

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

Board of Directors Meeting Notice

Meeting No. 53

<b>Date:</b> Friday, March 8, 2024	<b>Join by Webinar:</b> <a href="https://us02web.zoom.us/j/83707258539?pwd=YnF3YWQ0dlnSTzlhNnVRcWZjTi80Zz09">https://us02web.zoom.us/j/83707258539?pwd=YnF3YWQ0dlnSTzlhNnVRcWZjTi80Zz09</a>
<b>Time:</b> 9:00 A.M.	<b>Webinar ID:</b> 837 0725 8539
<b>Primary Location:</b> San Mateo County Transit District Office 1250 San Carlos Ave, 2 <sup>nd</sup> Fl. Auditorium, San Carlos, CA	<b>Password:</b> 030824
<b>Teleconference Location (Alternate Public Access):</b> Bay Area Metro Center 375 Beale Street Ohlone Conference Room, 1st Floor San Francisco, CA 94105	<b>Join by Phone:</b> (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, Rich Hedges, Carlos Romero, and Michael Salazar.

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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. 51 dated November 17, 2023. ACTION p. 1
- 3.2 Approval of the minutes of Board of Directors regular business meeting No. 52 dated January 12, 2024. ACTION p. 6
- 3.3 Accept the Sources and Uses of Funds for the FY2023 Period Ending December 31, 2023. ACTION p. 11
- 3.4 Accept the Sources and Uses of Funds for the FY2023 Period Ending January 31, 2024. ACTION p. 13

#### 4.0 **REGULAR AGENDA**

- 4.1 Receive a presentation on the status of the outstanding 2020 Variable Rate Demand Bonds used to fund a portion of the SMCEL-JPA Express Lanes project. INFORMATION p. 15
- 4.2 Receive a quarterly update on the operations of the US 101 Express Lanes. INFORMATION p. 24

#### 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**

April 12, 2024

#### 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](mailto: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](mailto: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 2<sup>nd</sup> 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. 51  
November 17, 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.

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### 1.0 CALL TO ORDER/ ROLL CALL

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

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

<b>Staff Present (In-Person):</b>	<b>Staff Present (Remote):</b>
Sean Charpentier – C/CAG Executive Council	
Mima Crume – Clerk of the Board	
Tim Fox – Legal Counsel	<b>Members of the Public (In-Person):</b>
Kaki Cheung – C/CAG	
Van Ocampo – C/CAG	
Lacy Vong – HNTB	
Peter Skinner – TA	
Connie Mobley-Ritter	

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. 50 dated September 15, 2023. APPROVED
- 3.2 Accept the Sources and Uses of Funds for the FY2023 Period Ending June 30, 2023. APPROVED
- 3.3 Accept the Sources and Uses of Funds for the FY2024 Period Ending August 31, 2023. APPROVED
- 3.4 Accept the Sources and Uses of Funds for the FY2024 Period Ending September 30, 2023. APPROVED
- 3.5 Review and approval of the 2024 Calendar of SMCEL-JPA Board of Directors Meetings. APPROVED
- 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. APPROVED

Director Medina MOVED to approve the consent agenda items 3.1 to 3.6.  
Director Romero SECONDED. **MOTION CARRIED 5-0-0**

### 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. APPROVED

The Board received a presentation on the upcoming assessment to determine the appropriate organizational and staffing structure to efficiently and effectively implement the vision, mission, and goals of the Express Lanes Program. The JPA released a Request for Proposal (RFP) seeking a consultant team to conduct an organizational assessment. This action was to award the contract to the selected consultant.

Vice Chair Beach asked if this was just focused on the staffing structure, the consulting and the relationship between C/CAG and TA in support. Vice Chair Beach also inquired if the scope of this work addresses any of the board structure. Kaki responded that this assessment would only focus on the staffing structure.

