

**San Mateo County Express Lanes Joint Powers Authority
(SMCEL-JPA)
Board of Directors Meeting Notice**

Meeting No. 51

Date: Friday, November 17, 2023	Join by Webinar: https://us02web.zoom.us/j/84181167397? pwd=dDdUWDZSUnVjUThvam95dWV kYTJEZz09
Time: 9:00 A.M.	Webinar ID: 841 8116 7397
Primary Location: San Mateo County Transit District Office 1250 San Carlos Ave, 2 nd Fl. Auditorium, San Carlos, CA	Password: 111723
	Join by Phone: (669) 900-6833

*****HYBRID MEETING - IN-PERSON AND BY VIDEOCONFERENCE*****

This meeting of the SMCEL-JPA Board of Directors will be held in person and by teleconference pursuant to Government Code Section 54953(e). Members of the public will be able to participate in the meeting remotely via the Zoom platform or in person at the location above. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

Board of Directors: Alicia Aguirre (Chair), Emily Beach (Vice Chair), Rico E. Medina, Gina Papan, Carlos Romero, and Michael Salazar.

1.0 CALL TO ORDER/ ROLL CALL

2.0 PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Note: Public comment is limited to two minutes per speaker. Members of the public who wish to address the Board should complete a speaker's slip to make a public comment in person or raise their hand in Zoom to speak virtually.

3.0 APPROVAL OF CONSENT AGENDA

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff or public request specific items to be removed for separate action.

- 3.1 Approval of the minutes of Board of Directors regular business meeting No. 50 dated September 15, 2023.

ACTION p. 1

- 3.2 Accept the Sources and Uses of Funds for the FY2023 Period Ending June 30, 2023.
ACTION p. 5
- 3.3 Accept the Sources and Uses of Funds for the FY2024 Period Ending August 31, 2023.
ACTION p. 7
- 3.4 Accept the Sources and Uses of Funds for the FY2024 Period Ending September 30, 2023.
ACTION p. 9
- 3.5 Review and approval of the 2024 Calendar of SMCEL-JPA Board of Directors Meetings.
ACTION p. 11
- 3.6 Review and approval of Resolution SMCEL 23-17 awarding a contract to USI Insurance Services to provide insurance brokerage services to the JPA.
ACTION p. 12

4.0 **REGULAR AGENDA**

- 4.1 Review and Approval of Resolution SMCEL 23-18 authorizing the Chair to execute an Agreement with WSP USA Inc. to conduct an organizational assessment at an amount not to exceed \$366,495, covering the period of November 20, 2023, through January 31, 2025.
ACTION p. 17
- 4.2 By motion, approve the conceptual framework for the Next Gen Community Transportation Benefits Program.
ACTION p. 36
- 4.3 Receive a quarterly update on the Variable Rate Bond used to fund a portion of the SMCEL-JPA Express Lanes project.
INFORMATION p. 46

5.0 **REPORTS**

- a) Chairperson Report.
- b) Member Communication.
- c) Executive Council Report - Executive Council Verbal Report.
- d) Policy/Program Manager Report.

6.0 **WRITTEN COMMUNICATIONS**

None.

7.0 **NEXT REGULAR MEETING**

December 8, 2023

8.0 **ADJOURNMENT**

PUBLIC NOTICING: All notices of SMCEL-JPA regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Court Yard, 555 County Center, Redwood City, CA, and on SMCEL-JPA's website at: <http://www.ccag.ca.gov>.

PUBLIC RECORDS: Public records that relate to any item on the open session agenda for a regular Board meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Board meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Board. The Board has designated the San Mateo County Express Lanes JPA (SMCEL-JPA), located at 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Such public records are also available on SMCEL-JPA's website at: <http://www.ccag.ca.gov>. Please note that SMCEL-JPA's office is temporarily closed to the public; please contact Mima Crume at (650) 599-1406 to arrange for inspection of public records.

ADA REQUESTS: Persons with disabilities who require auxiliary aids or services to participate in this meeting should contact Mima Crume at (650) 599-1406 or mcrume@smcgov.org by 10:00 a.m. prior to the meeting date.

PUBLIC PARTICIPATION DURING HYBRID MEETINGS: During hybrid meetings of the SMCEL-JPA Board, members of the public may address the Board as follows:

Written comments should be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to mcrume@smcgov.org.
2. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda.
3. Members of the public are limited to one comment per agenda item.
4. If your emailed comment is received at least 2 hours prior to the meeting, it will be provided to the SMCEL-JPA Board members, made publicly available on the SMCEL-JPA website along with the agenda. Emails received less than 2 hours before the meeting will be provided to the SMCEL-JPA Board members and included in the administrative record of the meeting as soon as practicable.

Spoken comments will be accepted during the meeting in person and through Zoom. Public comments will be taken first by speakers in person followed by via Zoom. Please read the following instructions carefully:

***In-person participation:**

1. If you wish to speak to the Board, please fill out a speaker's slip located on the 2nd floor auditorium side table against the wall. If you have anything that you wish distributed to the Board and included in the official record, please hand it to the SMCEL-JPA Clerk who will distribute the information to the Board members and staff.

***Remote participation:**

1. The SMCEL-JPA Board meeting may be accessed through Zoom at the online location indicated at the top of this agenda.
2. You may download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
3. You will be asked to enter an email address and name. We request that you identify yourself by your name as this will be visible online and will be used to notify you that it is your turn to speak.
4. When the SMCEL-JPA Clerk or Chair call for the item on which you wish to speak, click on "raise hand." The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak. If calling in via phone, press *9 to raise your hand and when called upon press *6 to unmute.
5. When called, please limit your remarks to the time allotted.

If you have any questions about this agenda, please contact SMCEL-JPA staff:

Executive Director: Sean Charpentier (650) 599-1409

Clerk of the Board: Mima Crume (650) 599-1406

San Mateo County Express Lanes Joint Powers Authority Board of Directors Meeting Minutes

Meeting No. 50
September 8, 2023

This meeting of the SMCEL-JPA Board of Directors was held in person and by teleconference pursuant to Government Code Section 54953(e). Members of the public was able to participate in the meeting remotely via the Zoom platform or in person.

Board of Directors: Alicia Aguirre (Chair), Emily Beach (Vice Chair), Rico E. Medina, Gina Papan, Carlos Romero and Michael Salazar

1.0 CALL TO ORDER/ ROLL CALL

Chair Alicia Aguirre called the meeting to order at 9:00 a.m. Roll call was taken.

AGENCY:	IN-PERSON:	ABSENT:	REMOTE AB 2449:	REMOTE Publicly Accessible Teleconference Location:
C/CAG	Alicia Aguirre			
C/CAG	Gina Papan			
C/CAG	Michael Salazar			
SMCTA		Carlos Romero*		
SMCTA	Emily Beach			
SMCTA	Rico E. Medina			

*Participated remotely in the meeting as a member of the public.

Staff Present (In-Person):	Staff Present (Remote):
Sean Charpentier – C/CAG Executive Council	Monique Fuhrman – HNTB
April Chan – SMCTA Executive Council	
Mima Crume – Clerk of the Board	Members of the Public (In-Person):
Tim Fox – Legal Counsel	
Kaki Cheung – C/CAG	
Van Ocampo – C/CAG	
Lacy Vong – HNTB	

Other members of staff and members of the public were in attendance via in-person or remote using zoom.

2.0 PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Note: Public comment is limited to two minutes per speaker. Members of the public who wish to address the Board should complete a speaker's slip to make a public comment in

person or raise their hand in Zoom to speak virtually.
Clerk Crume reported that there were no public comments.

3.0 APPROVAL OF CONSENT AGENDA

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff, or public request specific items to be removed for separate action.

- 3.1 Approval of the minutes of Board of Directors regular business meeting No. 49 dated June 9, 2023. APPROVED
- 3.2 Accept the Sources and Uses of Funds for the FY23 Period Ending May 30, 2023. APPROVED
- 3.3 Review and approval of Resolution SMCEL 23-11 authorizing the Chair of SMCEL-JPA to execute the License Agreement between the City of San Bruno and the SMCEL-JPA for Express Lanes toll facilities within the City Rights of Way. APPROVED
- 3.4 Review and approval of Resolution SMCEL 23-12 authoring the Chair of SMCEL-JPA to execute the License Agreement between the City of Millbrae and the SMCEL-JPA for Express Lanes toll facilities within the City Rights of Way. APPROVED
- 3.5 Review and approve Resolution SMCEL 23-13, ratifying the purchase of General Liability Insurance, Public Officials Liability, and Property Insurance policies for a 12-month period at a not to exceed amount of \$531,266. APPROVED
- 3.6 Review and approve Resolution SMCEL 23-14, establishing the settlement authority for general liability claims. APPROVED
- 3.7 Review and approve Resolution SMCEL 23-15 authorizing the Chair of the SMCEL-JPA to execute a new service contract with the California Highway Patrol (CHP) for enforcement services through Fiscal Year 2025 for an amount not to exceed \$606,909. APPROVED
- 3.8 Receive information on Statement of Revenues and Expenses for the Period Ended June 30, 2023. INFORMATION
- 3.9 Accept the Sources and Uses of Funds for the FY2024 Period Ending July 31, 2023. APPROVED
- 3.10 Reject a claim under California Government Claims Act for non-culpability. APPROVED

Director Salazar MOVED to approve the consent agenda items 3.1 to 3.10.
Director Beach SECONDED. **MOTION CARRIED 5-0-0**

4.0 **REGULAR AGENDA**

- 4.1 Review and Approval of Resolution SMCEL 23-16 authorizing the Chair to execute Amendment No. 2 to the Agreement with HNTB Corporation for Policy/Program Management Services for an amount not to exceed \$2,474,560, covering the period of November 1, 2023, through October 31, 2025.

