, Inc. (Conduent), of Columbia, Maryland, for a not-to-exceed amount of \$2,000,000 to provide continuation of existing software and hardware maintenance support services to the San Mateo County Transit District (District) for a five-year term.
2. Authorize the General Manager/CEO, or his designee, to execute a contract with Conduent in full conformity with the terms and conditions of the negotiated agreement.

**SIGNIFICANCE**

Approval of the above actions will provide the District with long-term maintenance and support for:

- Advanced Communication System (System) software and Advanced Mobile Data Terminal (AMDT) hardware. The System software is used to manage the District's operations, communications, data collection and reporting. The AMDTs manage radio communications, Global Positioning System (GPS), Farebox, annunciators, and automatic passenger counts on the District's revenue and non-revenue vehicles.
- Predictive Arrival/Departure System (PADS) software. PADS software provides real-time bus departure and arrival information for all SamTrans buses.
- Orbital Computer Aided Dispatch Build Upgrade in year four.

The services to be provided include software modification, training, and repair of units damaged by the District. The proposed contract, which combines existing Conduent software and hardware support services, should provide greater efficiency, guaranteed response times, and improved service levels at improved pricing.

**BUDGET IMPACT**

Funds to support the award of this contract are included in the adopted Fiscal Year (FY) 2018 Operating Budget and will be included in future approved operating budgets.

**BACKGROUND**

In 1999, the District, through a competitive Request for Proposals (RFP) process, entered into a contract with Conduent (previously known as Orbital, Affiliated Computer Services (ACS), and Xerox) to supply professional services and equipment for the installation and maintenance of the System, which aids dispatching, and has an automatic vehicle location feature to monitor and control fixed route and paratransit services.

In 2008, through a competitive RFP process, the District entered into a contract with Conduent for PADS software, which provides real-time bus departures and arrival information, and displays an estimated time of arrival on station visual message signs located in bus shelters and on the 511.org website.

Conduent currently provides software support and maintenance under both existing contracts. Staff, in consultation with legal counsel, determined that the requirement to solicit competitive proposals is inapplicable to this procurement because Conduent, the developer of the proprietary software and original supplier of the System, AMDTs, and PADS, is the only provider of maintenance and support services. A cost analysis performed by staff confirmed that the negotiated price and terms and conditions are fair and reasonable.

Contract Officer: Brian Geiger  
Project Manager: Karambir Cheema, Deputy Director, ITS

650-508-7973  
650-508-7998

**RESOLUTION NO. 2017-**

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

\* \* \*

**AWARDING A CONTRACT TO CONDUENT TRANSPORT SOLUTIONS, INC. FOR SOFTWARE  
AND HARDWARE MAINTENANCE SUPPORT SERVICES  
FOR A NOT-TO-EXCEED COST OF \$2,000,000 FOR FIVE YEARS**

**WHEREAS**, the San Mateo County Transit District (District) has determined the need for continued software and hardware maintenance and support services for its Advanced Communications System (System) and Predictive Arrival/Departure System (PADS); and

**WHEREAS**, the subject software and hardware maintenance and support services are currently being provided by Conduent Transport Solutions, Inc. (Conduent) of Columbia, Maryland under separate, competitively procured contracts; and

**WHEREAS**, staff has determined that awarding a contract to Conduent to combine the existing services under a single contract is appropriate because Conduent is the developer of the proprietary software and original supplier of the hardware covered by the proposed contract; and

**WHEREAS**, staff has negotiated a five-year software and hardware maintenance and support agreement and conducted a cost analysis that confirmed the negotiated pricing and terms and conditions are fair and reasonable; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the District enter into a contract with Conduent to continue providing software and hardware maintenance and support services for a not-to-exceed cost of \$2,000,000 for a five-year term.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors (Board) of the

San Mateo County Transit District awards a contract to Conduent Transport Solutions, Inc. for software and hardware maintenance and support services for a five-year term for a not-to-exceed cost of \$2,000,000; and

**BE IT FURTHER RESOLVED** that the Board authorizes the General Manager/CEO or his designee to execute a contract on behalf of the District with Conduent in full conformity with all of the terms and conditions of the negotiated Agreement, and in a form approved by legal counsel.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

---

Chair, San Mateo County Transit District

ATTEST:

---

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **AUTHORIZE AWARD OF CONTRACT FOR TRANSIT ASSET MANAGEMENT PLAN SERVICES**

**ACTION**

Staff proposes the Committee recommend the Board approve the following:

1. Authorize award of a contract to CH2M Hill Engineers, Inc. (CH2M), of San Francisco, California, to provide Transit Asset Management (TAM) Plan Services for a not-to-exceed amount of \$347,794, for a two-year term.
2. Authorize the General Manager/CEO, or his designee, to execute a contract with CH2M in full conformity with the terms and conditions set forth in the solicitation documents and negotiated agreement, and in a form approved by legal counsel.

**SIGNIFICANCE**

Award of the contract will benefit the San Mateo County Transit District (District) by providing a dedicated, qualified firm and subconsultants to develop and provide technical support for the TAM plan.

In 2012, the Moving Ahead for Progress in the 21<sup>st</sup> Century ACT (MAP-21) mandated that the Federal Transit Administration's (FTA) develop a rule to establish a strategic and systematic process of operating, maintaining and improving public transportation capital assets effectively through their entire life cycle. FTA published a Final Rule for transit asset management in July 2016. The rule requires FTA grantees to develop asset management plans for their public transportation assets, including vehicles, facilities, equipment, and other infrastructure. The Final Rule also mandates the annual reporting/updating of asset information to the National Transit Database (NTD).

The District (as an FTA grantee) will utilize CH2M to assist in the planning, assessment, development and implementation of a comprehensive TAM plan, which will improve existing asset management practices, realize lifecycle cost savings and develop comprehensive, objective, data-supported decision-making processes. CH2M will also

provide the District with training and materials to allow staff to become self-sufficient in generating future annual reports and periodic updates to the NTD.

**BUDGET IMPACT**

Funds to support the award of this contract are from District Sales Tax, as approved in the Fiscal Year 2018 Capital Budget.

**BACKGROUND**

An RFP was issued and advertised in a local newspaper and on the District's procurement website. The District received five proposals, four of which met the requirements to receive a Small Business Enterprises (SBE) preference. An Evaluation Committee (Committee) comprised of qualified District staff reviewed and scored the proposals in accordance with the following weighted criteria:

- Project Understanding and Implementation Approach 0 - 35 points
- Qualifications and Experience of Firm and Team Personnel 0 - 35 points
- Cost Proposal 0 - 30 points
- Small Business Enterprise (SBE) Preference 0 - 5 points

After the initial scoring and ranking of proposals, all five firms were found to be in the competitive range and were invited to oral interviews with the District. Subsequently, the Committee rescored all proposals and reached a final consensus ranking. The interviewed firms are listed below:

- ABB Enterprise Software, Broomfield, CO
- Calyptus Consulting Services, Inc., Cambridge, MA
- CH2M Hill Engineers, Inc., San Francisco, CA
- Gannett Fleming, Inc., San Francisco, CA
- Stantec Consulting Services, Inc., San Francisco, CA

Upon completion of the review of references, financial review, and final scoring of proposals, the Committee determined that CH2M has the requisite depth of experience and the required qualifications to successfully perform the scope of services defined in the solicitation. The DBE Officer reviewed all the proposals submitted and determined that CH2M met the SBE requirements. The total commitment to SBE's is 48.39 percent.

Staff successfully negotiated contractual terms and conditions, including price, with CH2M and determined the costs to be fair, reasonable and consistent with existing District contracts for similar services. CH2M is capable of providing the specified services at a fair and reasonable price. Staff recommends award of a contract to CH2M.

**STRATEGIC INITIATIVE**

Priority 2 – Strengthen Fiscal Health

- Goal 3 – Implement existing and new best practices

Contract Officer: Cathy Hoang 650-295-6866  
Project Manager: Jeff Thomas, Maintenance Contract Administrator, 650-508-6309  
Facilities Maintenance

**RESOLUTION NO. 2017 –**

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

**\* \* \***

**AWARDING A CONTRACT TO CH2M HILL ENGINEERS, INC. FOR  
TRANSIT ASSET MANAGEMENT PLAN SERVICES  
FOR A NOT-TO-EXCEED  
AMOUNT OF \$347,794 FOR A TWO-YEAR TERM**

**WHEREAS**, the San Mateo County Transit District (District) issued a Request for Proposals (RFP) for transit asset management plan services for a two-year term; and

**WHEREAS**, in response to the RFP, the District received a total of five proposals; and

**WHEREAS**, the RFP included the District's Small Business Enterprise (SBE) program, under which four firms applied for the SBE preference; and

**WHEREAS**, an Evaluation Committee (Committee) comprised of District staff reviewed, evaluated, and ranked the proposals according to the evaluation criteria set forth in the RFP, and held interviews with all five firms found to be in the competitive range; and

**WHEREAS**, following the interviews, the Committee rescored the proposals and determined that CH2M Hill Engineers, Inc. (CH2M), of San Francisco, California, received the highest consensus ranking; and

**WHEREAS**, the Committee further determined that CH2M possesses the necessary qualifications and requisite experience to successfully provide transit asset management plan services to the District, and will perform such services at fair and reasonable prices; and

**WHEREAS**, the Disadvantaged Business Enterprise officer reviewed CH2M's proposal and determined the firm met the requirements of the District's SBE Program; and



**WHEREAS**, staff and legal counsel reviewed CH2M's proposal and determined the proposal complies with the requirements of the solicitation documents; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board of Directors award a contract to CH2M for transit asset management plan services for a not-to-exceed amount of \$347,794 for a two-year term.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District hereby awards a contract for transit asset management plan services to CH2M Hill Engineers Inc. of San Francisco, California for a two-year term for a not-to-exceed amount of \$347,794; and

**BE IT FURTHER RESOLVED** the Board authorizes the General Manager/CEO, or his designee, to execute a contract with CH2M in full conformity with all the terms and conditions of the RFP and negotiated agreement and in a form approved by legal counsel.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

---

Chair, San Mateo County Transit District

ATTEST:

---

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Derek Hansel  
Chief Financial Officer

Carter Mau  
Deputy CEO/General Manager

SUBJECT: **AUTHORIZE AWARD OF CONTRACT FOR DMV/DOT CERTIFICATION AND  
MEDICAL EXAMINATION SERVICES**

**ACTION**

Staff proposes the Committee recommend the Board:

1. Award a contract to U.S. HealthWorks Medical Group, Prof. Corp., (U.S. HealthWorks) of Milpitas, California, to provide Department of Motor Vehicles (DMV)/Department of Transportation (DOT) certification and medical examination services for a five-year term at a not-to-exceed amount of \$293,900.
2. Authorize the General Manager/CEO, or his designee, to execute a contract with U.S. HealthWorks in full conformity with the terms and conditions set forth in the solicitation documents and negotiated agreement, and in a form approved by legal counsel.