Director Romero asked how familiar WSP is with organizational structures. Ms. Cheung said the WSP team is very familiar with the Express Lane work. Further, WSP has a business transformation team that focuses on organization structures. Mr. Charpentier added that WSP is also the team that BAIFA brought on board to assist the JPA with initial program operation.

Director Medina MOVED to approve item 4.1. Vice Chair Beach SECONDED.  
**MOTION CARRIED 6-0-0**

- 4.2 By motion, approve the conceptual framework for the Next Gen Community Transportation Benefits Program. **APPROVED**

The Board received a presentation on the Community Transportation Benefits Next Gen Conceptual Framework. Staff were seeking confirmation and approval of the updated program goals, key assumptions, and proposed policy changes, which would inform development of the next generation program.

Mr. Charpentier gave a brief preview of the requested action. The intention is to progress into the development stages of an implementation plan while ensuring alignment on the general parameters before potential web interface design work takes place.

Director Papan asked if staff received any feedback from the core agencies regarding applicant capabilities and simplification. Ms. Vong highlighted the process for ongoing in person enrollment. Director Papan suggested providing additional training to the core agencies when the registration process moves online.

Vice Chair Beach queried the renewal process, favoring leveraging community-based organizations to support constituents with online applications. Vice Chair Beach commented that the benefits can be distributed faster when clients do not have to physically visit the core agencies. Director Beach also expressed a concern about eliminating the Clipper card option. Having a physical ticket or clipper card in hand is much more accessible than a debit card. Training, whether it's through multilingual informational video would be very helpful. Director Beach noted the importance of creating more financial incentive for transit riders.

Chair Aguirre asked if the intake form requires information on immigration status. Ms. Vong responded that it does not. Chair Aguirre commented that it can be a challenge for students get to the core agencies. She would like to see the core agencies move in the direction of online registration.

Director Romero commented that if the program becomes a debit card program, would the JPA be able to get data on the card usage and evaluate the effectiveness of greenhouse gases reductions. Ms. Vong confirmed that the debit card will be limited only to transportation transactions.

Director Salazar agrees with the Board of Directors in prioritizing transit. He shares his concerns about going with the debit card. We may be adding a step to the process for the end user as well as adding cost overhead to every transaction which is not efficient. Director Salazar said understanding our audience is very important to know what their needs are and to see if we can make adjustments to our program.

Vice Chair Beach said she would like staff to consider talking with the core agencies to get feedback on this new version of the program.

Director Medina shared the same concerns with Board of Directors on the debit card. He added that it would be great to have the credit on mobile devices and that simplicity is important.

Ms. Vong gave an update on the outreach efforts. The team has been focusing on expanding and partnering with other organizations outside of the core.

Vice Chair Beach **MOVED** to approve the conceptual framework for the Next Gen Community Transportation Benefits Program. Director Romero **SECONDED. MOTION CARRIED 6-0-0**

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

The Board received an update on the Variable Rate Bond used to fund a portion of the SMCEL-JPA Express Lanes project. The TA has sufficient capitalized interest to pay all of the interest expenses on the bonds through the closeout date of March 2nd, 2024. The JPA is estimated to have sufficient revenue to meet debt service payments as well as all operating payments and fund the reserves through Fiscal Year 2024 and beyond.

Executive Council Sean Charpentier said an expenditure and strategic plan is part of the work plan for the upcoming year. It is a statutory requirement to have an expenditure plan in place before the expenditure of net revenue. To manage expectations, 85% of the Program's net revenue goes to repayment of existing debt, that will probably take up the bulk for the foreseeable future.

## 5.0 **REPORTS**

- a) Chairperson Report.  
None.
- b) Member Communication.  
None.
- c) Executive Council Report - Executive Council Verbal Report.

Executive Council Sean Charpentier reported that the tour of the Express Lanes previously scheduled for the self-help county conference was cancelled. The December Board meeting was recommended to be cancelled due to a lack of action items. Sean has thanked the Board for their work for the past calendar year and wished everyone a happy holiday season.

d) Policy/Program Manager Report.

None.