APPROVED

The Board received a presentation to further extend HNTB's contract for another two years (from November 1, 2023, through October 31, 2025).

Director Beach **MOVED** to approve item 4.1. Director Papan **SECONDED**.
Roll call was taken. **MOTION CARRIED 5-0-0**

- 4.2 Receive an informational update about the Community Transportation Benefits Program, the draft evaluation results from the pilot year, and provide feedback on draft recommendations and next steps.

INFORMATION

The Board received a presentation update about the Community Transportation Benefits Program, the draft evaluation results from the pilot year, and provide feedback on draft recommendations and next steps.

- 4.3 Receive quarterly update on the US 101 Express Lanes operations.

INFORMATION

The Board received a presentation on the quarterly update on the US 101 Express Lanes operations. Q4 of FY23 is the first full quarter of operations on San Mateo 101. Future quarterly reports will seek to draw comparisons between quarters well as year over year.

5.0 **REPORTS**

- a) Chairperson Report.

None.

- b) Member Communication.

None.

- c) Executive Council Report - Executive Council Verbal Report.

April Chan reported she has attended and presented the Community Transportation Benefits Program at the Minority Transportation Official Conference. A Self-Help Counties Coalition Conference will be held in October. Ms. Chan and Mr. Charpentier were asked to conduct a tour of the Express Lanes at the end of October. The tour will showcase the Express Lanes facilities and share information on the Transportation Benefits Program.

- d) Policy/Program Manager Report.

Lacy Vong thanked the Board for the approval of the extension of the contract and is looking forward to the next two years.

6.0 WRITTEN COMMUNICATIONS

None.

7.0 NEXT REGULAR MEETING

October 13, 2023

8.0 ADJOURNMENT – 10:28 a.m.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Accept the Sources and Uses of Funds for the FY2023 Period Ending June 30, 2023.
(For further information, contact Kate Jordan Steiner, CFO, at 650-647-3504)

RECOMMENDATION

That the SMCEL-JPA Board accepts and enters into the record the Sources and Uses of Funds for the Fiscal Year 2023, period ending June 30, 2023.

The statement columns have been designed to provide the revised budget and the year-to-date current actuals for the current fiscal year.

FISCAL IMPACT

Year to Date Sources of Funds: As of June 2023, the Total Sources of Funds are \$14.4 million. It is mainly comprised of toll revenues (\$14.1 million) from both Southern and Northern Segments of Express Lanes on U.S. 101. The Northern Segment, which is from Whipple Avenue to the I-380 in South San Francisco, was officially opened on March 3, 2023. The Sources of Funds also includes Allocated Bond Funds - Equity Program (\$0.2 million).

Year to Date Uses of Funds: As of June 2023, the Total Uses of Funds are \$8.5 million. Major expenses are in the categories of Toll operations and maintenance costs (\$2.5 million), FasTrak customer service costs (\$2.2 million), Consultant cost (\$1.3 million), Staff support costs (\$0.6 million), Administrative overhead (\$0.4 million), and Credit enhancement fees (\$0.3 million).

BACKGROUND

Budget Amendment: There are no budget amendments for the month of June 2023.

Other Information:

Loan payables represent loan advance payments received since the formation of the SMCEL-JPA from the San Mateo County Transportation Authority and the City/County Association of Governments of San Mateo County. Loan advances will be repaid on a monthly basis and no later than five years after the San Mateo County 101 Express Lanes Project begins operations and receives toll revenues.

ATTACHMENT

1. Sources and Uses of Funds Fiscal Year 2023 (June 2023)

SAN MATEO COUNTY EXPRESS LANE JPA
SOURCES AND USES OF FUNDS
Fiscal Year 2023
June 2023

Final		REVISED BUDGET *	ACTUALS
		Annual	As of June 2023
SOURCES OF FUNDS:			
1	Toll Revenue	\$ 8,000,000	\$ 14,105,732
2	Allocated Bond Funds	635,000	226,950
3	SMCTA Measure A (ACR TDM)	400,000	-
4	Carryforward Balance from SMCTA & CCAG	192,109	-
5	Advance from the City/County Association of Governments of San Mateo County	1,350,000	-
6	Advance from the San Mateo County Transportation Authority	1,915,185	-
7	Additional advance from SMCTA	622,667	-
8	Miscellaneous Revenue	-	62,767
TOTAL SOURCES OF FUNDS		\$ 13,114,961	\$ 14,395,449
USES OF FUNDS:			
9	Staff Support	\$ 679,628	\$ 602,558
10	Administrative Overhead	396,055	444,661
11	Seminar/Training & Business Travel	20,000	636
12	Audit & Bank Fees	15,160	8,982
13	Office Supplies	3,000	3,140
14	Printing and Information Svcs	5,000	541
15	Promotional Advertising	50,000	87,892
16	Utilities	50,000	34,694
17	Software Maintenance & License	32,000	26,205
18	Legal Services	60,000	13,213
19	Consultant	1,681,000	1,321,237
20	Express Lane Maintenance	444,000	193,495
21	Toll Operations and Maintenance	4,981,000	2,460,776
22	FasTrak Customer Service	2,840,000	2,197,736
23	Express Lane Enhanced Enforcement	240,000	147,087
24	Equity Program Administration and Costs	1,035,000	226,950
25	Insurance	500,000	204,011
26	Credit Enhancement Fees	-	332,055
27	Miscellaneous	83,118	157,106
TOTAL USES OF FUNDS		\$ 13,114,961	\$ 8,462,975
PROJECT SOURCES OVER USES		\$ -	\$ 5,932,474
Note:			
*The revised annual budget was approved by the Board on 02/10/2023.			
Additional Information:			
Loan payables to the City/County Association of Governments of San Mateo County		\$	2,769,314
Loan payables to the San Mateo County Transportation Authority		\$	3,259,175

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Accept the Sources and Uses of Funds for the FY2024 Period Ending August 31, 2023.
(For further information, contact Kate Jordan Steiner, CFO, at 650-647-3504)

RECOMMENDATION

That the SMCEL-JPA Board accepts and enters into the record the Sources and Uses of Funds for the Fiscal Year 2024, period ending August 31, 2023.

The statement columns have been designed to provide the annual budget and the year-to-date current actuals for the current fiscal year.

FISCAL IMPACT

Year to Date Sources of Funds: As of August 2023, the Total Sources of Funds are \$4.5 million. It is mainly comprised of toll revenues (\$3.9 million) and Toll Violation, Fees and Penalties (\$0.4 million) from both Southern and Northern Segments of Express Lanes on U.S. 101. The Northern Segment, which is from Whipple Avenue to the I-380 in South San Francisco, was officially opened on March 3, 2023. The Sources of Funds also includes Allocated Bond Funds - Equity Program (\$0.1 million).

Year to Date Uses of Funds: As of August 2023, the Total Uses of Funds are \$2 million. Major expenses are in the categories of Toll operations and maintenance costs (\$0.7 million), FasTrak customer service costs (\$0.6 million), Consultant (\$0.2 million), and Equity program administration and costs (\$0.1 million).

BACKGROUND

Budget Amendment: There are no budget amendments for the month of August 2023.

Other Information:

Loan payables represent loan advance payments received since the formation of the SMCEL-JPA from the San Mateo County Transportation Authority and the City/County Association of Governments of San Mateo County. Loan advances will be repaid on a monthly basis and no later than five years after the San Mateo County 101 Express Lanes Project begins operations and receives toll revenues.

ATTACHMENT

1. Sources and Uses of Funds Fiscal Year 2024 (August 2023)

SAN MATEO COUNTY EXPRESS LANE JPA
SOURCES AND USES OF FUNDS
Fiscal Year 2024
August 2023

		ADOPTED BUDGET	ACTUALS
		Annual	As of 8/31/2023
SOURCES OF FUNDS:			
1	Toll Revenues	\$ 20,200,000	\$ 3,889,873
2	Toll Violation, Fees and Penalties	4,200,000	390,948
3	Allocated Bond Funds - Equity Program	577,550	103,000
4	SMCTA Measure A (ACR TDM) - Equity Program	400,000	-
5	Misc. Income	-	69,600
TOTAL SOURCES OF FUNDS		\$ 25,377,550	\$ 4,453,422
USES OF FUNDS:			
6	Staff Support	\$ 1,055,611	\$ 87,595
7	Administrative Overhead	117,139	84,458
8	Seminar/Training & Business Travel	40,500	-
9	Audit & Bank Fees	22,636	-
10	Promotional Advertising	50,000	8,333
11	Utilities	50,000	5,124
12	Software Maintenance & License	33,600	3,710
13	Legal Services	60,000	-
14	Insurance	500,000	85,556
15	SMCEL-JPA Bond Related Debt Fees	520,000	-
16	Miscellaneous	29,350	1,297
17	Consultant	2,206,700	224,000
18	Express Lane Maintenance	847,000	40,000
19	Toll Operations and Maintenance (BAIFA)	8,350,000	676,000
20	FasTrak Customer Service (BATA)	5,200,000	566,000
21	Express Lanes Enhanced Enforcement (CHP)	240,000	38,944
22	Equity Program Administration and Costs	1,435,000	103,000
23	Interest Expense on Operating Advances	269,098	34,430
24	Credit Enhancement Fee	400,000	66,666
25	SMCEL-JPA Bond Interest	1,000,000	-
TOTAL USES OF FUNDS		\$ 22,426,634	\$ 2,025,115
PROJECT SOURCES OVER USES		\$ 2,950,916	\$ 2,428,307
Additional Information:			
Loan payables to the City/County Association of Governments of San Mateo County		\$	2,785,130
Loan payables to the San Mateo County Transportation Authority		\$	3,277,789

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Accept the Sources and Uses of Funds for the FY2024 Period Ending September 30, 2023.
(For further information, contact Kate Jordan Steiner, CFO, at 650-647-3504)

RECOMMENDATION

That the SMCEL-JPA Board accepts and enters into the record the Sources and Uses of Funds for the Fiscal Year 2024, period ending September 30, 2023.