**SIGNIFICANCE**

Award of the contract will benefit the San Mateo County Transit District (District) by providing a dedicated, qualified medical provider to support the District's comprehensive safety-sensitive DOT recertification examinations, applicant pre-employment, DMV medical examinations, and fitness for duty examinations in accordance with District, State, and Federal requirements.

**BUDGET IMPACT**

Funds to support the award of this contract are included in the adopted Fiscal Year (FY) 2018 Operating Budget and will be included in future approved operating budgets.

**BACKGROUND**

A Request for Proposals (RFP) was issued and advertised in a local newspaper and on the District's procurement website. Staff received one proposal from U.S.

HealthWorks, which was found to be responsive to the solicitation requirements. The DBE Officer reviewed the proposal submitted and determined that U.S. HealthWorks did not meet the Small Business Enterprises (SBE) requirements; therefore it did not receive SBE preference points.

Staff contacted contractors who received notification of the solicitation but did not submit a proposal and determined that they either could not provide all the services as requested in the RFP or had failed to update their registered company profile in the website with current contacts.

An Evaluation Committee (Committee) composed of qualified District staff reviewed and scored the single proposal in accordance with the following weighted criteria:

- Approach to Scope of Services/Project Methodology 0 - 35 points
- Qualifications and Experience of Firm and Key Personnel 0 - 35 points
- Cost Proposal 0 - 30 points
- Small Business Enterprise (SBE) Preference 0 - 5 points

After initial scoring, the proposal was found to be in the competitive range. The Committee reconvened, discussed the submittal and reached a final consensus that the proposal was responsive to the solicitation requirements. Interviews were not conducted as U.S. HealthWorks is the incumbent firm.

Upon completion of the review of references, financial review, and final scoring of proposal, the Committee determined that U.S. HealthWorks is qualified to be selected for contract award. U.S. HealthWorks has a solid record of providing superior occupational health services to both large and small employers in a variety of industries, including transit. Their background demonstrates that U.S. HealthWorks possesses the expertise and required qualifications to successfully perform the scope of services defined in the solicitation documents.

Staff successfully negotiated contractual terms and conditions, including price, and determined the costs to be fair, reasonable and consistent with existing District contracts for similar services. Staff and Legal Counsel determined that U.S. HealthWorks is capable of providing the specified services at fair and reasonable prices.

As the current contractor for the DMV/DOT certification and medical examination services, U.S. HealthWorks performs the subject services for an estimated amount of \$116,000 for a five-year term. The most recent contract expired in January 2017 and has been extended on a month-to-month basis until the new contract is awarded.

### **STRATEGIC INITIATIVE**

Priority 2 – Strengthen Fiscal Health

- Goal 3 – Implement existing and new best practices

Contract Officer: Alicia Fraumeni 650-508-6442  
Project Manager: Gilberto Basaldua, Manager, Employee Relations 650-508-6233

**RESOLUTION NO. 2017 –**

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

**\* \* \***

**AWARDING A CONTRACT TO U.S. HEALTHWORKS MEDICAL GROUP, PROF. CORP. FOR  
DMV/DOT CERTIFICATION AND MEDICAL EXAMINATION SERVICES  
FOR A NOT-TO-EXCEED  
AMOUNT OF \$293,900 FOR A FIVE-YEAR TERM**

**WHEREAS**, the San Mateo County Transit District (District) issued a Request for Proposals (RFP) for the provision of DMV/DOT certification and medical examination services for a five-year term, in accordance with various District, State, and Federal requirements; and

**WHEREAS**, in response to the RFP, the District received one proposal, from U.S. Healthworks Medical Group Prof. Corp. (U.S. Healthworks); and

**WHEREAS**, the RFP included the District's Small Business Enterprise (SBE) program, however the U.S. Healthworks' proposal did not meet the requirements to receive the SBE preference; and

**WHEREAS**, the District contacted contractors who received notification of the solicitation but did not submit a proposal and determined that they either could not provide all the services as requested in the RFP or had failed to update their registered company profile in the website with current contacts; and

**WHEREAS**, an Evaluation Committee (Committee) composed of District staff reviewed, evaluated, and scored the single proposal according to the evaluation criteria set forth in the RFP; and

**WHEREAS**, the Committee determined that U.S. HealthWorks has a solid record of providing superior occupational health services to both large and small employers in a variety of industries, including transit; and

**WHEREAS**, U.S. Healthworks' background demonstrates that it possesses the expertise and required qualifications to successfully perform the scope of services defined in the solicitation documents; and

**WHEREAS**, staff and legal counsel reviewed U.S. HealthWorks' proposal and determined it complies with the requirements of the solicitation documents; and

**WHEREAS**, the General Manager/CEO recommends, and the Finance Committee concurs, that the Board of Directors award a contract to U.S. HealthWorks to provide DMV-DOT certification and medical examination services for a not-to-exceed amount of \$293,900 for a five-year term; and

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District hereby awards a contract for DMV-DOT certification and medical examination to U.S. HealthWorks Medical Group, Prof. Corp. of Milpitas, California for a five-year term for a not-to-exceed amount of \$293,900; and

**BE IT FURTHER RESOLVED** that the General Manager/CEO, or his designee, is authorized to execute a contract with U.S. HealthWorks in full conformity with all the terms and conditions of the RFP and negotiated agreement and in a form approved by legal counsel.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

---

Chair, San Mateo County Transit District

ATTEST:

---

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Finance Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Carter Mau  
Deputy CEO/GM

SUBJECT: **RENEWAL OF DELTA DENTAL INSURANCE CONTRACT**

**ACTION**

Staff proposes that the Committee recommend the Board authorize the renewal of the contract with Delta Dental Plan of California for continued provision of dental insurance coverage for the next three calendar years. The annual cost for coverage is estimated at \$1.197 million for the first year of this three year period.

**SIGNIFICANCE**

The San Mateo County Transit (District) contracts with Delta Dental Plan of California for dental insurance coverage for employees and members of the Board of Directors. The District's standard plan requires the employee to pay 20 percent of the cost of basic and major dental services, with the deductibles for diagnostic and preventive services being waived.

Enhancements offered with the contract renewal include:

- a) an increase to the annual maximum from \$2,000 to \$3,000 per enrolled member;
- b) an increase to the diagnostic and preventive services coverage from 80 percent to 100 percent coverage with no deductible; and
- c) an increase to the lifetime orthodontia coverage from \$1,500 to \$2,000 per enrolled member.

**BUDGET IMPACT**

The cost of the additional enhancements is estimated to be \$151,000 per year assuming current employee usage levels. The administrative fee will remain at \$15.04 per employee per month for the three-year renewal period.

After the estimated first year cost of \$1.197 million, second and third year costs will be calculated and adjusted annually based on usage of the benefit by employees and the changing costs of dental care.

No increase to the current budget will be necessary as anticipated annual increases were included in the approved Fiscal Year 2018 Operating Budget.

**BACKGROUND**

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

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

Project Manager: Bill Carson 650-508-6234  
Director, Human Resources

**RESOLUTION NO. 2017-**

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

\* \* \*

**AUTHORIZING A THREE-YEAR RENEWAL OF THE AGREEMENT WITH  
DELTA DENTAL PLAN OF CALIFORNIA FOR FURNISHING DENTAL INSURANCE  
COVERAGE FOR AN ESTIMATED ANNUAL COST OF \$1.197 MILLION**

**WHEREAS**, pursuant to Resolution 1997-76, dated December 10, 1997, the San Mateo County Transit District (District) renewed its then-current agreement with Delta Dental Plan of California (Delta Dental) for self-funded dental insurance with the Delta Care option (a dental HMO) available for plan participants; and

**WHEREAS**, pursuant to Resolution No. 2011-57, dated October 12, 2011, the District renewed for three years its agreement with Delta Dental Plan of California for self-funded dental insurance, with a change from the Delta Care option to the Delta Passive Dental Plan Organization (a dental PPO) option available for plan participants; and

**WHEREAS**, most recently, pursuant to Resolution No. 2014-58, the District renewed its contract for self-funded dental insurance with the Delta Passive Dental Plan, with modifications to the fee structure, through December 31, 2017; and

**WHEREAS**, given the continued success of the program, proposed enhancements to the plan, and continuation of the current fee structure of the plan contract, including administrative fees of \$15.04 per employee per month, the General Manager/CEO recommends, and the Committee concurs, that the self-funded dental insurance plan with Delta Dental of California be extended for the next three calendar



years, until December 31, 2020, with the Passive Dental Plan Organization option available for plan participants, for an estimated annual cost of \$1.197 million.

**NOW, THEREFORE, BE IT RESOLVED,** that the Board of Directors of the San Mateo County Transit District authorizes renewal of the contract with Delta Dental Plan of California for furnishing self-funded dental insurance for the next three calendar years until December 31, 2020, for an estimated annual cost of \$1.197 million, with the Passive Dental Plan Organization option available for plan participants.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017, by the following votes:

AYES:

NOES:

ABSENT:

ATTEST:

---

Chair, San Mateo County Transit District

---

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, DECEMBER 6, 2017 – 3:00 p.m.**  
or immediately following previous Committee meeting

1. Call to Order

**ACTION**

2. Approval of Minutes of Legislative Committee Meeting November 1, 2017

**INFORMATIONAL**

3. State and Federal Legislative Update
4. 2018 Legislative Program
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  
NOVEMBER 1, 2017**

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

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

Committee Member Absent: J.Powell

Staff Present: M. Beveridge, J. Cassman, C. Gumpal, D. Hansel, J. Hartnett, M. Martinez, S. Murphy, D. Olmeda, M. Simon

Committee Chair Karyl Matsumoto called the meeting to order at 3:05 p.m.

**Approval of Minutes of October 4, 2017**

Motion/Second: Ratto/ Groom

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

Absent: Powell

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

Casey Fromson, Director, Government and Community Affairs said a legislative draft program will be presented in December for feedback to help guide legislative and federal advocacy. She will return January for the Board's approval of the overall program. State level, the legislature adjourned for recess on September 15, 2017 and will be return January 3, 2018. There are several funding opportunities that SamTrans has been tracking. Staff will return next month to present applications being contemplated. There is an application for electric buses we could be applying for, additional funds for EMUs, the 101 Managed Lane project and funding for State of Good Repair. Congress has until December 8, 2017 to finalize the Fiscal Year 2018 Appropriations. The House has passed all of their bills and the Senate is still farther behind. The Infrastructure Package is being closely looked at.

Adjourned: 3:09 p.m.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: San Mateo County Transit District

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Seamus Murphy  
Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

**ACTION**

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

**SIGNIFICANCE**

The 2017 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board.