**6.0 WRITTEN COMMUNICATIONS**

None.

**7.0 NEXT REGULAR MEETING**

The December 8, 2023, Board meeting has been cancelled. The next regularly scheduled Board meeting is on January 12, 2024.

**8.0 ADJOURNMENT – 10:40 a.m.**

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

Meeting No. 52  
January 12, 2024

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.

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Executive Council, Sean Charpentier made two announcements for the record, the first is that subsequent to the release of the Express Lane JPA agenda, the City of Millbrae replaced Gina Papan on the C/CAG Board with Mayor Anders Fung and accordingly she is no longer the primary representative to C/CAG, and accordingly no longer C/CAG’s representative to the Express Lane JPA. The roll call will omit her name. The second announcement is that Carlos Romero is in route to the teleconference location that is listed on the agenda, and he will be there 5 to 10 min late and will join us at that time.

### 1.0 CALL TO ORDER/ ROLL CALL

Chair Alicia Aguirre called the meeting to order at 9:07 a.m. Roll call was taken.

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

<b>Staff Present (In-Person):</b>	<b>Staff Present (Remote):</b>
Sean Charpentier – C/CAG Executive Council	
Mima Crume – Clerk of the Board	<b>Members of the Public (In-Person):</b>
Tim Fox – Legal Counsel	
Kaki Cheung – C/CAG	<b>Members of the Public (Remote):</b>
Van Ocampo – C/CAG	Joe Escobar
Samantha Soules – HNTB	Ahmad Gharaibeh
Peter Skinner – TA	Christa Cassidy
Annie To – TA	Grant Martinez
	Ladi Millard-Olmeda

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. 51 dated November 17, 2023.

Staff received a comment on this item and requested removing it from this consent agenda and bringing it back at the next SMCEL-JPA Board meeting.

**Item 3.1 was removed from the consent agenda.**

- 3.2 Accept the Sources and Uses of Funds for the FY2023 Period Ending October 31, 2023. APPROVED

- 3.3 Accept the Sources and Uses of Funds for the FY2023 Period Ending November 30, 2023. APPROVED

Director Medina MOVED to approve the consent agenda items 3.2 and 3.3.  
Director Romero SECONDED. **MOTION CARRIED 5-0-0**

## 4.0 REGULAR AGENDA

- 4.1 Acceptance of the Annual Financial Report for the Fiscal Year ended June 30, 2023. APPROVED

The Board received a presentation on the Annual Financial Report for the Fiscal Year ended June 30, 2023. The value of the JPA assets is increasing in an upward trend. The total assets for FY2023 are approximately 51.7 million, compared to the FY 2022 value at \$23.6 million. The liabilities have experienced an increase in FY 2023, totaling \$3.9 million compared to \$1.4 million in FY 2022. While liabilities have increased, the growth in assets has outpaced this rise. The net position for FY 2023 reflects a total deficit of \$58.2 million, compared to a deficit of \$83.4 million in FY 2022.

Vice Chair Beach asked if this considers the \$100 million dollar loan when discussing the deficit. Ms. To responded yes.

Director Romero commented that the decrease in our liabilities is primarily due to the increase in capital assets. He stressed the importance of the outstanding \$100 million dollar bond.

In FY 2023 the total operating revenue is \$14.1 million versus \$1.8 million in 2020. This significant increase in operating revenue is due to the lane operating at full capacity. It is projected that the JPA will have higher revenues in fiscal year 2024. The operating expenses in FY 2023 were \$14.2 million, compared to \$24.8 million last year in fiscal year 2022.

During the recent audit review presented by Mr. Escobar from the auditing firm, it was confirmed that adequate audit evidence has been obtained to formulate their opinion. No significant matters requiring special attention were identified. The audit resulted in an unmodified or clean opinion on the financial statements, indicating no misstatements or significant deficiencies.

Regarding the absence of a management discussion and analysis (MD&A) in written form, Mr. Escobar explained that past discussions with the Transportation Authority deemed the inclusion unnecessary due to limited historical data.