The statement columns have been designed to provide the annual budget and the year-to-date current actuals for the current fiscal year.

FISCAL IMPACT

Year to Date Sources of Funds: As of September 2023, the Total Sources of Funds are \$7.4 million. It is mainly comprised of toll revenues (\$6.7 million) and Toll Violation, Fees and Penalties (\$0.6 million) from both Southern and Northern Segments of Express Lanes on U.S. 101. The Northern Segment, which is from Whipple Avenue to the I-380 in South San Francisco, was officially opened on March 3, 2023. The Sources of Funds also includes Allocated Bond Funds - Equity Program (\$0.1 million).

Year to Date Uses of Funds: As of September 2023, the Total Uses of Funds are \$2.9 million. Major expenses are in the categories of Toll operations and maintenance costs (\$1.0 million), FasTrak customer service costs (\$0.8 million), Consultant (\$0.3 million), Insurance (\$0.1), and Equity program administration and costs (\$0.1 million).

BACKGROUND

Budget Amendment: There are no budget amendments for the month of September 2023.

Other Information:

Loan payables represent loan advance payments received since the formation of the SMCEL-JPA from the San Mateo County Transportation Authority and the City/County Association of Governments of San Mateo County. Loan advances will be repaid on a monthly basis and no later than five years after the San Mateo County 101 Express Lanes Project begins operations and receives toll revenues.

ATTACHMENT

1. Sources and Uses of Funds Fiscal Year 2024 (September 2023)

SAN MATEO COUNTY EXPRESS LANE JPA
SOURCES AND USES OF FUNDS
Fiscal Year 2024
September 2023

		ADOPTED BUDGET	ACTUALS
		Annual	As of 9/30/2023
SOURCES OF FUNDS:			
1	Toll Revenues	\$ 20,200,000	\$ 6,662,584
2	Toll Violation, Fees and Penalties	4,200,000	574,177
3	Allocated Bond Funds - Equity Program	577,550	103,000
4	SMCTA Measure A (ACR TDM) - Equity Program	400,000	-
5	Misc. Income	-	91,279
TOTAL SOURCES OF FUNDS		\$ 25,377,550	\$ 7,431,040
USES OF FUNDS:			
6	Staff Support	\$ 1,055,611	\$ 98,127
7	Administrative Overhead	117,139	45,838
8	Seminar/Training & Business Travel	40,500	-
9	Audit & Bank Fees	22,636	-
10	Promotional Advertising	50,000	12,501
11	Utilities	50,000	12,501
12	Software Maintenance & License	33,600	5,565
13	Legal Services	60,000	15,000
14	Insurance	500,000	128,334
15	SMCEL-JPA Bond Related Debt Fees	520,000	-
16	Miscellaneous	29,350	1,744
17	Consultant	2,206,700	336,000
18	Express Lane Maintenance	847,000	60,000
19	Toll Operations and Maintenance (BAIFA)	8,350,000	1,014,000
20	FasTrak Customer Service (BATA)	5,200,000	849,000
21	Express Lanes Enhanced Enforcement (CHP)	240,000	60,000
22	Equity Program Administration and Costs	1,435,000	103,000
23	Interest Expense on Operating Advances	269,098	50,506
24	Credit Enhancement Fee	400,000	99,999
25	SMCEL-JPA Bond Interest	1,000,000	-
TOTAL USES OF FUNDS		\$ 22,426,634	\$ 2,892,115
PROJECT SOURCES OVER USES		\$ 2,950,916	\$ 4,538,925
Additional Information:			
Loan payables to the City/County Association of Governments of San Mateo County		\$	2,792,515
Loan payables to the San Mateo County Transportation Authority		\$	3,286,480

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Review and approval of the 2024 Calendar of SMCEL-JPA Board of Directors Meetings.

(For further information, contact Mima Crume mcrume@smcgov.org)

RECOMMENDATION

That the SMCEL-JPA Board of Directors review and approve the 2024 Calendar of SMCEL-JPA Board of Directors Meetings.

FISCAL IMPACT

None.

BACKGROUND

The following schedule for the 2024 Board meetings is proposed. All meetings will start at 9:00 a.m. unless otherwise noted.

January 12th
February 9th
March 8th
April 12th
May 10th
June 14th
July 12th
August 9th
September 13th
October 11th
November 8th
December 13th

ATTACHMENT

None.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Review and approval of Resolution SMCEL 23-17 awarding a contract to USI Insurance Services to provide insurance brokerage services to the JPA.

(For further information please contact Sean Charpentier at scharpentier@smcgov.org; or April Chan at chana@samtrans.com.)

RECOMMENDATION

That the SMCEL-JPA Board review and approve Resolution SMCEL 23-17 awarding a contract to USI Insurance Services for a five-year base term, with one additional two-year option term, to provide insurance brokerage services to the JPA.

FISCAL IMPACT

At the September 2023 Board meeting, the SMCEL-JPA Board approved the purchase of General Liability, Public Officials Liability, and Property insurance policies for a 12-month period, beginning July 1, 2023, for a not to exceed amount of \$531,266. The insurance premium included a commission for USI brokerage services. The insurance premiums costs are included in the adopted Fiscal Year 2024 Operating Budget and will be included in future adopted operating budgets.

SOURCE OF FUNDS

The adopted Fiscal Year 2024 (FY24) includes \$400,000 for estimated insurance premium costs. Actual insurance premium cost is \$531,266 due to an increase in property values with the recent opening of the northern segment, and a mandated increase in General Liability coverage from \$10,000,000 to \$25,000,000 due to a new contract with Caltrans. The \$131,266 increase is expected to be absorbed in the adopted JPA budget.

BACKGROUND

As part of the Joint Exercise of Powers Agreement between the San Mateo County Transportation Authority (TA) and the City/County Association of Governments of San Mateo County (C/CAG), the TA is to provide fiscal-agent, finance, marketing, and communication staffing services to the SMCEL-JPA. Occasionally, there are services to be provided by the TA that would be more efficiently provided by a vendor contracted by the TA rather than a separate vendor selected by the SMCELJPA under a procurement process.

In March of 2021, the SMCEL-JPA Board approved a Master Agreement that sets forth the approval process for vendor contracting by the TA in support of work for the SMCEL-JPA. A Vendor Contract Supplement to the Master Agreement will set forth the agreed-upon scope of services to be provided by the subject vendors, the schedule for performance of vendor services, related fees, and the terms of payment.

For insurance brokerage service, staff have determined it would be beneficial and efficient for the SMCEL JPA to utilize the TA contract to complete the work. On May 15, 2023, the TA, in collaboration with the San Mateo County Transit District (District) and the Peninsula Corridor Joint Powers Board (JPB), jointly issued RFP 23-J-S-T-P-054 for the Services and advertised the RFP on the TA's e-procurement website (Bonfire). The RFP was posted for approximately six weeks and included a five-point preference for Small Business Enterprise (SBE) utilization. The TA received one proposal, which was from the incumbent, USI. Staff conducted outreach to five potential bidders as to why they declined to bid. Responses ranged from difficulty underbidding USI and timing of the RFP process.

After review, evaluation, and scoring, the Committee determined that USI has the depth of experience and qualifications needed to perform the Services. The Committee deemed USI's proposed approach to the Services to be thorough and comprehensive. USI's proposal provided detailed information and recommendations for types of insurance coverages for each agency. Staff conducted a price analysis by comparing the proposed prices to insurance brokerage services contracts with LA Metro; Golden Gate Bridge Highway and Transportation District; BART; Greater Cleveland Regional Transit Authority; SMART Rail; and AC Transit. Staff determined that USI's proposals and prices are fair and reasonable.

The approval of the Resolution SMCEL-23-17 at this meeting will obligate the SMCEL- JPA to fund and pay what the TA is undertaking on behalf of the SMCEL-JPA. The TA will be responsible for managing the insurance brokerage contract.

ATTACHMENTS

1. Resolution SMCEL 23-17
2. TA Vendor Contract Supplement #3 with USI Insurance Services

RESOLUTION SMCEL 23-17

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY AWARDED A CONTRACT TO USI INSURANCE SERVICES TO PROVIDE INSURANCE BROKERAGE SERVICES TO THE SMCEL-JPA

RESOLVED, by the Board of Directors of the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) that,

WHEREAS, as part of the Joint Exercise of Powers Agreement between the San Mateo County Transportation Authority (TA) and the City/County Association of Governments of San Mateo County, the TA is to provide fiscal-agent, finance, marketing, and communication staffing services to the SMCEL JPA; and

WHEREAS, these services to be provided by the TA occasionally would be more efficiently provided by a vendor contracted by the TA than a separate vendor selected by the SMCEL-JPA under a procurement process; and

WHEREAS, in consideration of the above, on March 12, 2021, the SMCEL-JPA Board approved a Master Agreement that sets forth the approval process for vendor contracting by the San Mateo County Transportation Authority (TA) in support of work for the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA); and

WHEREAS, the Master Agreement between the SMCEL-JPA and the TA sets forth the process by which the SMCEL-JPA requests and the TA will procure vendor services specifically to assist with the TA's staff support of the SMCEL-JPA, including when the Parties wish for the SMCEL-JPA to provide pre-payment for such services, the TA may propose such arrangement in a Vendor Contract Supplement (Exhibit A to the Master Agreement); and

WHEREAS, all future Vendor Contract Supplements are subject to review and approval by the SMCEL- JPA Board of Directors absent further delegation by the SMCEL- JPA Board of Directors, and where the Vendor Contract Supplements will set forth the agreed-upon scope of services to be provided by the subject vendors, the schedule for performance of vendor services, related fees, and the terms of payment; and

WHEREAS, for insurance brokerage service, staff have determined it would be beneficial and efficient for the SMCEL-JPA to utilize the TA contract to complete the work.