Prepared By: Casey Fromson, Government and  
Community Affairs Director

650-508-6493



November 27, 2017

TO: Board of Directors, San Mateo County Transit District

FM: Joshua W. Shaw and Matt Robinson, Shaw / Yoder / Antwih, Inc.  
Mike Robson and Trent Smith, Edelstein Gilbert Robson & Smith LLC

RE: **STATE LEGISLATIVE UPDATE – December 2017**

---

***Legislative Update***

The Legislature will reconvene the 2017-2018 Legislative Session on January 3. The 2017-2018 Legislative Session will end August 31, 2018. Legislators have until February 16 to introduce bills for consideration in 2018.

***SB 1 Programs Underway***

For the past several months, numerous state agencies, including CalSTA, Caltrans, and the CTC have been working vigorously to develop guidelines and issue the call for projects for several programs funded by SB 1 (Beall and Frazier). Below is the most up to date information on the status of each program impacting transit.

*State Transit Assistance “State of Good Repair” Program* – Draft guidelines have been released with comments due to Caltrans by December 6. Final guidelines are expected in mid-December. Transit agencies and Regional Transportation Planning Agencies will need to provide a list of projects for funding to Caltrans by January 31, 2018. This Program provides \$105 million annually for transit projects using the State Transit Assistance formula to distribute the funding.

*Transit and Intercity Rail Capital Program* – Final guidelines were released for this competitive statewide Program on October 13 and the Call for Projects has been announced. Project applications are due to Caltrans by January 12, 2018. This Program cycle will stretch across five years and CalSTA is poised to award approximately \$2.4 billion in projects.

*State Rail Assistance Program* – Guidelines for this Program were released on October 13. Allocation requests are due to CalSTA by December 15. This Program provides approximately \$2.5 to \$4.1 million annually over the next three years to Caltrain.

*Solution for Congested Corridors Program* – Draft guidelines for the Program were approved by the CTC on October 18 and will be finalized by the Commission on December 6. Project applications will be due by February 16, 2018. The first Program cycle will stretch across four years and the CTC will award \$1 billion in projects.

### ***SB 1 Repeal***

As we have reported in the past, a meaningful threat to the SB 1 revenues has arisen, with the filing of a new referendum initiative on September 14. The initiative would require statewide voter approval of any increase or extension of gasoline or diesel fuel taxes after January 1, 2017. The initiative is now being led by John Cox, a wealthy Republican businessman and candidate for Governor. The initiative is also supported by several of California's Congressional Republicans. To qualify the initiative for the ballot, the proponents will need to gather approximately 587,000 signatures.

On November 20, the California's Attorney General released the title and summary for the repeal initiative. The title and summary retains the language of the title and summary drafted for the repeal initiative led by Assembly Member Travis Allen (R-Huntington Beach), and adds verbiage specifying that the initiative "Requires Any Measure to Enact Certain Vehicle Fuel Taxes and Vehicle Fees Be Submitted to and Approved by the Electorate." The Los Angeles Times has since reported that, with the title and summary in hand, supporters of the initiative will begin to collect signatures immediately. This signature gathering effort is supported by two committees, which have collectively raised \$675,000, including \$250,000 from John Cox, \$100,000 from House Majority Leader Kevin McCarthy (R-Bakersfield) and \$50,000 from other Republican members of Congress. According to the L.A. Times story, the funding will pay for a \$500,000 public awareness campaign on television, radio and print intended to persuade voters to sign petitions as well as an email blast of petitions to the nearly 300,000 voters who have already said they intend to sign. These developments signal that the campaign to repeal SB 1 is now underway. It remains unclear if opponents will raise the necessary funds to qualify the measure for the ballot, and we are monitoring the situation closely.

# Holland & Knight

800 17<sup>th</sup> Street, N.W., Suite 1100 | Washington, DC 20006 | T 202.955.3000 | F 202.955.5564  
Holland & Knight LLP | [www.hkllaw.com](http://www.hkllaw.com)

## SamTrans Federal Update November 2017

### CONGRESS

FY 2018 Appropriations Update: On November 21, the Senate Appropriations Committee released its final four spending bills: Interior-Environment, Financial Services, Department of Defense, and Department of Homeland Security. The release of the bills was delayed due to a number of reasons, including Senate Appropriations Committee Chairman Thad Cochran's (R-MS) health issues, and ongoing debate regarding the inclusion of a provision to fund a border wall in the Homeland Security bill. Several policy provisions are included in the bills that are likely to become contentious, notably the exceeding of a statutory spending cap in the defense bill, which would trigger across the board cuts to military programs to adhere to a 2011 deficit law, unless Congress agrees to a deal raising spending caps.

The transportation funding in the Department of Homeland Security Appropriations bill includes:

- \$7.141 billion for the Transportation Security Administration (TSA), a 2.4% decrease from current funding
- \$50 million for Port Security Grants, a 50% decrease from current funding
- \$60 million for Transit and Rail Security Grants, a 40% decrease from current funding

The Senate Appropriations Committee has indicated that these bills will not undergo committee markups but will be used as a starting point for year-end FY 2018 negotiations with the House.

Congressional leadership is trying to negotiate a two-year budget deal by the end of this month to adjust the caps on annual discretionary appropriations. This is necessary before a FY 2018 omnibus appropriations bill can be written and considered. For non-defense appropriations (which includes all transportation appropriations), Congress needs to increase the cap by almost \$3 billion for the Senate Appropriations Committee's bills year. The House bills total \$5 billion less than the cap amount, but the House defense appropriations bills are \$72.4 billion above the FY 2018 cap on defense spending.

The House and Senate will unlikely finalize negotiations before government funding expires on December 8, as the Senate also has ongoing work on tax reform. Another continuing resolution (CR) will be needed to allow the Senate and House additional time to work on an omnibus spending package for all 12 appropriations bills.

House and Senate Move on Tax Reform Legislation: On November 16, the House passed [H.R. 1, the Tax Cuts and Jobs Act](#), by a [227-205](#) party line vote. The House Rules Committee did not allow any amendments to be considered to the bill. No Democrats voted for the bill, and the 13 Republicans who opposed the bill were from high-tax states (except for Rep. Walter Jones (R-NC): Reps. Donovan (NY), Faso (NY), Frelinghuysen (NJ), Issa (CA), Jones (NC), King (NY), Lance (NJ), LoBiondo (NJ), McClintock (CA), Rohrabacher (CA), Smith (NJ), Stefanik (NY), and Zeldin (NY). The legislation would enact \$1.5 trillion in tax cuts for businesses and individuals, despite concerns from Democrats and several Republican members.

On November 16, the Senate Finance Committee advanced the [its tax reform bill](#), by a 14-12 party line vote. The Senate Budget Committee will consider the legislation on November 28; if passed out of committee, the Senate will begin floor debate on November 29 and hope to pass the bill by the end of the week of November 27. Lawmakers will need to reconcile differences between the two bills prior to passing a final legislative package, which House Speaker Paul Ryan (R-WI) has said will occur before Christmas.

Though both bills would roughly double the standard deduction, House and Senate bills have numerous differences. The House bill would reduce the corporate tax rate, from 35 percent to 20 percent, and decrease the number of brackets from seven to four, while the Senate retains the original number; but the Senate reduces the top bracket from 39 percent to 38.5 percent, and the top bracket remains the same in the House plan. Moreover, the House bill increases the Child Tax Credit to \$1,600 per child, from the previous \$1,000, while the Senate bill increases the Child Tax Credit to \$2,000 per child. The House plan also seeks to fully repeal the estate tax, while the Senate plan does not.

More controversial, the House and Senate bills eliminate or reduce several deductions. For example, the House bill limits the state and local tax (SALT) deduction to property taxes and caps it at \$10,000, while the Senate bill eliminates the SALT deduction entirely. These proposals have received intense criticism from Democrats and Republican members from high-tax states, and SALT is likely to be an obstacle during conference committee, presuming the Senate can pass its tax reform bill. Republican members from states such as New York, New Jersey, and California have made their opposition to the bill known. However, House Ways and Means Chairman Kevin Brady (R-TX) has said that there are still areas of improvement within the bill. Notably, the Senate bill preserves private activity bonds (PABs), though the House bill does not. The repeal of PABs in the House bill has been criticized by local governments and transportation authorities, who have sent letters to committees of jurisdiction, urging that PABs be included in final legislation.

Another obstacle to final passage is the repeal of the Affordable Care Act's (ACA) individual mandate in the Senate bill. This provision has raised concern among Democrats and moderate Republicans that this proposal—which was not included in the House bill—would simply disrupt the already vulnerable insurance market. Senator Ron Johnson (R-WI) stated his opposition on November 15, and support from members such as Senator Bob Corker (R-TN) and John McCain (R-AZ) are unknown at this point, mirroring the bill's passage in uncertainty.



An analysis from the congressional Joint Committee on Taxation (JCT) found that the Senate bill would, by 2021, increase taxes for those earning \$10,000 to \$30,000, and in 2027, after individual tax cuts have expired, those earning \$75,000 or less would see higher taxes. After this analysis was released on November 16, Democratic Senators reiterated their stance that the tax cut would only provide relief to high-earners.

The transportation provisions in the Senate tax bill include:

- Section 11048: Prevents bicyclists from excluding any bike commute money provided by employers from their income as a fringe benefit from 2018 through 2025 (the House bill does not include this provision)
- Section 13304(c): Repeals the deductibility for employers of all transportation fringe benefits (the House bill includes this provision)
- Section 13532: Prohibits new “advance refunding” tax exempt municipal bonds (the House bill includes this provision)
- Section 13822: Clarifies that provision of aircraft management services is not considered to be provision of air transportation for purposes of the 7.5 percent ticket tax and the passenger segment fee (the House bill does not include this provision)

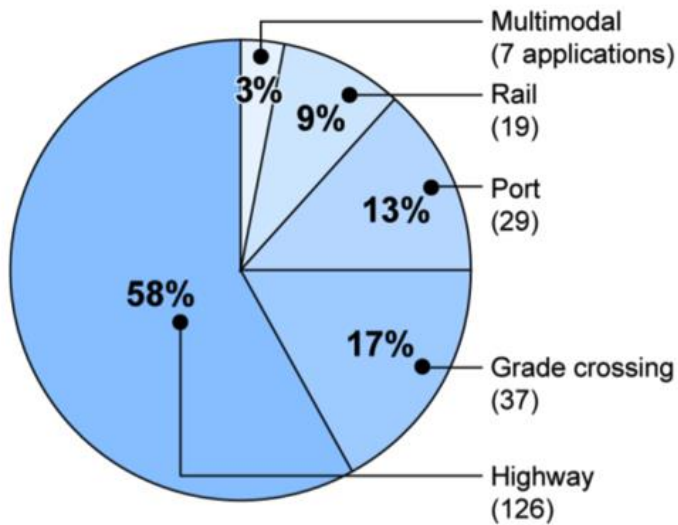
Unlike the House bill, the Senate bill does not repeal tax-exempt private activity bonds after 2017 or ends the tax credit for purchase of plug-in electric vehicles.

GOP Members Discuss Infrastructure Plan: On November 16, several Republican members on the House Transportation and Infrastructure Committee gathered to discuss a plan for the Administration’s infrastructure proposal. Members discussed concerns about leveraging the \$200 billion in public funds outlined in the Administration’s infrastructure principles. They also discussed other ideas for financing an infrastructure package, including truck-only toll roads and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans. Rep. Daniel Webster (R-FL) said that proposals to raise the gas tax as a source of revenue were not addressed during the meeting. Rep. Todd Rokita (R-IN) said that while the members still do not have clear definition on specific elements, they are eager to work with the President on a package after Congress passes tax reform. Rep. Sam Graves (R-MO) said that while conversations between the Administration and himself and Chairman Bill Shuster (R-PA) are ongoing, it is not yet clear whether the package will be \$1 trillion.

## **ADMINISTRATION**

GAO Monitoring DOT Grant Recipients: In a letter sent on November 3, Republicans and Democrats from the House Transportation Committee have asked the Government Accountability Office (GAO) to monitor the Department of Transportation’s (DOT) selection of highway and freight INFRA (formerly known as FASTLANE) grant recipients, following a [GAO report](#) that found DOT was not giving “clear rationale” for selecting certain projects, nor was it adequately documenting the selection process. GAO said it was not able to find how the department selected projects that were awarded grants in 2016, and said the Administration must provide insight into the process. Additionally, GAO recommends that DOT inform applicants

how their projects ranked and rated once DOT awards the funding, and that DOT documents the processes selection processes. Modal requests for INFRA includes:



White House Seeks Third Disaster Relief Package: On November 17, the Office of Management and Budget (OMB) [requested](#) a \$44 billion disaster aid package from Congress on November 17, to assist with recovery efforts in states affected by hurricanes. Senator John Cornyn (R-TX) has said the package will be considered in December after the Senate returns from recess and finishes work on the tax bill. The request may be added to either a CR or in a FY 2018 omnibus appropriations package.

For transportation, the request includes \$71.887 million for the Federal Aviation Administration (FAA), \$415.5 million for the Federal Highway Administration (FHWA) Emergency Relief program, \$198,541,500 for the Federal Transit Administration (FTA) Emergency Relief program, and \$10 million for the Maritime Administration (MARAD). Notably, the package is significantly less than California, Texas, Florida and Puerto Rico have requested in assistance.

The Administration’s proposal asks Congress to consider offsets for the spending request. Included in the list of offsets is the elimination of \$729.8 million from the Army Corps of Engineers’ FY 2018 budget and a \$1 billion rescission of highway contract authority balances held by for states DOTs. The rescission of highway contract authority is concerning to many because of a mandatory \$7.6 billion rescission at the end of FY 2020 that was enacted in the FAST Act.

According to the FHWA, as of September 30, 2017 (the end of the fiscal year), states held \$8.222 billion in unobligated balances of highway contract authority that will be subject to the FAST Act rescission scheduled for July 2020. Over 40 percent of the unobligated balance was focused in transportation enhancements and alternatives, metropolitan planning, and the CMAQ programs. This is despite the fact that those programs are less than nine percent of total new formula funding.

This offset could have the effect of cutting into real dollars at the end of FY 2020. The state of California has \$611,479,947.13 in unobligated contract authority. The \$1 billion rescission would be a rescission of \$82,106,637.99.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Legislative Committee

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Seamus Murphy  
Chief Communications Officer

SUBJECT: **2018 LEGISLATIVE PROGRAM**

**ACTION**

This report is for information only. No Board action is required. At the January 3, 2018 Board meeting, staff will present the final 2018 Legislative Program for Committee review and Board adoption.

**SIGNIFICANCE**

The 2018 Legislative Program (Program) establishes the principles that will guide the San Mateo County Transit District's (District) legislative and regulatory advocacy efforts through the 2018 calendar year, including the second half of the State legislative session and the second session of the 115<sup>th</sup> Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the District to respond swiftly and effectively to unanticipated developments. Adoption of the Program provides our legislative delegation and our transportation partners with a clear statement of the District's priorities.

The 2018 Program is organized to guide the District's actions and positions in support of three primary objectives:

1. Maintain and enhance funding opportunities to support the District's programs, projects, and services.
2. Seek a regulatory environment that streamlines project delivery and maximizes the District's ability to meet public transportation service demands.
3. Reinforce and expand programs that build and incentivize public transportation ridership and improve quality transportation choices.

The Program is structured to apply these core objectives to a series of issues detailed in the 2018 Legislative Program.

Should other issues surface that require the District's attention, actions will be guided by

the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to the District's Board of Directors for consideration.

#### Advocacy Process

Staff will indicate on each monthly legislative update recommended positions for pending bills. Once the board has an opportunity to review the recommended position, staff will communicate the position to the relevant entity (such as the bill author, agency, or coalition). In rare circumstances, should a position on a bill be needed in advance of a board meeting, staff will confer with the Board Chair. If legislation falls outside of the scope of the Board's adopted Legislative Program, Board approval will be required prior to the agency taking a position.

The District and its legislative consultants will employ a variety of engagement tools to support the 2018 Legislative Program, including:

1. Direct Engagement

Engage policymakers directly and sponsor legislation, submit correspondence and provide public testimony that communicates and advances the District's legislative priorities and positions.

2. Coalition-based Engagement

Engage local and regional stakeholders to build awareness about specific issues and participate in local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2018 Program.

3. Media Engagement

Build public awareness and communicate legislative priorities by issuing press releases, organizing media events, and through the use of social media and other electronic media.

#### **BUDGET IMPACT**

There is no impact on the budget.

#### **BACKGROUND**

Staff actively monitors legislative and regulatory activity and will seek Board positions on selected bills as appropriate to further the District's legislative objectives and to provide support for our advocacy efforts. Staff will supply updated reports summarizing relevant legislative and regulatory activities, allowing the Board to track legislative developments and providing opportunities to take appropriate action on pending legislation.

Prepared By: Casey Fromson, Director Government and Community Affairs      650-508-6493

# SamTrans

## 2018 Legislative Program

### Purpose

Legislative and regulatory actions have the potential to significantly benefit SamTrans programs and services. They also have potential to present serious challenges that threaten the Agency's ability to meet the county's most critical transportation demands.

The 2018 Legislative Program establishes the principles that will guide the Agency's legislative and regulatory advocacy efforts through the 2018 calendar year, including the second half of the 2017-18 State legislative session and 115<sup>th</sup> Congress. The program is intended to be broad enough to cover the wide variety of issues that are likely to be considered during that time and flexible enough to allow the Agency to respond swiftly and effectively to unanticipated developments.

### Objectives

The 2018 Legislative Program is organized to guide the Agency's actions and positions in support of three primary objectives:

- Maintain and enhance funding opportunities to support the Agency's programs and services.
- Seek a regulatory environment that streamlines project delivery and maximizes the Agency's ability to meet transportation service demands.
- Reinforce and expand programs that build and incentivize public transportation ridership and improve quality transportation choices.

### Issues

The Legislative Program is structured to apply these core objectives to a series of State and Federal issues falling in these categories:

- Budget and Transportation Funding Opportunities
- Transportation Projects Funding Requests and Needs
- Regulatory and Administrative Issues

Within these categories are a detailed list of specific legislative initiatives and corresponding set of policy strategies.

Should other issues surface that require the Board's attention, actions will be guided by the three policy objectives listed above. If needed, potential action on issues that are unrelated to these policy goals will be brought to the Board for consideration.

### Advocacy Process

Staff will indicate on each monthly legislative update recommended positions for pending bills. Once the board has an opportunity to review the recommended position, staff will communicate the position to the relevant entity (such as the bill author, agency, or coalition). In rare circumstances, should a position on a bill be needed in advance of a board meeting, staff will confer with the Board Chair. If legislation falls outside of the scope of the Board's adopted Legislative Program, Board approval will be required prior to the agency taking a position.

### **Public Engagement Strategies**

Staff, led by the Communications Division and its legislative consultants, will employ a variety of public engagement strategies to support the 2018 Legislative Program, including:

- Direct Engagement  
Engage policymakers directly and sponsor legislation, submit correspondence and provide public testimony that communicates and advances the Agency's legislative priorities and positions.
- Coalition-based Engagement  
Engage local and regional stakeholders to build awareness about specific issues and participate in local, regional, statewide and national coalitions organized to advance positions that are consistent with the 2018 Legislative Program.
- Media Engagement  
Build public awareness and communicate the Agency's legislative priorities by issuing press releases, organizing media events, and through the use of social media.

**State and Regional**

**Funding Opportunities and Challenges**

<i>Issue / Background</i>	<i>Strategy</i>
<p><b>General Funding</b> The State recently enacted SB 1, which provides \$5.2 billion to maintain local streets and roads and highways, ease traffic congestion, and provide mobility options through investments in public transportation and bicycle and pedestrian programs.</p> <p>Complimentary to SB 1 is ACA 5 which, if passed by voters in June 2018, will protect new and existing sources of transit funding from future diversions by the Legislature.</p> <p>In 2014, the Legislature called for, via SB 1077, a pilot program to study a road charge model as an alternative to the gas tax. The nine-month pilot began in July 2016, with over 5,000 participating vehicles statewide. The California State Transportation Agency (CalSTA) will report findings from the Legislature to the CTC and the Legislature by June 30, 2018.</p>	<ul style="list-style-type: none"> <li>● Protect against the elimination or diversion of any State or regional funds that support the agency’s transportation needs.</li> <li>● Support State funding allocation requests for investments that benefit the agency’s transportation programs and services.</li> <li>● Work with statewide transit coalitions to identify and advance opportunities for funding that would support the agency’s transportation priorities.</li> <li>● Monitor recommendations of the Road Usage Charge (RUC) Technical advisory Committee and implementation of a RUC program by the California State Transportation Agency (CalSTA).</li> <li>● Monitor efforts to implement a mileage-based user fee as a potential revenue source.</li> </ul>
<p><b>Formula Funding</b> After years of diversion to support the State’s General Fund, funding for the State Transit Assistance (STA) program has remained stable over the last few budget cycles thanks to successful legal, legislative and political efforts on behalf of the transportation community. Still, more revenue is needed in order to meet the demand of increased</p>	<ul style="list-style-type: none"> <li>● Support the full funding of the STA program at levels called for in the 2011 reenactment of the 2010 gas-tax swap legislation.</li> <li>● Advocate for the regularly scheduled issuance of State infrastructure bonds that support the Agency’s services and programs.</li> <li>● Support full and timely allocation of the Agency’s STIP share.</li> <li>● Support legislation clarifying elements of the STA program recently changed in AB 1113 (Bloom).</li> </ul>