NOW THEREFORE BE IT RESOLVED, that the SMCEL- JPA Board of Directors approves a TA Vendor Contract Supplement #3 with to USI Insurance Services, for a five-year base term, with one additional two-year option term, to provide insurance brokerage services to the SMCEL-JPA.

PASSED, APPROVED, AND ADOPTED, THIS 17TH DAY OF NOVEMBER 2023.

Alicia Aguirre, Chair

*Supplement to Master Agreement for Vendor Contracting by the San Mateo County Transportation Authority
in Support of the San Mateo County Express Lanes Joint Powers Authority*

TA VENDOR CONTRACT SUPPLEMENT #3

Vendor Name: *USI Insurance Services, LLC*

TA Contract Number: *23-J-S-T-P-054*

**TA Work Directive/
Purchase Order Number :** *NA*

TA Project Manager: *Marshall Rush, Insurance & Claims Administrator*
rushm@samtrans.com
650-508-7742

Notice to Proceed Date: *January 1, 2024*

Payments to be made by JPA to: *USI Insurance Services, LLC*

Description and Scope of Work:

Provide insurance brokerage services to the San Mateo County Express Lanes Joint Powers Authority (JPA). Services shall include the annual procurement of General Liability, Public Officials Liability, and Property Insurance. Broker shall provide technical support to the JPA on all matters related to insurance, evidence of insurance, contractual insurance requirements, claims reporting, and risk mitigation.

Scope of Work Schedule:

	<u>Begin</u>	<u>End</u>
<i>Five-year Base Term</i>	<i>1/1/24</i>	<i>1/1/29</i>
<i>Two-year Option Term</i>	<i>1/1/29</i>	<i>1/1/31</i>

Scope of Work Budget:

The adopted fiscal year budget shall include an estimated amount for insurance premium costs.

Payment Terms:

The insurance premiums include a commission for brokerage services. The estimated insurance premiums costs are included in the adopted fiscal year budget and will be included in future adopted operating budgets.

Transmittal of Payments:

Insurance premium invoices are to be remitted directly to the insurance broker.

JPA Approval: Resolution 23-17

**SAN MATEO COUNTY
TRANSPORTATION AUTHORITY**

**SAN MATEO COUNTY EXPRESS LANES
JOINT POWERS AUTHORITY**

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Review and Approval of Resolution SMCEL 23-18 authorizing the Chair to execute an Agreement with WSP USA Inc. to conduct an organizational assessment at an amount not to exceed \$366,495, covering the period of November 20, 2023 through January 31, 2025.

(For further information, contact Sean Charpentier at scharpentier@smcgov.org)

RECOMMENDATION

That the SMCEL-JPA Board of Directors review and approve Resolution SMCEL 23-18 authorizing the Chair to execute an Agreement with WSP USA Inc. to conduct an organization assessment at an amount not to exceed \$366,495 covering the period of November 20, 2023 through January 31, 2025.

FISCAL IMPACT

The total not to exceed amount for the Agreement is \$366,495.

SOURCE OF FUNDS

The adopted Fiscal Year 2023/2024 Budget includes funding for an organizational assessment.

BACKGROUND

The C/CAG Board and San Mateo County Transportation Authority (TA) Board, both approved the Joint Exercise of Powers Agreement (JEPA) that became effective on June 13, 2019. The JEPA created San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA), pursuant to the California Joint Exercise of Powers Act to oversee the operations and administration of the San Mateo 101 Express Lanes Project, and to jointly exercise ownership rights over the express lanes. Now that the San Mateo US 101 Express Lanes are fully operational and past the initial start-up phase, it is now time to determine the appropriate organizational and staffing structure to efficiently and effectively implement the vision, mission, and goals of the Express Lanes Program. Therefore, the SMCEL-JPA released a Request for Proposal (RFP) seeking a consultant team to support an organizational assessment.

The RFP was released on August 21st, 2023 to over 120 interested parties, in addition to being posted on the C/CAG and SMCEL-JPA websites. The assessment will consider which functions should be performed by agency staff or assigned to service providers, and the division of responsibilities between the TA and C/CAG staff. Specifically, the assessment will analyze:

1. The approach for using in-house staff/agency resources (existing or new positions) versus

outsourced support (consultants and/or contractors), and the factors used to determine the appropriate mix of in-house/contracted functions.

2. The approach to determine the split of responsibilities between the two public agencies, TA and C/CAG. Staffing cost estimates, transition planning, and a timeline for implementing the organization structure will be included as part of the assessment.

The SMCEL-JPA received a total of four proposals and an evaluation panel comprised of two internal (C/CAG and TA) and two external agency partners (Bay Area Infrastructure Financing Authority and Santa Clara Valley Transportation Authority) participated in the ranking process. The proposals were evaluated based on the following criteria:

Evaluation Criteria	Percentage
Firm Qualifications and Team Experience	30
Approach to completing the Project and Schedule	35
Cost effectiveness, including hourly rates, reasonableness and appropriateness of preliminary task budget	30
Presentation, as evidenced in the written proposal, and interviews, if held.	5
Possible Total Score	100

Upon the panel's review of the submitted proposals and discussions with two short listed firms, one firm, WSP USA Inc. (WSP), scored significantly higher than the other three firms. Consequently, the panel recommended awarding the contract to WSP. The table below provides the final ranking of the teams:

Ranking	Consultant Team
1	WSP USA Inc.
2	Deloitte Consulting LLP
3	Public Works Partners
4	Congent Infotech Corp.

As the project progresses, the selected consultant team will be engaging with the Board regularly, as early as January of 2024, to get direction on the JPA's organizational goals. The process included in the Scope of Work in Attachment 2 includes interviews with the SMCEL-JPA Board members, an ad-hoc subcommittee of Board members, and presentations to the full Board.

ATTACHMENTS:

1. Resolution SMCEL 23-18
2. Draft Agreement with WSP USA Inc. for JPA Organizational Assessment for the period of November 20, 2023 to January 31, 2025

RESOLUTION SMCEL 23-18

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) AUTHORIZING THE CHAIR TO EXECUTE AN AGREEMENT WITH WSP USA INC. TO CONDUCT AN ORGANIZATION ASSESSMENT IN A TOTAL AMOUNT NOT TO EXCEED \$366,495.

RESOLVED, by the Board of Directors of San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) that,

WHEREAS, the Joint Exercise of Powers Agreement for the San Mateo County Express Lanes was approved by the City/County Association of Governments (“C/CAG”) Board and the San Mateo County Transportation Authority (“SMCTA”) Board at their board meetings on April 11, 2019 and May 2, 2019, respectively; and

WHEREAS, the First Amended and Restated Joint Exercise of Powers Agreement for the San Mateo County Express Lanes (“JPA Agreement”) was approved by the C/CAG Board and the SMCTA Board at their respective board meetings on June 13, 2019 and July 11, 2019; and

WHEREAS, the JPA Agreement created the SMCEL-JPA to: apply to the California Transportation Commission in order to own, administer, and manage the operations of the San Mateo County Express Lanes (“Project”); to share in the ownership, administration, and management of any potential future express lanes within San Mateo County; to set forth the terms and conditions governing the management, operation, financing, and expenditure of revenues generated by express lanes in San Mateo County; and to exercise the powers as provided by law (including but not limited to California Streets and Highways Code Section 149.7, as it now exists and may hereafter be amended); and

WHEREAS, now that the San Mateo US 101 Express Lanes are fully operational and past the initial start-up phase, it is now time to determine the appropriate organizational and staffing structure to efficiently and effectively implement the vision, mission, and goals of the Express Lanes Program; and

WHEREAS, the SMCEL-JPA released a Request for Proposal (RFP) seeking a consultant team to conduct an organizational assessment; and

WHEREAS, through the competitive procurement process, WSP USA Inc. is being recommended to provide said services; and

WHEREAS, the term of this Agreement is from November 20th, 2023 to January 31, 2025, with a Not to Exceed Amount of \$366,495; and

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the SMCEL-JPA that the Chair is authorized to execute the Agreement with WSP USA Inc. to conduct an organizational assessment in a total amount not to exceed \$366,495 for thirteen months; and further authorize the Executive Council to negotiate the final agreement prior to execution by the Chair, subject to approval by SMCEL-JPA Legal Counsel.

PASSED, APPROVED, AND ADOPTED, THIS 17TH DAY OF NOVEMBER, 2023.

Alicia Aguirre, Chair

**AGREEMENT
BETWEEN
SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY
AND WSP USA INC.
FOR PREPARATION OF AN ORGANIZATIONAL ASSESSMENT
OF THE SAN MATEO COUNTY EXPRESS LANE JOINTS POWERS AUTHORITY**

This Agreement entered this ____ day of _____ **2023**, by and between the San Mateo County Express Lanes Joint Powers Authority hereinafter called “SMCEL-JPA” and WSP USA Inc., hereinafter called “Consultant”.