<p>ridership, reduce highway congestion – especially on Highway 101 – and adhere to the State’s mandate of reducing greenhouse gas emissions, and creating livable communities.</p>	
<p><b>Cap-and-Trade Revenues</b> In 2012, the State began implementing the cap-and-trade market-based compliance system approved as a part of the California Global Warming Solutions Act of 2006 (AB 32). Since the program began selling allowances, the program has generated billions of dollars. In 2014, legislation was enacted creating a long-term funding plan for cap-and-trade which dedicates 60 percent of cap-and-trade revenues to transportation. The remaining 40 percent is subject to annual appropriation through the state budget process. In 2017, the legislature extended the program from 2020 to 2030.</p> <p>The programs require a certain percentage of funds be expended in state defined “disadvantaged communities” (as defined by CalEnviroScreen). This can prove difficult in jurisdictions with a small number of disadvantaged communities.</p>	<ul style="list-style-type: none"> <li>● Work with the Administration and like-minded coalitions to secure the appropriation of additional cap-and-trade revenues to support the Agency’s transportation needs.</li> <li>● Support legislation and regional action that makes a broad array of the Agency’s emissions-reducing transportation projects, programs and services eligible for investment.</li> <li>● Protect existing cap-and-trade appropriations for transit operations, capital projects and sustainable communities strategy implementation.</li> <li>● Work to direct additional revenues to transit-eligible programs, including efforts to secure funding from the remaining discretionary funds and revenues dedicated to the high-speed-rail project.</li> <li>● Support efforts to revise the State’s definition on “disadvantaged communities” to encompass a larger proportion of disadvantaged communities on the Peninsula.</li> </ul>
<p><b>Voter Threshold</b> Legislation has been considered in recent years that provide a framework for lowering the thresholds for the State or a city, county, special JPB or regional public agency to impose a special tax.</p>	<ul style="list-style-type: none"> <li>● Support efforts to amend the State Constitution to reduce the voter threshold required for the State or a city, county, special district or regional transportation agency to impose a special tax for transportation projects or programs.</li> </ul>
<p><b>Other State or Local Funding Options</b> Local and regional governments continue to seek methods</p>	<ul style="list-style-type: none"> <li>● Advocate for legislation that would create new local funding tools to support transportation infrastructure and services.</li> </ul>

<p>for funding new infrastructure, facility needs, sustainability initiatives, and projects that will support ridership growth through a variety of methods such as managed lanes and local ballot measures.</p>	<ul style="list-style-type: none"> <li>• Support innovative local and regional funding options that will provide financial support for the agency.</li> <li>• Support legislation that works to ensure revenues generated through managed lane projects remain in the County of origin.</li> <li>• Advocate for funding sources that would assist transit agencies in obtaining funds for sustainability initiatives including water conservation, waste reduction, long-term resource efficiency of facilities and equipment, and greenhouse gas reductions.</li> <li>• Support funding for workforce housing to attract and retain quality personnel.</li> <li>• Support efforts that allow for public private partnerships that benefit the implementation of capital projects, efficient operation of transit services, or enhanced access to a broad range of mobility options that reduce traffic congestion.</li> </ul>
<p><b>Transportation Projects</b></p>	
<p><b>General</b> As the Bay Area’s population continues to grow, the region’s transportation infrastructure is being negatively impacted. Highways, local streets and roads are becoming heavily congested, Caltrain is nearing its capacity limits, and the demand for housing with easy access to public transit is increasing.</p>	<ul style="list-style-type: none"> <li>• Work with partners in the region to bring business, community, and transportation stakeholders together to enhance, support and advocate for transportation and mobility in the Bay Area.</li> </ul>
<p><b>Dumbarton Transportation Corridor Study</b> The study is looking at short- and long-term strategies that reduce traffic congestion and improve mobility between Alameda, San Mateo and Santa Clara counties. The study will examine potential solutions 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.</p>	<ul style="list-style-type: none"> <li>• Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases</li> <li>• Support policies that will allow for effective public private partnerships</li> </ul>

<p><b>The Grand Boulevard Initiative (GBI)</b>  The GBI is a collaboration of 19 cities, counties, local and regional agencies united to improve the performance, safety and aesthetics of El Camino Real. Starting at Daly City and ending near the Diridon Caltrain Station in central San Jose, the initiative brings together for the first time all of the agencies having responsibility for the condition, use and performance of the street.</p>	<ul style="list-style-type: none"> <li>• Support funding for GBI projects like complete streets, bike and pedestrian projects, parking improvements, signal improvements, sustainability features like storm water capture, and transportation demand management features.</li> </ul>
<p><b>Transit Oriented Development / First and Last Mile</b> First and last mile projects, as well as transit oriented development projects are an important part of the broad transit ecosystem that will help support robust ridership in the corridor.</p>	<ul style="list-style-type: none"> <li>• Support efforts to provide commuters with easy and convenient options to travel to and from major transit centers to their final destination.</li> <li>• Support the development of new and innovative first and last mile options.</li> <li>• Support increased funding opportunities for first and last mile projects.</li> <li>• Advocate for policies that promote transit-oriented developments in ways that with compliment transit services.</li> <li>• Support the State’s GHG reduction goals by supporting transit oriented developments.</li> <li>• Support state funding incentives and streamlining processes for transit oriented development.</li> </ul>
<p><b>Caltrain Modernization (CalMod) Program</b> In 2012, the State Legislature appropriated \$705m in Prop 1A high-speed rail funds to modernize the Caltrain corridor and lay the foundation for future high-speed rail service. Under a multi-party regional funding agreement, this investment will be used to match a variety of local, regional, state and federal funding sources to electrify the corridor, install an advanced signaling system and replace Caltrain’s aging diesel trains with electric trains that will dramatically improve service</p>	<ul style="list-style-type: none"> <li>• Advocate for the sale and allocation of Proposition 1A bonds to meet the commitments specified in SB 1029 with respect to the Caltrain corridor.</li> <li>• Support the allocation of cap-and-trade funding to advance implementation of the CalMod Program.</li> <li>• Work with state, local and regional partners to advance policies and actions that will help secure funding needed to fulfill local and regional commitments to the CalMod Program.</li> <li>• Work to address regulatory challenges that limit the implementation of solutions that will maximize Caltrain capacity and service benefits.</li> <li>• Support the allocation of cap-and-trade or other state / regional funding to advance implementation of Caltrain projects.</li> <li>• Work to address regulatory actions or policies that negatively impact future capacity or service improvements.</li> </ul>

<p>between San Francisco and San Jose.</p> <p><b>Other Projects Beyond the CalMod Program,</b> Caltrain has identified capital projects such as a fully electrified 8-car EMU fleet with longer platforms that will provide additional capacity and service benefits to Caltrain commuters. The capital needs also include but are not limited to grade separations and station upgrades.</p> <p>In 2016, a new round of HSR Blended System planning, outreach and environmental clearance work kicked-off in the corridor. While this project is not being led by the JPB, the agency owns the right-of-way and has a significant interest in the process and success of the project that will “blended” with Caltrain service.</p>	<ul style="list-style-type: none"> <li>• Consistent with existing agreements between JPB and CHSRA, support efforts to plan, engage stakeholders, and implement the Blended System project on the Caltrain corridor.</li> </ul>
<p style="text-align: center;"><b>Regulatory and Administrative Issues</b></p>	
<p><b>General</b> Every year a variety of legislation or regulatory action is pursued that would affect regulations governing transportation-related service operations, administration, planning and project delivery. In addition, opportunities exist to reform or update existing regulations that are outdated, or can be improved to address potential burdens on transportation agencies without affecting regulatory goals.</p>	<ul style="list-style-type: none"> <li>• Support opportunities to remove barriers to, and improve the ability to conduct, safe, efficient transportation operations, administration, planning and project delivery efforts, including alternative project delivery methods that provide flexibility to the agency.</li> <li>• Oppose efforts to impose unjustified and burdensome regulations or restrictions on the Agency’s ability to conduct efficient transportation operations, administration, planning and project delivery efforts.</li> </ul>
<p><b>California Environmental Quality Act (CEQA)</b> Several regional and statewide transportation organizations continue working to modernize CEQA and minimize unnecessary delays during</p>	<ul style="list-style-type: none"> <li>• Closely monitor efforts to modernize CEQA and support proposals that advantage transportation projects, including bicycle, pedestrian and transit-oriented development projects, without compromising CEQA’s effectiveness as an environmental protection policy.</li> </ul>

<p>the environmental review process.</p>	<ul style="list-style-type: none"> <li>• Support efforts to streamline project delivery including expedited reviews and approvals for large transportation projects such as HWY 101 HOV/HOT lane conversion and projects within the Dumbarton Rail Corridor.</li> </ul>
<p><b>Sustainable Communities Strategies</b>  Implementation In conjunction with AB 32 and SB 32 implementation, the Sustainable Communities and Climate Protection Act (SB 375) requires regions to develop Sustainable Communities Strategies (SCS) with integrated housing, land-use and transportation policies that will accommodate population growth and reduce regional greenhouse gas emissions by specific amounts. In 2013, regional authorities in the Bay Area approved Plan Bay Area, which includes the region's SCS.</p>	<ul style="list-style-type: none"> <li>• Advocate for policies that provide adequate and equitable funding to support increased demand and dependence on JPB's transportation services associated with the implementation of SB 375 and Plan Bay Area.</li> </ul>

## Federal

### Funding Opportunities and Challenges

<i>Issue / Background</i>	<i>Strategy</i>
<p><b>Federal Appropriations</b> Every year, Congress adopts several appropriations bills that cover 12 major issue areas, including the Transportation, Housing and Urban Development bill. These measures provide the authority for federal agencies to spend money during the upcoming fiscal year for the programs they administer.</p> <p>In September 2017, Congress passed a continuing resolution (CR) to keep federal agencies funded at the same level as the previous fiscal year, through December 8, 2017. Congress will have to pass a CR or omnibus appropriations bill to fund the government for the fiscal year 2018.</p>	<ul style="list-style-type: none"> <li>• Partner with local, regional, State and national coalitions to advocate appropriation of the maximum authorized amount for programs that benefit the agency’s transportation services and needs.</li> <li>• Work with local and regional coalitions to support requests for funding from discretionary programs.</li> <li>• Communicate frequently with the agency’s federal delegation and key appropriators on the needs or concerns of pending appropriation bills.</li> </ul>
<p><b>Tax and Finance</b> Congress also considers legislation that governs tax and finance issues that impact transit agencies. In 2018, Congress is expected to take action on a significant tax overhaul measure.</p>	<ul style="list-style-type: none"> <li>• Support efforts to ensure tax provisions that benefit the agency’s priorities are included in any tax or finance proposal.</li> <li>• Protect against the elimination or diversion of any tax policies that support the agency’s transportation needs.</li> </ul>
<b>Transportation Projects</b>	
<p><b>General</b> Support the efforts of partnering agencies to obtain federal funding for transit</p>	<ul style="list-style-type: none"> <li>• Work with federal delegation members, as well as local, regional, and state coalitions to support the federal funding requests for our partner transit agencies on projects that</li> </ul>

<p>projects in San Mateo County.</p>	<p>provide complimentary services for the agency.</p>
<p><b>Caltrain Modernization Program</b> The current Peninsula Corridor Electrification Project (PCEP) funding plan includes funding from several federal funding sources including the Federal Transit Administration (FTA) Core Capacity Program.</p> <p><b>Other Projects</b> Beyond the CalMod Program, Caltrain has identified capital projects such as a fully electrified 8-car EMU fleet with longer platforms that will provide additional capacity and service benefits to Caltrain commuters. The capital needs also include but are not limited to grade separations, station upgrades, and supporting regional projects that will increase Caltrain ridership.</p>	<ul style="list-style-type: none"> <li>• Advocate for the PCEP Core Capacity funding to be included in the Fiscal Year (FY)18 THUD Appropriations Conference Report. Advocate for the PCEP to be included in the FY19 President’s budget request and in the FY19 THUD Appropriations bills.</li> <li>• Work with federal delegation members, as well as local, regional, and state coalitions to support the PCEP requests for funding.</li> <li>• Support the allocation of federal funding to advance implementation of Caltrain projects.</li> </ul>
<p><b>101 Managed Lanes</b> The project may include removing or replacing existing auxiliary lanes between interchanges; reconstructing ramp connections to US 101; and installing electronic toll collection infrastructure on US 101 between Whipple Road to the I-380 interchange in San Mateo County</p>	<ul style="list-style-type: none"> <li>• Support funding opportunities that will help the project move through the different stages of planning, environmental, and construction phases.</li> <li>• Support policies that will allow for effective public private partnerships.</li> </ul>
<p><b>Regulatory and Administrative Issues</b></p>	
<p><b>FAST Act and other Regulations</b> Under FAST Act, the United States Department of Transportation (USDOT) will issue guidance and conduct</p>	<ul style="list-style-type: none"> <li>• Monitor and review guidance and rulemaking proposals affecting FAST Act implementation and other transportation issues.</li> </ul>

<p>rulemaking to implement various regulatory changes.</p> <p>USDOT will also issue guidance, new rulemaking, and take action in response to Executive Orders on a variety of issues outside the scope of the FAST Act.</p>	<ul style="list-style-type: none"> <li>• Collaborate with local, regional, state and national transportation advocacy groups to coordinate comments and advocacy efforts that support regulations that maximize benefits for transportation programs, services and users.</li> </ul>
<p><b>Infrastructure Proposal</b> President Trump and USDOT have been working to draft an infrastructure proposal to fund transportation projects.</p>	<ul style="list-style-type: none"> <li>• Monitor closely and take action as needed on new Administration policies that may have a significant impact on transit / transportation projects and programs.</li> <li>• Advocate for funding for the agency's projects and needs in the President's and congressional infrastructure proposals.</li> </ul>





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

### **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, DECEMBER 6, 2017 – 3:15 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 September 6, 2017
3. Authorize Adoption of the Dumbarton Transportation Corridor Study

#### **INFORMATIONAL**

4. Capital Projects Quarterly Status Report – 1st Quarter Fiscal Year 2018
5. 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.

**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  
SEPTEMBER 6, 2017**

Committee Members Present: D. Pine (Committee Chair), J. Gee, C. Stone

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: M. Beveridge, J. Cassman, A. Chan, C. Gumpal, J. Hartnett, M. Martinez,  
D. Olmeda, M. Simon

Committee Chair Dave Pine called the meeting to order at 3:08 p.m.

**Approval of Minutes of Strategic Planning, Development and Sustainability Committee Meeting of August 2, 2017**

Motion/Second: Ratto/Stone

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

**Capital Projects Quarterly Status Report – 4th Quarter Fiscal Year 2017**

No discussion.

Adjourned: 3:09 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 ADOPTION OF THE FINAL DUMBARTON TRANSPORTATION  
CORRIDOR STUDY**

**ACTION**

Staff proposes that the Committee recommend the Board adopt the [Final Dumbarton Transportation Corridor Study](#).

**SIGNIFICANCE**

The San Mateo County Transit District (District) recently completed the Final Dumbarton Transportation Corridor Study, which documents how to improve mobility in the Dumbarton Corridor between Alameda, San Mateo and Santa Clara counties. The study has evaluated a variety of transportation alternatives on the Dumbarton Bridge (Highway 84) and its approaches, as well as examined how to rehabilitate and repurpose the Dumbarton rail bridge for transit purposes.

The study recommends both operational and infrastructure improvements on Highway 84 and the Dumbarton rail bridge that will be phased over time. As such, the study recommends short-, medium- and long-term transportation improvements that contribute to the ultimate vision for a multi-modal corridor.

At the August 2, 2017 Board meeting, staff presented the Draft Dumbarton Transportation Corridor Study. At the December 6, 2017 Board meeting, staff will present the Final Dumbarton Transportation Corridor Study, which incorporates comments received throughout the final phase of stakeholder and public outreach. Staff will also outline immediate and longer-term next steps.

Recommendations included in the Final Dumbarton Transportation Corridor Study are consistent with the draft report, with the exception of one change: The potential bicycle/pedestrian multi-use path in the Dumbarton rail right-of-way from Redwood City to East Palo Alto, which was not previously recommended due to right-of-way constraints, will not be eliminated at this phase of study. Additional planning and conceptual design work in the form of a Technical Refinement will explore creative solutions and answer key questions received throughout the stakeholder and public outreach process.

The District worked collaboratively with project partners including Facebook, the San Mateo County Transportation Authority (TA), Alameda County Transportation Commission (ACTC), and AC Transit. The cities in the corridor have also been engaged as major stakeholders in the project.

The Study commenced in late February 2016. Previous informational presentations were made to the District's Board of Directors (Board) in May 2016, September 2016 and August 2017. Extensive stakeholder and public outreach meetings were held throughout August and September 2017. Comments and questions received, along with answers to commonly asked questions, are documented in the final report.

### **BUDGET IMPACT**

There is no impact on the budget.

### **BACKGROUND**

While the TA financed the purchase of the Dumbarton rail corridor (extending from Redwood Junction to Newark) in 1994, the District is the owner of record. The TA, along with the Metropolitan Transportation Commission, ACTC, and Santa Clara Valley Transportation Authority funded an environmental review process to evaluate new rail service on the Dumbarton rail bridge. However, due to insufficient funding for proposed improvements, the environmental review process was put on hold in 2014.

In light of the current jobs-housing imbalance and continued growth in the corridor, the District and Facebook forged a partnership to comprehensively study what can be done to alleviate congestion in this vital east-west corridor. In January 2016, the District Board approved the execution of a funding agreement with Facebook to receive \$1 million to complete the Dumbarton Transportation Corridor Study. In March 2017, the Board approved an additional \$200,000 in funding from Facebook to supplement the scope of work and provide additional funding for staff time.

### **STRATEGIC INITIATIVE**

- **Priority 1:** Expand mobility options for our customers
- **Goal 1:** Increase weekday fixed-route ridership by 15 percent

Prepared By: Melissa Reggiardo, Principal Planner

650-508-6283

**RESOLUTION NO. 2017-**

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

\* \* \*

**ADOPTING THE DUMBARTON TRANSPORTATION CORRIDOR STUDY**

**WHEREAS**, the San Mateo County Transit District (District) is the owner of record of the Dumbarton Rail Corridor, which connects the San Mateo County cities of Redwood City, Menlo Park and East Palo Alto to the west, with the Alameda County cities of Newark, Fremont and Union City to the east, across the Dumbarton Rail Bridge; and

**WHEREAS**, over the past two years, the District has led the Dumbarton Transportation Corridor Study (Study) to examine potential infrastructure and operational improvements that could enhance multi-modal mobility between the fast-growing Alameda and San Mateo counties and address the traffic congestion and continued growth along the Dumbarton transportation corridor (Corridor); and

**WHEREAS**, the District, along with its project partners, embarked on an effort to secure transportation grant funds to help expedite the planning process, resulting in a \$1.2 million funding agreement with Facebook, Inc. to fund completion of the Study; and

**WHEREAS**, the Study recommends a combination of short-term and long-term improvements on the Corridor, including for the Dumbarton Highway Bridge, Rail Bridge, Right-of-Way, and nearby arterial roads, based on a comprehensive assessment of mobility; cost-effectiveness; environmental, financial and safety considerations, and equity; and

**WHEREAS**, this multimodal approach can serve different travel markets that use the Corridor and represents a sustainable solution to long-term travel challenges through a focus on fixed-guideway investments that are independent of the arterial and highway network; and

**WHEREAS**, the District released a draft Study in August 2017 and conducted extensive public outreach to solicit feedback, questions, and concerns regarding the Study and its recommendations; and

**WHEREAS**, the comments received through this public process were summarized and responded to both directly and through revisions to the Study; and

**WHEREAS**, District staff recommends, and the Committee concurs, that the Board of Directors approve the Study; and

**WHEREAS**, upon approval of the Study, further study and detailed design of the recommended improvements will proceed if additional funding for such work is secured.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District adopts the Dumbarton Transportation Corridor Study, attached hereto and incorporated herein by this reference.

Regularly passed and adopted this 6<sup>th</sup> day of December, 2017 by the following vote:

AYES:

NOES:

ABSENT:

---

Chair, San Mateo County Transit District

ATTEST:

---

District Secretary

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Strategic, Planning, Development and Sustainability Committee

THROUGH: Jim Hartnett  
Executive Director

FROM: David Olmeda  
Chief Operating Officer, Bus

SUBJECT: **CAPITAL PROJECTS QUARTERLY STATUS REPORT – 1<sup>st</sup> QUARTER  
FISCAL YEAR 2018**

**ACTION**

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

**SIGNIFICANCE**

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

**BUDGET IMPACT**

There is no impact on the budget.