WHEREAS, the Joint Exercise of Powers Agreement (JEPA) for the San Mateo County Express Lanes was approved by the City/County Association of Governments (C/CAG) Board and the San Mateo County Transportation Authority (SMCTA) Board at their board meetings on April 11, 2019 and May 2, 2019, respectively; and

WHEREAS, the First Amended and Restated Joint Exercise of Powers Agreement (JEPA) for the San Mateo County Express Lanes was approved by the C/CAG Board and the SMCTA Board at their respective board meetings on June 13, 2019 and July 11, 2019; and

WHEREAS, the JEPA created the San Mateo County Express Lanes Joint Powers Authority, a joint powers agency to: apply to the California Transportation Commission in order to own, administer, and manage the operations of the San Mateo County Express Lanes; to share in the ownership, administration, and management of any potential future express lanes within San Mateo County; to set forth the terms and conditions governing the management, operation, financing, and expenditure of revenues generated by express lanes in San Mateo County; and to exercise the powers as provided by law (including but not limited to California Streets and Highways Code Section 149.7, as it now exists and may hereafter be amended); and

WHEREAS, the San Mateo US 101 Express Lanes are fully operational and it is the desire of the SMCEL-JPA Board to assess the current organizational and operational practices of the SMCEL-JPA to determine the ideal organizational and staffing structure to efficiently and effectively implement the vision, mission, and goals of the Express Lanes Program; and

WHEREAS, the Board of the SMCEL-JPA desires to retain a Consultant to perform said Scope of Work set forth in Attachment A; and

WHEREAS, through the competitive Request for Proposals process, WSP USA Inc. is being recommended to provide said services; and

WHEREAS, the total amount available to Consultant under this Agreement is not to exceed \$366,495; and

WHEREAS, the parties hereto now wish to enter into this Agreement pursuant to which Consultant will render professional services in connection with the Project as hereinafter provided.

NOW, THEREFORE, IT IS HEREBY AGREED by the parties as follows:

1. **Services to be provided by Consultant.** In consideration of the payments hereinafter set forth, Consultant shall provide services consistent with Attachment A, *Scope of Work* attached hereto (the “Services”).

In the performance of its services, Consultant represents that it has and will exercise the degree of professional care, skill, efficiency, and judgment of consultants with special expertise in providing such services, and Consultant represents that it carries and will maintain all applicable licenses, certificates, and registrations needed for the work in current and good standing.

2. **Payments.** In consideration of the services rendered with all terms, conditions, and specifications set forth herein, in Attachment A, *Scope of Work* and Attachment C, *Key Personnel Assignments*, and in any subsequent task orders executed under the governance of this agreement, SMCEL-JPA shall reimburse Consultant on a time and materials basis. The aggregate total amount of payment by SMCEL-JPA to Consultant for services shall not exceed three hundred sixty-six thousand four hundred ninety-four dollars and thirty-seven cents (\$366,494.37), as shown in Attachment B, *Project Budget and Schedule*, for services provided during the Contract Term set forth below, including (as applicable) labor, supervision, applicable surcharges such as taxes, insurance, and fringe benefits, indirect costs, overhead, profit, subconsultants’ costs (including mark-up), travel, equipment, materials, and supplies, expenses, and any fixed fee. Payments shall be made to the Consultant monthly based on an invoice submitted by the Consultant that has been reviewed and approved by SMCEL-JPA, identifies expenditures and describes services performed and percentage of deliverables completed. SMCEL-JPA shall have the right to receive, upon request, documentation substantiating charges billed to SMCEL-JPA.

All invoices and/or requests for payments shall be submitted to:

San Mateo County Express Lanes Joint Powers Authority
555 County Center, 5th Floor
Redwood City, CA 94063
Attention: Kaki Cheung

- 2a. **Progress Reports.** Consultant shall provide SMCEL-JPA with progress reports according to the schedule and form approved by the SMCEL-JPA Project Manager.
3. **Key Personnel.** The key personnel to be assigned to this work by the Consultant and, if applicable, their hourly rates and the estimated hours to be supplied by each are set forth in Attachment C, *Key Personnel Assignments*, attached hereto and incorporated herein by this reference. Substitution of any of the personnel named in Attachment C or a decrease in the hours provided to the project by such personnel of more than 10% requires the prior written

approval of the SMCEL-JPA Project Manager or a designee. Consultant shall maintain records documenting compliance with this Article, and such records shall be subject to the audit requirements of Article 14. Consultant agrees that all personnel assigned to this work will be professionally qualified for the assignment to be undertaken. SMCEL-JPA reserves the right to direct removal of any individual, including key personnel, assigned to this work.

4. **Amendments.** SMCEL-JPA reserves the right to request changes in the services to be performed by Consultant. All such changes shall be incorporated in written amendments that specify the changes in work to be performed and any adjustments in compensation and schedule. All amendments shall be executed by an Executive Council of SMCEL-JPA and Consultant, and specifically identified as amendments to this Agreement. Either of the two SMCEL-JPA Executive Councils are designated as representative of the SMCEL-JPA Board, for purposes of approving an amendment.
5. **Relationship of the Parties.** It is understood that Consultant is an Independent Contractor and this Agreement is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever other than that of Independent Contractor. Consultant has no authority to contract or enter into any agreement without the prior approval of the SMCEL-JPA Board. Consultant has, and hereby retains, full control over the employment, direction, compensation and discharge of all persons employed by Consultant who are assisting in the performance of services under this Agreement. Consultant shall be fully responsible for all matters relating to the payment of its employees, including compliance with social security, withholding tax and all other laws and regulations governing such matters. Consultant shall be responsible for its own acts and those of its agents and employees during the term of this Agreement.
6. **Non-Assignability.** Consultant shall not assign this Agreement or any portion thereof to a third party without the prior written consent of the SMCEL-JPA.
7. **Contract Term/Termination.** Consultant's services hereunder shall commence on the date of execution of this agreement, and shall terminate on January 31, 2025; provided, however, the SMCEL-JPA may terminate this Agreement at any time for any reason by providing 30 days' notice to Consultant. Termination will be effective on the date specified in the notice. In the event of termination under this Section, Consultant shall be paid for all services provided to the date of termination, subject to availability of funding. Such payment shall be that prorated portion of the full payment determined by comparing the work completed to the work required by the Agreement.
8. **Hold Harmless/ Indemnity.** Consultant shall indemnify and hold harmless the SMCEL-JPA, its board members, agents, officers, and employees from both C/CAG and the TA involved the project, against all claims, suits or actions to the extent caused by the negligence, errors, acts or omissions of the Consultant, its agents, sub-consultants, officers or employees related to or resulting from the performance, or non-performance, under this Agreement. The duty to indemnify and hold harmless as set forth herein shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

9. Insurance.

General Requirements. Prior to commencement of any work, Consultant shall deliver to SMCEL-JPA all insurance documentation, annual certificates and/or other evidence of the insurance coverage required below, verifying coverages. Consultant shall obtain and maintain in full force and effect insurance as set forth below. All insurance specified below shall remain in force until all work or services to be performed are satisfactorily completed, and the work or services have been formally accepted. Consultant must notify SMCEL-JPA if any of the required coverages listed below are non-renewed or cancelled. Failure to obtain and maintain the insurance coverage and to comply with all insurance requirements shall be deemed a breach of this Agreement.

The insurance requirements specified in this section shall cover Consultant's own liability and the liability arising out of work or services performed under this Agreement by any subconsultants, subcontractors, suppliers, temporary workers, independent contractors, leased employees, or any other persons, firms or corporations that Consultant authorizes to work under this Agreement (hereinafter referred to as "Agents.") Consultant shall, at its own expense, obtain and maintain in effect at all times during the life of this Agreement the types of insurance indicated below against claims, damages and losses due to injuries to persons or damage to property or other losses that may arise in connection with the performance of work under this Agreement.

Consultant is also required to assess the risks associated with work to be performed by Agents under subcontract and to include in every subcontract the requirement that the Agent maintain adequate insurance coverage with appropriate limits and endorsements to cover such risks. To the extent that an Agent does not procure and maintain such insurance coverage, Consultant shall be responsible for said coverage and assume any and all costs and expenses that may be incurred in securing said coverage or in fulfilling Consultant's indemnity obligation as to itself or any of its Agents in the absence of coverage.

Workers' Compensation and Employer Liability Insurance: The Consultant shall have in effect, during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage.

Liability Insurance: Consultant shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect Consultant, its employees, officers and agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all operations under this Agreement, whether such operations be by Consultant or by any sub-Consultant or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than \$1,000,000 unless another amount is specified below and shows approval by the SMCEL-JPA.

Required insurance shall include:	Required Amount
a. Comprehensive General Liability	\$ 1,000,000
b. Workers' Compensation	\$ Statutory

The SMCEL-JPA and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to the SMCEL-JPA, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if SMCEL-JPA, or its officers and employees have other insurance against a loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the SMCEL-JPA Board Chairperson, at his/her option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

10. **Non-discrimination.** The Consultant and any subconsultants performing the services on behalf of the Consultant shall not discriminate or permit discrimination against any person or group of persons on the basis of race, color, religion, national origin or ancestry, age, sex, sexual orientation, marital status, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status, or in any manner prohibited by federal, state or local laws.
11. **Compliance with All Laws.** Consultant shall at all times comply with all applicable laws and regulations, including without limitation those regarding services to disabled persons, including any requirements of Section 504 of the Rehabilitation Act of 1973.
12. **Sole Property of the SMCEL-JPA:** Work products of Consultant which are delivered under this Agreement or which are developed, produced and paid for under this Agreement, shall be and become the sole property of the SMCEL-JPA. Consultant shall not be liable for the SMCEL-JPA's use, modification or re-use of products without Consultant's participation or for purpose other than those specifically intended pursuant to this Agreement.
13. **Access to Records.** The SMCEL-JPA, or any of their duly authorized representatives, shall have access to any books, documents (including electronic), emails, papers, videos voice recording, and records of Consultant, which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions. The Consultant shall maintain all required records for three years after the SMCEL-JPA makes final payments and all other pending matters are closed.
14. **Merger Clause.** This Agreement, including all Attachments are hereto added and incorporated herein by reference, constitutes the sole agreement of the parties hereto with regard to the matters covered in this Agreement, and correctly states the rights, duties and obligations of each party as of the document's date. Any prior agreement, promises, negotiations or representations between the parties not expressly stated in this Agreement are

not binding. All subsequent modifications shall be in writing and signed by the SMCEL-JPA Exec. Council. In the event of a conflict between the terms, conditions or specifications set forth herein and those in Attachment A attached hereto, the terms, conditions or specifications set forth herein shall prevail.

15. **Governing Law.** This Agreement shall be governed by the laws of the State of California, without regard to its choice of law rules, and any suit or action initiated by either party shall be brought in the County of San Mateo, California.
16. **Notices.** All notices hereby required under this agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid and addressed as follows:

San Mateo County Express Lanes Joint Powers Authority
555 County Center, 5th Floor
Redwood City, CA 94063
Attention: Sean Charpentier – Executive Council
scharpentier@smcgov.org

Notices required to be given to the Consultant shall be addressed as follows:

WSP USA Inc.
425 Market Street, 17th Floor
San Francisco, CA 94105
Attention: Eryca Dinsale, PE, PMP –
Senior Vice President, Managing Director, Business Transformation
Eryca.dinsdale@wsp.com

IN WITNESS WHEREOF, the parties hereto have affixed their hands on the day and year first above written.

(Signatures on the following page)

WSP USA Inc. (Consultant)

By: _____
Eryca Dinsale, PE, PMP – Senior Vice President Date _____

San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA)

By: _____
Alicia Aguirre – SMCEL-JPA Chair Date _____

Approved as to form:

By: _____
Timothy Fox – SMCEL-JPA Legal Counsel Date _____

Attachment A

SCOPE of WORK

Task 1: Project Management & Approach

At a minimum, the OAC shall perform the following tasks to kick-off the project:

- a. Prepare a Draft Project Plan Memorandum, which will define how OAC Project Manager (PM) will manage the project scope, timeline/schedule, risks, and anticipated issues or risks with SMCEL-JPA staff. The plan shall also define how the PM will facilitate the decision-making process among all stakeholders and foster consensus building.
- b. Facilitate a kick-off meeting with the SMCEL-JPA Executive Council and/or SMCEL-JPA PPM to discuss the following agenda items:
 - Draft Project Plan Memorandum
 - Project Scope
 - Timeline/schedule, which will include the schedule for biweekly project meetings and Board engagements
 - Project progress reporting
 - Communication protocols
- c. Following the kick-off meeting, OAC will provide meeting minutes, and will finalize and resubmit a Final Project Plan Memorandum that includes any modifications or feedback from the kick-off meeting discussion.

Task 1 Deliverables:

- 1.1 Draft Project Plan Memorandum
- 1.2 Kick-off Meeting Agenda, Materials, and Minutes
- 1.3 Final Project Plan Memorandum
- 1.4 Ongoing Project Team meetings

Task 2: Define Organizational Goals

In close coordination with the SMCEL-JPA Executive Council, OAC will engage and interview the SMCEL-JPA Board of Directors to obtain their input on the vision and goals for the organizational assessment. Following the outreach process, OAC will facilitate a workshop with the SMCEL-JPA Executive Council and staff to refine the vision and goals that are intended to be met through the organizational assessment.

- a. OAC will facilitate a working session with the SMCEL-JPA Executives and other key staff to finalize the organizational goals, which will serve as guiding principles for the assessment and recommendations.
- b. Following the meeting, OAC will develop a draft goals document that includes the vision, priorities, and success measures for the SMCEL-JPA. This will provide the foundation and refine the process for completing the assessment and deliverables. The draft organizational goals will be presented to a subcommittee of Board members for feedback.

- c. Upon review and feedback from SMCEL-JPA staff and the subcommittee, OAC will present the revised draft organization goals to the Board of Directors. After the presentation, OAC will finalize, document, and submit the final Organizational Goals.

Task 2 Deliverables:

- 1.1 Summary and Notes from Board engagement
- 1.2 Summary of the Working Session with SMCEL-JPA staff
- 1.3 Meeting summary with the subcommittee and Board (up to four meetings)
- 1.4 Draft Organizational Goals
- 1.5 Final Organizational Goals

Task 3: Existing Condition Review & Gaps/Needs Assessment

OAC will review the existing organization within the long-term operational context.

- a. SMCEL-JPA will provide documentation and access to materials so OAC may understand the current operating environment and existing roles and responsibilities.
- b. OAC will request and review management reports, cooperative agreements, standard operating procedures (SOPs), data, and/or other available information. This will provide insight into the functions, purpose, and activities related to operating the Express Lanes.
- c. OAC will interview key staff in each of the relevant program areas (contracts administration, communications and community relations, revenue and finance, toll system operations, and maintenance, etc.). The interviews will gather input from each program areas on possible integration, preliminary ideas about the existing or proposed organizational structure and processes, governance considerations, and other pertinent factors.
- d. OAC shall assess the efficiency and effectiveness of each program area in achieving the organizational goals under the existing model. This needs analysis will identify functional areas that potentially overlap and functional areas that may be a gap in the current organization.
- e. OAC will then prepare a summary of up to 5 different organizational models, with a focus on Bay Area and California express lanes. Those models shall include scenarios where the organization is supported by an all agency staff, limited agency staff with significant consultant support, and a mixture of the two. The summary shall include a Strengths, Weakness, Opportunities and Threats (SWOT) analysis of each model.
- f. OAC will provide a draft and final Gap/Needs Assessment that incorporates feedback from SMCEL-JPA.

Task 3 Deliverables:

- 3.1 Meeting Summary from program staff engagement
- 3.2 Findings of Organizational Models
- 3.3 Draft Gap/Needs Assessment
- 3.4 Final Gap/Needs Assessment

Task 4: Preliminary Findings Report

OAC will conduct the organizational assessment and develop a Preliminary Findings report.

- a. OAC will use Deliverables from Tasks #2 and #3, as well as the OAC's own subject matter expertise, to assess potential organization structures for SMCEL-JPA's consideration.
- b. OAC will analyze and consolidate the assessment findings to develop a description of the current organization structure, resources, systems, processes and capabilities, relative to their potential to be incorporated into the ideal state as identified in the Refined Organizational Goals. OAC should note any communication challenges, resource constraints, or process inefficiencies.
- c. The findings will specifically analyze:
 - i. The approach for using in-house staff/agency resources (existing or new positions) versus outsourced support (consultants and/or contractors) and the factors used to determine the appropriate mix of in-house/contracted functions.
 - ii. The approach to determine the split of responsibilities between the two public agencies, TA and C/CAG.
- d. OAC will present the draft preliminary findings report to a subcommittee of Board members for feedback.
- e. After incorporating feedback from SMCEL-JPA staff and the subcommittee, OAC will then present the findings to the full Board for comments. With input from the Board, OAC will prepare and submit the final preliminary findings report.

Task 4 Deliverables:

- 1.1 Draft Preliminary Findings Report
- 1.2 Final Preliminary Findings Report
- 1.3 Meetings with JPA subcommittee and Board (up to four meetings)

Task 5: Alternative Analysis

To help SMCEL-JPA review options and identify a preferred organization structure for the Express Lanes, OAC will prepare up to three draft organizational options for consideration.

- a. The drafts will reflect the outcomes of the previous tasks and will map to the key resource functions required of the Express Lanes. The alternatives will also include a Strengths, Weakness, Opportunities and Threats (SWOT) analysis for each.
- b. OAC will work with SMCEL-JPA staff to identify high-level costs/budget impacts for each option, based on available information.
- c. OAC will complete a Draft Alternatives analysis and facilitate a working session with SMCEL-JPA Executives and other key staff to review the alternatives, with the goal of SMCEL-JPA selecting a preferred organizational structure.
- d. OAC will meet with a subcommittee of Board members to present results from the initial analysis. With the subcommittee's input, OAC will revise the Draft Alternative Analysis and present the findings to the full Board.

Task 5 Deliverables:

- 5.1 Draft Alternatives Analysis
- 5.2 Final Alternatives Analysis
- 5.3 Summary Notes from the Working Session documenting input and key decisions
- 5.4 Meetings with JPA subcommittee and Board (up to four meetings)

Task 6: Organizational Assessment Report

OAC will develop an Organizational Assessment Report that includes final recommendations, a draft organizational chart, an implementation roadmap and timeline, a staffing plan, and an annual cost estimate for the SMCEL-JPA's preferred organizational structure.

- a. OAC will submit a report that identifies key recommendations for implementation, including:
 - i. The mix of in-house and outsourced functions and staff. For contracted (outsourced) support, OAC shall include a summary of scope and responsibilities for each function.
 - ii. The delineation of responsibilities between the TA and C/CAG, and the rationale for the recommendation.
- b. OAC will present the recommended organization structure in graphic form. The organizational chart will clearly identify roles for the TA, C/CAG, and contracted staff.
- c. A staffing plan will provide roles and responsibilities of new positions or staff assignments, including the approximate level of effort (expressed in the form of full-time equivalents).
- d. An annual cost estimate that includes labor for the full organization will be included; it will also clearly identify TA, C/CAG, and contracted staff, levels of effort (expressed in the form of full-time equivalents), and anticipated labor rates used to develop the estimate.