**BACKGROUND**

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

Prepared by: Gordon Hail, Senior Project Controls Engineer

650.508.7795



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

JIM HARNETT  
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, DECEMBER 6, 2017 – 3:30 p.m.**

**1. CALL TO ORDER**

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

**4. CONSENT CALENDAR**

MOTION

- a. Approval of Minutes of Board of Directors Meeting of November 1, 2017
- b. Approval of Special Meeting Minutes of October 23, 2017
- c. Acceptance of Statement of Revenues and Expenses for October 2017
- d. Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook for the Quarter Ended September 30, 2017

**5. PUBLIC COMMENT**

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

**6. REPORT OF THE CHAIR**

- a. Appointment of Nominating Committee for 2018 Chair and Vice Chair
- b. Appointment of the San Mateo County Transit District Representative to the Peninsula Corridor Joint Powers Board

**7. REPORT OF THE GENERAL MANAGER/CEO**

- a. Presentation of Awards to:
  - Roel Barredo - Twenty Year Safe Driver Award
  - Rene Ebro - Twenty Year Safe Driver Award
  - Cristobal Ibarra - Twenty Year Safe Driver Award
  - Jacinto Perez Jr. – Twenty Year Safe Driver Award
- b. Resolution of Appreciation to Mark Simon

**8. ADOPTION OF POLICY GOALS FOR GET US MOVING SAN MATEO COUNTY PROGRAM**

**9. COMMUNITY RELATIONS COMMITTEE – Z. KERSTEEN-TUCKER**

SUBJECTS DISCUSSED

- a. Accessibility Update
- b. Paratransit Coordinating Council Update
- c. Citizens Advisory Committee Update

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



- d. Mobility Management Report – ADA Paratransit
- e. Multimodal Ridership Report – October 2017
- f. Dashboard Report: July – September 2017

## **10. FINANCE COMMITTEE – C. GROOM**

### MOTION

- a. Authorize Rejection of Victor Stanley, Inc. Bid for Bus Stop Benches and Trash Receptacles and Negotiation of a Contract on the Open Market

### RESOLUTIONS

- b. Authorization to Receive State Transit Assistance State of Good Repair Program Funds
- c. Authorize Award of Contract to Crossroads Facility Services for Janitorial and Bus Stop Cleaning Services for a Not-to-Exceed Amount of \$5,500,000 for a Five-Year Term
- d. Authorize Award of Contract to Wells Fargo Insurance Services USA, Inc. to Provide Insurance Brokerage Services for a Firm-Fixed Cost of \$191,385 and for Additional On-Call Insurance Brokerage Services for a Not-to-Exceed Amount of \$75,000
- e. Authorize Award of Contract to Conduent Transport Solutions for Software and Hardware Maintenance Support Services for a Not-to-Exceed Amount of \$2,000,000 for a Five-year Term
- f. Authorize Award of Contract to CH2M Hill Engineers, Inc. for Transit Asset Management Plan Services Not-to-Exceed Amount of \$347,794 for a Two-Year Term.
- g. Authorize Award of Contract to U.S. HealthWorks Medical Group, Prof. Corp., to Provide DMV/DOT Certification and Medical Examination Services for a Five-Year Term at an Estimated Price of \$293,900
- h. Authorize a Three-Year Renewal of the Agreement with Delta Dental Plan of California for Furnishing Dental Insurance Coverage for an Estimated Annual Cost of \$1.197 Million

## **11. LEGISLATIVE COMMITTEE – K. MATSUMOTO**

### SUBJECTS DISCUSSED

- a. State and Federal Legislative Update
- b. 2018 Legislative Program

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

### RESOLUTION

- a. Authorize Adoption of the Final Dumbarton Transportation Corridor Study

### SUBJECT DISCUSSED

- b. Capital Projects Quarterly Status Report – 1<sup>ST</sup> Quarter Fiscal Year 2018

**13. GENERAL COUNSEL REPORT**

- a. Closed Session: Conference with Legal Counsel – Existing Litigation  
Pursuant to Government Code Section 54956.9(d)(1): Salem, et al. v.  
San Mateo County Transit District, et al.; San Mateo County Superior Court  
Case No. 17-CIV-03670

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

**15. BOARD MEMBER REQUESTS/COMMENTS**

- 16. DATE, TIME AND PLACE OF NEXT REGULAR MEETING** – January 3, 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

**17. 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  
NOVEMBER 1, 2017**

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

Board Member Absent: J. Powell

Staff Present: M. Beveridge, J. Cassman, A. Chan, C. Gumpal, D. Hansel, J. Hartnett, M. Martinez, C. Mau, S. Murphy, D. Olmeda, M. Simon

Chair Rose Guilbault called the meeting to order at 3:09 p.m.

### **CONSENT CALENDAR**

- a. Approval of Minutes of Board of Directors Meeting of October 4, 2017
- b. Acceptance of Statement of Revenues and Expenses for June 2017
- c. Acceptance of Statement of Revenues and Expenses for September 2017
- d. Approve 2018 Board of Directors Meeting Calendar
- e. Receive and File Executed Contracts Up to \$100,000 (Non-C&P) Quarterly Report
- f. Receive and File Executed Contracts Greater than \$100,000 - \$150,000 Quarterly Report

Motion/Second: Stone/Pine

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

Absent: Powell

### **PUBLIC COMMENT**

None.

### **REPORT OF CHAIR**

Ad Hoc Get Us Moving Committee Update

Director Charles Stone presented an Update on the "Get Us Moving San Mateo County" endeavor. The Ad Hoc Committee had met and discussed the material and language to be used for the educational outreach efforts.

Chair Rose Guilbault said Directors Jeff Gee, Peter Ratto and she had the opportunity to attend the American Public Transportation Association (APTA) Annual Meeting and EXPO in Atlanta. State of the art equipment was demonstrated as well.

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

Jim Hartnett, General Manager/CEO, thanked the Directors who attended the APTA Conference; he also thanked the Board Members for the major contribution of their time both professionally and personally at the Board Retreat.

The New Human Resources Recruiting Video was shown to the Board.

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

SUBJECTS DISCUSSED

- a. Accessibility Update
- b. Paratransit Coordinating Council Update
- c. Citizens Advisory Committee Update
- d. Mobility Management Report – Fixed Route Bus Service
- e. Multimodal Ridership Report – September 2017

**FINANCE COMMITTEE – C. Groom**

MOTION

- a. Authorize the Disposition of 70 Surplus Rolling Stock and Related Components

Motion/Second: Kersteen-Tucker/Gee

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

Absent: Powell

RESOLUTIONS

- b. Authorize Award of Contract for Security Guard Services to Allied Universal Security Services to San Mateo County Transit District for a not to exceed amount of \$11.5 million for a Five-Year Term - Approved by Resolution No. 2017-77
- c. Amendment to Contracts for Provision of On-Call Environmental Planning and Support Services - Approved by Resolution No. 2017-78
- d. Amendment to Contracts for Provision of On-Call Transportation Planning and Support Services - Approved by Resolution No. 2017-79
- e. Award of Contract to Creative Bus Sales, Inc. for Three New Paratransit Cutaway Vehicles for a Total Cost of \$369,930 - Approved by Resolution No. 2017-80

Motion/Second: Pine/Stone

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

Absent: Powell

**LEGISLATIVE COMMITTEE – K. Matsumoto**

SUBJECT DISCUSSED

- a. State and Federal Legislative Update

**WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**

No discussion.

**BOARD MEMBER REQUESTS/COMMENTS**

Director David Pine asked if the Final Dumbarton Corridor Study will be presented for approval at the next Board Meeting. Mr. Hartnett said the Dumbarton Corridor Study will be presented as a concept/informational item at the next Board meeting and will then be submitted after for approval.

Director Charles Stone thanked everyone involved in organizing the Special Board meeting.

**REPORT OF LEGAL COUNSEL**

- a. Closed Session: Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9 (d)(1): Gary Harrison, Susan Harrison, et al. v. Dhanota, County of San Mateo, et. al Case #17CIV00187.

Recessed to Close Session: 3:30 PM

Reconvene to Open Session: 3:50 PM

Joan Cassman, Legal Counsel, said the Board met in closed session and no action was taken.

**DATE, TIME AND PLACE OF NEXT REGULAR MEETING** – December 6, 2017 at 2 p.m., San Mateo County Transit District, Administrative Building, Bacciocco Auditorium, 2nd Floor, 1250 Carlos Ave., San Carlos 94070

Adjourned at 3:54 PM

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

**MINUTES OF SPECIAL BOARD OF DIRECTORS MEETING  
Mavericks Event Center  
107 Broadway Avenue, Half Moon Bay  
OCTOBER 23, 2017**

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

Absent: C. Groom

Staff Present: R. Arnold, M. Beveridge, M. Bouchard, J. Cassman, A. Chan, C. Fromson, C. Gumpal, D. Hansel, J. Hartnett, M. Martinez, C. Mau, L. Millard, S. Murphy, D. Olmeda, M. Simon, S. VanHoffen

Chair Rose Guilbault called the meeting to order at 9:08 a.m.

**WELCOME/OVERVIEW**

Chair Rose Guilbault said General Manager/ CEO Jim Hartnett has been a good mobility leader and has accomplished a great deal since he has taken office. It is important to hire the right people to strengthen and create a strong foundation for our organization and he has done so by hiring the new Chief Financial Officer and Deputy CEO. She said this is a critical path for moving the organization forward.

Jim Hartnett said San Mateo County Transit District (District) has made the difference in providing transportation needs locally and regionally. The District has made investments along the way in conjunction with the Transportation Authority to make positive transformations. He said we have to alter the way we do business and adapt to a changing market to continue to be relevant.

**PUBLIC COMMENT**

None.

**PRESENTATION BASELINE BUDGETING**

Mr. Derek Hansel, Chief Financial Officer, presented the Baseline Operating Budgeting method for Fiscal Year (FY) 2018. This will provide for greater transparency and accountability. He said the Executive Team and Directors sign off on the concepts and communicate it with the organization and the Budget Team develops the process, coordinates and manages the overall efforts. Cost Center Managers will use a template to document functional purpose of the cost center. The Manager and/or Division Chief will review the templates before submitting them to Budgets. The goal is to develop the proposed FY2019 operating budget books for the May Board meeting.

Board members had questions about the how often the Operating Budget reports would be generated and if the numbers reflect the proposed initiatives. Staff promptly

responded so long as the numbers were kept pure in the “Roll forward” this report can be prepared yearly and completed for all three agencies. A Board Member said this is an item that likely requires an Ad-Hoc Committee. It was also clarified SamTrans does not budget with the assumption the ballot measures will pass.

### **UPDATE ON GET US MOVING SAN MATEO COUNTY**

Mr. Seamus Murphy, Chief Officer of Communications presented on the Get Us Moving San Mateo County program. He said the SamTrans budget is unsustainable. Staff recommends that the November 2018 ballot be targeted for the measure and outreach/education activities are underway with that timeframe in mind. New service demands are being requested from the private sector, communities and counties require more services and we need to connect counties with express bus services. The Technical Advisory Group and a Stakeholder Advisory Group have been formed to help identify the needs, goals and priorities. Staff is planning on public engagements to promote the program.

The process: Identify Goals and Policies that will govern the expenditure plan; set criteria by which portions of the plan will meet the goals and policies; a call for projects to be included in the plan; draft and approval of the expenditure plan.

The Board will need to decide what an Expenditure Plan should look like. Board members were concerned people will think this draft concept document is the actual Expenditure Plan. It was recommended adding Customer Experience to the draft concept.

There was a consensus made among Board members that SamTrans remain the contractual managing agency for Caltrain.