- e. The OAC will prepare an implementation roadmap which will recommend how the Program functions should be phased in over time, with completion estimated to take one (1) year. Key components include:
 - i. Identifying priorities and potential dependencies.
 - ii. A timeline, outlining the activities to be accomplished to implement the recommended organizational structure.

A working session with the SMCEL-JPA Executives and key staff will be conducted where a draft implementation roadmap is reviewed and discussed. Feedback from the work session will be incorporated into the revised draft implementation roadmap document.

- f. OAC will package all the elements in this Task 5, and relevant work product from Tasks #2 through #5, to deliver the draft Organizational Assessment Report. SMCEL-JPA staff will provide feedback for OAC on the draft Organizational Assessment Report.
- g. OAC will present the draft Organizational Assessment Report to a subcommittee of Board members, followed by a full presentation to the entire Board. Any comments received will be incorporated into the final Organizational Assessment Report.
- h. At the Executive Council's direction, the OAC will present the final Organizational Assessment Report to the Board for acceptance.

Task 6 Deliverables:

- 6.1 Summary Notes from the Working Session documenting input and key decisions
- 6.2 Draft Organizational Assessment Report
- 6.3 Final Organizational Assessment Report
- 6.4 Meetings with JPA subcommittee and Board (up to four meetings)

Task 7: Optional Tasks As Needed

As needed and only upon prior approval from the SMCEL-JPA Project Manager, optional tasks may be assigned.

Task 7 Deliverables:

To be determined

Attachment B

PROJECT BUDGET AND SCHEUDLE

Project Budget					
TASK/ DELIVERABLE			DIRECT EXPENSES (See itemized description at the bottom of this form)	TOTAL COST	
	TOTAL HOURS	SUBTOTAL DIRECT LABOR			
Task 1 - Project Management & Approach					
1.1 - Draft Project Plan Memorandum	21.00	\$ 4,113.03	\$ -	\$ 4,113.03	
1.2 - Kick-off Meeting Agenda, Materials, and Minutes	13.00	\$ 3,473.05	\$ -	\$ 3,473.05	
1.3 - Final Project Plan Memorandum	13.00	\$ 1,904.78	\$ -	\$ 1,904.78	
1.4 - Ongoing Project Team meetings	196.00	\$ 33,843.79	\$ -	\$ 33,843.79	
Task Subtotal	243.00	43,334.65	-	43,334.65	
Task 2 - Define Organizational Goals					
2.1 - Summary and Notes from Board engagement	36.00	\$ 7,140.32	\$ -	\$ 7,140.32	
2.2 - Summary of the Working Session with SMCEL-JPA staff	52.00	\$ 10,865.74	\$ -	\$ 10,865.74	
2.3 - Meeting summary with the subcommittee and Board (up to four meetings)	67.00	\$ 15,103.73	\$ -	\$ 15,103.73	
2.4 - Draft Organizational Goals	92.00	\$ 23,701.93	\$ -	\$ 23,701.93	
2.5 - Final Organizational Goals	50.00	\$ 13,522.50	\$ 2,449.90	\$ 15,972.40	
Task Subtotal	297.00	70,334.22	2,449.90	72,784.12	
Task 3 - Existing Condition Review & Gaps/Needs Assessment					
3.1 - Meeting Summary from program staff engagement	20.00	\$ 3,451.20	\$ -	\$ 3,451.20	
3.2 - Findings of Organizational Models	30.00	\$ 5,915.90	\$ -	\$ 5,915.90	
3.3 - Draft Gap/Needs Assessment	50.00	\$ 10,599.50	\$ -	\$ 10,599.50	
3.4 - Final Gap/Needs Assessment	70.00	\$ 16,197.70	\$ -	\$ 16,197.70	
Task Subtotal	170.00	36,164.30	-	36,164.30	
Task 4 - Preliminary Findings Report					
4.1 - Draft Preliminary Findings Report	85.00	\$ 16,685.65	\$ -	\$ 16,685.65	
4.2 - Final Preliminary Findings Report	55.00	\$ 9,082.00	\$ -	\$ 9,082.00	
4.3 - Meetings with JPA subcommittee and Board (up to four meetings)	30.00	\$ 6,230.70	\$ 2,449.90	\$ 8,680.60	
Task Subtotal	170.00	31,998.35	2,449.90	34,448.25	
Task 5 - Alternative Analysis					
5.1 - Draft Alternatives Analysis	85.00	\$ 20,090.40	\$ -	\$ 20,090.40	
5.2 - Final Alternatives Analysis	45.00	\$ 7,243.65	\$ -	\$ 7,243.65	
5.3 - Summary Notes from the Working Session documenting input and key decisions	50.00	\$ 12,468.65	\$ -	\$ 12,468.65	
5.4 - Meetings with JPA subcommittee and Board (up to four meetings)	75.00	\$ 21,012.60	\$ 2,449.90	\$ 23,462.50	
Task Subtotal	255.00	60,815.30	2,449.90	63,265.20	
Task 6 - Organizational Assessment Report					
6.1 - Summary Notes from the Working Session documenting input and key decisions	105.00	\$ 19,959.45	\$ -	\$ 19,959.45	
6.2 - Draft Organizational Assessment Report	180.00	\$ 32,226.75	\$ -	\$ 32,226.75	
6.3 - Final Organizational Assessment Report	145.00	\$ 26,398.65	\$ -	\$ 26,398.65	
6.4 - Meetings with JPA subcommittee and Board (up to four meetings)	110.00	\$ 35,463.10	\$ 2,449.90	\$ 37,913.00	
Task Subtotal	540.00	114,047.95	2,449.90	116,497.85	
TOTAL PROJECT COST (without Optional Tasks)				\$ 366,494.37	
Subtotal of Optional Tasks				\$ -	
TOTAL PROJECT COST (with Optional Tasks)				\$ 366,494.37	
OPTIONAL TASKS					
Task 7 - As-needed Tasks (Optional)					
To be determined					
Task Subtotal	0	0	0	\$ -	

ITEMIZATION OF DIRECT EXPENSES		
2.5 - Final Org Goals	Airfare	\$ 1,000.00
<i>most meetings conducted virtually</i>	Hotel	\$ 1,000.00
<i>assume 1 trip for 2 staff</i>	Ground Transit	\$ 80.00
	Mileage	\$ 39.90
	Parking	\$ 30.00
	Meals & Incidentals	\$ 300.00
		\$ 2,449.90
4 - Preliminary Report		\$ -
4.3 - Meetings JPA	Airfare	\$ 1,000.00
<i>most meetings conducted virtually</i>	Hotel	\$ 1,000.00
<i>assume 1 trip for 2 staff</i>	Ground Transit	\$ 80.00
	Mileage	\$ 39.90
	Parking	\$ 30.00
	Meals & Incidentals	\$ 300.00
		\$ 2,449.90
5 - Alternative Analysis		\$ -
5.4 - Mtgs JPA	Airfare	\$ 1,000.00
<i>most meetings conducted virtually</i>	Hotel	\$ 1,000.00
<i>assume 1 trip for 2 staff</i>	Ground Transit	\$ 80.00
	Mileage	\$ 39.90
	Parking	\$ 30.00
	Meals & Incidentals	\$ 300.00
		\$ 2,449.90
6 - Org Assmt Report		\$ -
6.4 - Mtgs JPA	Airfare	\$ 1,000.00
<i>most meetings conducted virtually</i>	Hotel	\$ 1,000.00
<i>assume 1 trip for 2 staff</i>	Ground Transit	\$ 80.00
	Mileage	\$ 39.90
	Parking	\$ 30.00
	Meals & Incidentals	\$ 300.00
		\$ 2,449.90
	Total Expenses	\$ 9,799.60

Project Schedule

SMCEL-JPA Organizational Assessment

Schedule Proposed by WSP

[illegible]

LEGEND

- ✧ SMCEJL-JPA work session / workshop
- ✧ SMCEJL-JPA board subcommittee
- ✧ Full board presentation
- ◆ Project milestone
- ◆ Project team meetings
- Deliverable
- SMCEJL-JPA document review

Attachment C
KEY PERSONNEL ASSIGNMENT

Hourly billing rates and staff for CONSULTANT and SUBCONSULTANT(S) are included below.

Name	Title	Hourly Rates	
		2023	2024
Eryca Dinsdale	Project Manager	\$ 318.62	\$ 328.18
Hemamalini Nagarajan	Senior Toll Consultant	\$ 225.40	\$ 232.17
Richard (Trey) Baker	Senior Toll Consultant	\$ 229.72	\$ 236.61
Andrew Christopher Strumolo	Senior Toll Consultant	\$ 243.69	\$ 251.00
Carlos Campo Osorio	Senior Toll Consultant	\$ 256.13	\$ 263.82
Jef Nazareno	Senior Toll Consultant	\$ 267.54	\$ 275.57
Valentina D'Empaire	Senior Consultant	\$ 147.64	\$ 152.07
Ronald J Hartman	Senior Advisor	\$ 324.63	\$ 334.37
Brady Nadell	Senior Advisor	\$ 327.17	\$ 336.99
Robert Diadamo	Senior Advisor	\$ 329.37	\$ 339.25
Griffin Ong	Associate Consultant	\$ 111.99	\$ 115.35
Shalonda Baldwin	Principal In Charge	\$ 382.92	\$ 394.40
Gregory C Brown	Organizational Coordinator	\$ 205.66	\$ 211.83
Luis Guerrero	Project Accountant	\$ 113.95	\$ 117.36

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Policy/Program Manager (PPM)

Subject: By motion, approve the conceptual framework for the Next Gen Community Transportation Benefits Program.

(For further information please contact Lacy Vong at LVong@hntb.com)

RECOMMENDATION

By motion, approve the conceptual framework for the Next Gen Community Transportation Benefits Program.

FISCAL IMPACT

There is no new fiscal impact related to this informational item. Work proposed to develop the next gen program (Program) will be completed within the existing Policy Program Management (PPM) and staff budget in Fiscal Year 2024.

SOURCE OF FUNDS

Funding for the Program comes primarily from the San Mateo County Transportation Authority bond/loan proceeds and the annual toll revenues that have been set aside for this Program. In addition, there was also a one-time allocation of \$400,000 from the Measure A Alternative Congestion Relief (ACR) funds through the San Mateo County Transportation Authority to support the Community Transportation Benefits Program.

BACKGROUND

The San Mateo 101 Express Lanes Community Transportation Benefits Program completed its pilot year at the end of April 2023, enrolling almost 2,000 participants in the first year. Following completion of the first pilot year, the PPM completed an evaluation to analyze program performance. Following the evaluation, the PPM laid out proposed goals for the next generation program, as well as key assumptions to inform its evolution. These recommendations were presented to the Board in September 2023 for initial feedback. Following receipt of input and discussion with staff, the PPM has since developed an approach and timeline to move the program development effort forward. Staff seeks confirmation and

approval of the following updated program goals, key assumptions, and proposed policy changes, which will inform development of the next generation program.

Table 1: Conceptual Framework- Next Gen Community Benefits Program

Program Goals	<ol style="list-style-type: none"> 1. Aim for impact 2. Increase uptake 3. Continue to minimize overhead 4. Balance mode choice 5. Prioritize Equity Priority Communities
Key Assumptions	<ul style="list-style-type: none"> • Mobility-for-all-eligible-users approach for Program uses <ul style="list-style-type: none"> • Benefit funds for Clipper and FasTrak can be used at any operators/facilities • Core Service Agencies are a cornerstone of the Program’s enrollment strategy <ul style="list-style-type: none"> • Online enrollment supplements this strategy
Proposed Policies	<ul style="list-style-type: none"> • Issue \$200 in benefit with annual eligibility verification • Distribute benefit through pre-paid debit card, initially constrained for use with Clipper and FasTrak • Establish online enrollment and annual reverification

Staff seeks SMCEL-JPA Board of Directors approval, by motion, of the conceptual framework for the Next Gen Program before staff prepare its Implementation Plan. The Implementation Plan will include detailed scopes and specifications, schedules, and budgets. The schedules will include upcoming essential actions by the SMCEL-JPA Board to facilitate the implementation of the recommended Program changes. Staff anticipate presenting a draft Next Gen Implementation Plan in the spring of 2024.

ATTACHMENT

1. Presentation – Community Transportation Benefits Program Conceptual Framework Update



Community Transportation Benefits Next Gen Conceptual Framework Update

November 17, 2023

Recap of Next Gen Recommendation

1. Shift to providing **pre-loaded mobility debit cards** for transportation-related purchases
2. Explore **online enrollment**
3. Increase the benefit amount to **\$200**
4. Provide the benefit **annually** to eligible individuals
5. **Expand outreach and engagement** through increased marketing and CBO engagement, particularly in underrepresented communities

Refresher on Focal Points

- **Benefit replenishment:** Technical solution to replenish current benefit is complex and is not customer-centric.
- **Enrollment:** An online enrollment option has potential and must balance factors like cost, coordination with in-person enrollment processes, and level of sophistication

Request Board Concurrence on Updated Program Goals

1. Aim for impact
2. Increase uptake
3. Continue to minimize overhead
4. Balance mode choice
5. Prioritize Equity Priority Communities

Validation of Key Assumptions

- **Mobility-for-all-eligible-users approach** for Program uses
 - Benefit funds for Clipper and FasTrak can be used for any operators/facilities
- **Core Service Agencies are a cornerstone** of the Program's enrollment strategy
 - Online enrollment supplements this strategy

Primary Policies

- \$200 Benefit, distributed annually with eligibility reverification
- Distribution via mobility debit cards that can initially only be used for payments to Clipper and FasTrak
- Supplement Core Service Agency enrollment with an online option

No Change

- Core Service Agency requirements and validation

Timeline for Next Steps

- Today
 - Board Concurrence on goals
 - Validation of assumptions
 - Approval of primary program policies
- Spring 2024
 - Draft implementation plans for mobility debit card and online enrollment
 - Concepts of operation
 - Schedule and cost estimates
 - Additional policies (if recommended)

- **September/October 2023:** Presented findings and recommendations to the Board; finalized evaluation report
- **Now Through Spring 2024:** Develop implementation plan for recommended Program updates, namely the mobility debit card and online enrollment concepts

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: November 17, 2023

To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors

From: Executive Council

Subject: Receive a quarterly update on the Variable Rate Bond used to fund a portion of the SMCEL-JPA Express Lanes project.

(For further information please contact Connie Mobley-Ritter at Mobley-RitterC@samtrans.com or Kevin Beltz at BeltzK@samtrans.com)

RECOMMENDATION

This is an informational item. No action is required.

FISCAL IMPACT

This is an informational item. There is no immediate budget impact.

SOURCE OF FUNDS

The Board will receive a presentation on the status of the outstanding 2020 Variable Rate Demand Bonds issued by the San Mateo County Transportation Authority (TA) to finance the remaining funds needed to construct the SMCEL-JPA Express Lanes project. Staff will discuss repayment and the flow of funds to be used to repay the C/CAG and TA loans, as well as plans to repay the bondholders in both the near and long terms from net operating revenues of the Lanes.

BACKGROUND

On September 10, 2020, the TA issued \$100 million Subordinate Sales Tax Revenue Variable Rate Demand Bonds (Limited Tax Bonds), 2020 Series A and B to fund project costs associated with construction of the US 101 Express Lanes project and an equity program. Interest and fees on the bond are capitalized for the first three years or one year beyond completion of construction.

The Express Lanes Project extends over a 22-mile distance from the San Mateo/Santa Clara County line to I-380 in South San Francisco. The Southern Segment of the Express Lanes, approximately 8 of the 22 miles, opened and has been in operation since February 11, 2022 and the Northern Segment opened for operations on March 3, 2023.

ATTACHMENT

1. US 101 Express Lanes Update On Variable Rate Bond



US 101 Express Lanes: Update on Variable Rate Bond



Overview

- Background
- Repayment
- Flow of Funds
- Summary

Background

- **In 2020, TA issued \$100M variable rate demand bonds:**
 - To support JPA's \$581M cost for US 101 Express Lanes (EL)
 - Secured by Measures A & W sales tax
- **Why did we take variable rate Bonds?**
 - Lowest cost of funds due to TA's superior sales tax credit
 - 20 Year historical average for short-term interest index: 1.1%
 - Initial rates on Bonds: 0.07%
 - Prepayment flexibility
- **Alternative: Fixed rate**
 - Estimated 3.00% to 3.50%

TA to be reimbursed for all bond expenses from EL toll revenue from JPA

Principal Payments

- TA carved out \$6M from bond proceeds for “Capitalized Interest”
- TA use of capitalized interest:
 - Repaying Bond interest and fees through March 2, 2024.
- Upcoming Principal:
 - \$5.0M, June 2027
 - \$10.0M, June 2030

Maturity Date	Revenue Bonds 2020 Series A	Revenue Bonds 2020 Series B	Total
6/1/2027	2,500,000	2,500,000	5,000,000
6/1/2028			
6/1/2029			
6/1/2030	5,000,000	5,000,000	10,000,000
6/1/2031	2,500,000	2,500,000	5,000,000
6/1/2032	2,500,000	2,500,000	5,000,000
6/1/2033	5,000,000	5,000,000	10,000,000
6/1/2034	1,745,000	1,745,000	3,490,000
6/1/2035	1,780,000	1,780,000	3,560,000
6/1/2036	1,815,000	1,815,000	3,630,000
6/1/2037	1,850,000	1,850,000	3,700,000
6/1/2038	1,885,000	1,885,000	3,770,000
6/1/2039	1,925,000	1,925,000	3,850,000
6/1/2040	1,965,000	1,965,000	3,930,000
6/1/2041	2,000,000	2,000,000	4,000,000
6/1/2042	2,045,000	2,045,000	4,090,000
6/1/2043	2,085,000	2,085,000	4,170,000
6/1/2044	2,125,000	2,125,000	4,250,000
6/1/2045	2,170,000	2,170,000	4,340,000
6/1/2046	2,210,000	2,210,000	4,420,000
6/1/2047	2,255,000	2,255,000	4,510,000
6/1/2048	2,300,000	2,300,000	4,600,000
6/1/2049	2,345,000	2,345,000	4,690,000
	50,000,000	50,000,000	100,000,000

TA Capitalized Interest Fund Sufficiency

- \$2.9M available in FY24
- \$2.3M in expenses expected in FY24 (thru 3/2/24)
- Capitalized interest fund sufficient through 3/2/24 with \$600k remaining for principal paydown
- Express Lanes revenue will be used to pay these costs thereafter

FY 24 Revenue Flow of Funds



JPA Waterfall - FY24 Source/ Use	
	FY24 Year End Estimate
Source - Toll Revenue	26,650,336
O&M expense	14,256,377
Equity set-aside	600,000
Interest on Operating Loan	262,632
Interest on Bond	1,430,138
Subtotal - Use	16,549,147
Balance (Source less Use)	10,101,189

Remaining balances will be used to fund reserves and other obligations as outlined in the Flow of Funds.

Summary

- TA has sufficient capitalized interest up to March 2, 2024
- JPA is estimated to have sufficient revenue to make debt service payments through the remainder Fiscal Year 2024 (March-June) and beyond

Thank you!