### **THE CHANGING MARKETPLACE: UPGRADING TRANSIT FOR THE 21<sup>ST</sup> CENTURY**

Mr. Daniel Sperling, UC Davis, was in attendance to provided options and ideas as to what SamTrans can do in order to survive and/or thrive within the next five to ten years. Current transportation agencies have been atrophying and starving for resources for a long time and at the same time they are going through a period of very low innovation. Mr. Sperling has been focusing on vehicle technology he identifies as the three revolutions of transportation:

- 1) Revolution of electrification at an early stage, but every car company is committed to this option in a major way
- 2) Revolution of share mobility
- 3) Revolution of automation – it is unclear if this will manifest itself in individual ownership, which will not resolve congestion challenges

Revolutions of transportation will happen and it is only a matter of time cars, shared mobility service and transit systems are all electrical and automated. Transit operators will see a rapid change and will see a declining in ridership, if no response is taken. Gasoline prices are unlikely to go up significantly, vehicles are more efficient and there



is the demand of electrical vehicles. This will place the transit system in distress. Transit routes are the easiest to automate of all applications because they run on fixed schedules and everything needs to be mapped out and programmed; this will be a large cost reduction. It is important to put the measures into the ballot. Transit runs the risk of losing public support because it is going to be a political challenge unless transit works on a message to convey to the public as to what are SamTrans future goals. SamTrans needs to change its business format and think differently in order to survive the upcoming sector changes.

Transit needs to do what it does best:

- Providing service in dense corridors
- Shedding some of the high cost routes which passed for political reasons
  - Reality - it is expensive
- Figure out how to partner and collaborate with private companies to provide the routes with lower densities
  - Ridership can be increased
  - Cheaper way to provide services
- Providing subsidies for lower ridership routes (Paratransit, medical appointments)
  - There is a huge need and SamTrans needs to think more expansive
- Opportunities are there and SamTrans needs to be creative; we need to experiment where we can; there is a huge need out there

Board members and staff see the opportunity to expand into other areas such as the medical industry and senior mobility services within San Mateo County.

#### **SAMTRANS BUSINESS PLAN: REINVENTING SAMTRANS IN A CHANGING MARKETPLACE**

Mr. Mark Simon, Chief of Staff, provided a framework for the future and a summary of goals. The agency existing and external conditions were reviewed. Three initiatives were reviewed:

- Operational
- Organizational
- Financial

Board members and staff discussed opportunities and ways SamTrans can evolve in order to continue to be relevant in the marketplace.

Russell Arnold, Director, Marketing and Communications said the Mobile Ticketing application is a cost-effective solution that brings efficiency to the way ticketing is processed.

Adjourned at 1:34 PM



MEMORANDUM

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

**BOD ITEM # 7  
 DECEMBER 6, 2017**

**Date:** November 29, 2017  
**To:** SamTrans Board of Directors  
**From:** Jim Hartnett, General Manager/CEO  
**Subject:** General Manager/CEO Report

**October 2017 Summary**

The Training Department had an October Safety Campaign – “**Preparing for reduced day light hours and rainy weather strategies**”.

**Human Capital Investment**

<u>Activity</u>	<u>October 2017</u>	<u>FY 2018 YTD</u>
New Bus Operator Trainees	1,392	3,040
Part to Full-time Bus Operator	0	472
DMV mandated training	72	704
Bus Operator retraining	55	359
Maintenance training	1,472	2,976
Professional Development	104	200
Total Hours	3,095	7,751

Maintenance training included two employees from Santa Cruz Metro and one from Monterey Salinas Transit.

**Maintenance Department**

The Maintenance goal for average Miles Between Service Calls (MBSC) is **20,000** miles with a stretch goal of **25,000** MBSC.

	<u>October 2017</u>			<u>FY2018 YTD</u>		
	<u>Miles Driven</u>	<u># Calls</u>	<u>MBSC</u>	<u>Miles Driven</u>	<u># Calls</u>	<u>MBSC</u>
Motor Bus	508,991	15	33,933	1,943,828	71	27,378
Paratransit	135,865	3	45,288	569,329	10	56,933

<u>Paratransit Service/Ridership</u>	<u>October 2018</u>	<u>FY2018 YTD</u>
• On-time Performance, goal is 90%		
➢ Redi-Wheels	89.8%	89.6%
➢ RediCoast	97.6%	97.4%
• Ridership		
➢ AWR	1,250	1,250
➢ Total Trips	31,510	123,010

The number of registered Paratransit customers edged up from 8,400 in September to 8,452 in October.

<u>Fixed-route Bus Service/Ridership</u>	<u>October 2017</u>	<u>FY2018 YTD</u>
• Trips that did not operate	62	94
• On-time Performance, goal is 85%:		
➢ Directly operated service	81.7%	81.4%
➢ Contracted bus service	76.0%	76.0%
➢ Coastside service	74.4%	73.3%
➢ Combined service	80.1%	80.0%
• Complaints per million trips	166	152
• Ridership		
➢ AWR	40,670	37,820
➢ Total Trips	1,056,520	3,896,410
• No school service has been missed. The Dispatchers have specific instructions to cover all school service.		
• SamTrans is providing extended late night bus service at Serramonte Shopping Center during the holiday season. Service hours were extended two hours from 9 pm to 11 pm starting December 1 and will continue through December 31.		

**SamTrans Social Media – October 2017**

Monthly Impressions: 312,655 (Facebook, Twitter, Instagram, LinkedIn, Pinterest)

Monthly Interactions: 4,872

Monthly New Followers: 69

- SamTrans launched an Operator Recruitment Campaign with an Open House at North Base
- Half Moon Bay Pumpkin Fest Service Promotion
- Halloween content: Haunted Stories From Actual SamTrans Employees
- Colma Parking Updates: Credit Cards now accepted

**Stuff A Bus Friday! Holiday Toy Drive**

- SamTrans, 96.5 KOIT and Serramonte Center partnered this holiday season to collect toys for local boys and girls through the Stuff-A-Bus event held Friday, December 1, at the Serramonte Center. All donations benefit the Marine's Toys for Tots program and the Salvation Army's Season of Giving Program.
- The public was asked to bring a new, unwrapped toy to the SamTrans Holiday Bus parked at the Serramonte Center and help stuff the bus. The public was then asked to join Santa's helpers for some hot chocolate, cookies and cool SamTrans giveaways.

### **SamTrans Holiday Bus**

- SamTrans partnered with the Serramonte Center to sponsor a holiday bus wrap. A bus was fully wrapped in a holiday theme and will be in service until the end of December to promote riding SamTrans to shop at Stanford, Hillsdale, Tanforan, Serramonte and Stonestown shopping centers.

### **2017 Paratransit Survey**

A Paratransit Survey of Redi-wheels and RediCoast customers was conducted in October 2017. The questions focused on rider demographics, trip purpose, rating of satisfaction components, and detailed feedback about a recent trip. Five hundred (500) survey responses were collected through telephone interviews with Redi-Wheels and RediCoast customers. A summary of the findings with a comparison to 2015 data will be available in the Spring 2018.

**October 2017 Supplemental Ridership Report** – Attached is an internal document that is generated by staff and used to evaluate ridership performance and system trends. This document in addition to other service matrices highlights the top ten performers and the bottom ten less productive routes.

### **Special Holiday Fares**

SamTrans, Redi-Wheels, and Caltrain will provide free service between 8:00 pm on December 31, 2017 and 5 am on January 1, 2018 in conjunction with many other Bay Area public transportation agencies and providers.

**SAN MATEO COUNTY TRANSIT DISTRICT  
STAFF REPORT**

TO: Board of Directors

THROUGH: Jim Hartnett  
General Manager/CEO

FROM: Seamus Murphy  
Chief Communications Officer

Mark Simon  
Chief of Staff

SUBJECT: **ADOPTION OF POLICY GOALS FOR GET US MOVING SAN MATEO COUNTY PROGRAM**

**ACTION**

The Get Us Moving San Mateo County (GUM) Ad Hoc Committee (Directors Stone, Kersteen-Tucker and Groom) and staff recommend that the Board approve the attached list of seven unranked policy goals for the GUM education and outreach program.

**SIGNIFICANCE**

GUM is a collaborative program designed to increase community awareness of current transportation conditions, programs, services, and solutions; help identify and prioritize transportation funding needs in the county; develop an understanding of community opinions about transportation priorities; and inform future transportation revenue opportunities and expenditures.

Policy goals for the GUM program will guide efforts to identify and prioritize transportation funding needs. The goals proposed for adoption by the San Mateo County Transit District (District) Board of Directors are set forth in the attachment.

Once approved, these Goals will provide a framework for analyzing and prioritizing potential transportation investments in San Mateo County (County), and for assessing the relative significance and effectiveness of proposed transportation candidate projects and programs submitted through a Call for Projects (which is currently underway). Projects will be evaluated using the Board-adopted goals by a committee composed of staff representatives of the District, the County and some cities. This evaluation will help inform proposed funding categories composing a Draft Expenditure Plan for inclusion in a potential measure that the Board could consider placing on the November 2018 ballot.

The Goals contemplate investing in recommendations that will be included in the SamTrans Business Plan, which is currently being developed. The Board will receive more information about progress on the Business Plan early in 2018 and the Plan will be presented to the Board for adoption prior to the Board's consideration of approving an expenditure plan and corresponding measure for the November 2018 ballot.

### **BUDGET IMPACT**

There is no budget impact associated with adoption of the proposed goals. The GUM program is included in the approved Fiscal Year 2018 Operating Budget, and is funded by a combination of District and County of San Mateo contributions.

### **BACKGROUND**

GUM is a collaborative effort between the District, the County of San Mateo, local cities, partner agencies, and other stakeholders.

The proposed goals were developed through a facilitated meeting process involving the GUM Technical Advisory Group (TAG), which is made up primarily of City Managers and Public Works Directors; the GUM Stakeholder Advisory Group (SAG), whose members include business representatives, transportation advocacy groups, health, youth, public safety and senior services organizations, and other community leaders.

**GUM Program Outreach:** A major component of GUM is a large-scale public outreach effort. The goal of the public outreach is to educate San Mateo County residents on transportation needs and solutions, and to collect feedback about how transportation investments should be prioritized. The GUM effort will use television, direct mail, social media, speaking engagements and other community involvement strategies.

**Development of Expenditure Plan and Ballot Measure:** Feedback collected through the GUM Program will be used to develop an expenditure plan for the Board's consideration in late Spring or early Summer 2018. Approval of the expenditure plan for inclusion in a ballot measure will require concurrence from the San Mateo County Board of Supervisors.

Prepared By: Jessica Epstein, Government and  
Community Affairs Officer

650-508-6495



**Get Us Moving Goals:**

- **Relieve Traffic Congestion Countywide**
- **Invest in a Financially Sustainable Public Transportation System that:**
  - **Increases Ridership**
  - **Provides Quality Transit Options for Everyone**
  - **Embraces Innovation to Create More Transportation Choices and Improved Travel Experience**
  - **Aligns with the SamTrans Business Plan**
- **Prioritize Environmentally Sustainable Transportation Solutions**
- **Promote Economic Vitality and Economic Development**
- **Maximize Opportunities to Leverage Investment from Public and Private Partners**
- **Enhance Safety and Public Health**
- **Invest in Repair and Maintenance of Existing and Future Infrastructure**