Executive Council member April Chan emphasized the evolution of the organization and the need for a more complete financial understanding now that operations are fully underway. Future considerations include integrating an MD&A into financial statements, a sentiment supported by Director Romero and Director Salazar for forthcoming fiscal years.

Director Beach MOVED to approve items 4.1. Director Romero SECONDED.  
**MOTION CARRIED 5-0-0**

- 4.2 Receive a quarterly update on the operations of the US 101 Express Lanes.  
INFORMATION

The Board received a presentation on the 101 Express Lanes Performance for the 1st Quarter of FY2024, where data showed an increase in overall express lane trips compared to the same period in the previous fiscal year. In Q1 of FY24, daily express lane trips averaged 55,000, totaling 3.5 million trips for the quarter. The breakdown of trip types indicated 36.5% toll-free trips, 63.5% tolled trips, and 11.2% violation trips. The SMCEL-JPA received \$7.2M in toll revenue while incurring \$2M in toll operations and maintenance costs. Data also highlighted traffic speed patterns and enforcement contacts by the CHP.

Discussion points raised included inquiries into FasTrak usage from Vice Chair Beach. Collaboration with FasTrak and efforts to enhance outreach and education were underscored as avenues for increasing FasTrak penetration.

Director Salazar commented on the revenue by user types. The Director was interested in learning more about the amount of revenue generated by single occupancy vehicles versus those that utilized the lane while carpooling. Ms. Soules will investigate further on this topic.

Director Medina inquired about the lane enforcement, and how fines from violations are distributed. Ms. Soules answered that the HOV citations and fines do not go through the toll system. Executive Council April Chan added that the JPA pays for the cost of the CHP enforcement, but fines paid by the motorists do not come through to the JPA.

## 5.0 **REPORTS**

- a) Chairperson Report.

None.

- b) Member Communication.

None.

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

Executive Council April Chan reported that SamTrans is launching the East Palo Alto Express, the EPX, starting on February 11<sup>th</sup>. This is a brand-new route that SamTrans will be operating from East Palo Alto to the San Bruno Bart station. Funding for the vehicles on this route comes from a state grant and state funding, in collaboration with the City of East Palo Alto. This partnership enables the operation of an all-day service utilizing the express lane, with buses running every 45 minutes from 6 a.m. to 7 p.m. A launch event was scheduled for February 9<sup>th</sup> to mark this significant development.

Chair Aguirre asked if this bus will be stopping in Redwood City. Ms. Chan said yes.

- d) Policy/Program Manager Report.

The policy program manager did not have anything else to report.

Vice Chair Beach inquired about the launch timeline for the next iteration of the Community Transportation Benefits Programs. Ms. Soules indicated that a detailed recommendation will be presented to the Board in spring, providing essential data for decision-making, including cost estimations and a potential implementation timeline. Meanwhile, efforts are underway to optimize the efficiency of the existing program.

## 6.0 **WRITTEN COMMUNICATIONS**

None.

7.0 **NEXT REGULAR MEETING**

February 9, 2024

8.0 **ADJOURNMENT** – 9:58 a.m.

## **San Mateo County Express Lanes Joint Powers Authority Agenda Report**

Date: March 8, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Accept the Sources and Uses of Funds for the FY2024 Period Ending December 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 December 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 December 2023, the Total Sources of Funds are \$15.2 million. It is comprised of Toll revenues (\$13.6 million – line 1) and Toll violation, fees and penalties (\$1.1 million – line 2) 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 include Allocated bond funds - Equity program (\$0.2 million – line 3) and Interest income (\$0.3 million – line 5).

Year-to-Date Uses of Funds: As of December 2023, the Total Uses of Funds are \$5.4 million. Major expenses are in the categories of Toll operations and maintenance costs (\$1.8 million – line 19), FasTrak customer service costs (\$1.6 million – line 20), Consultant (\$0.7 million – line 17), Insurance (\$0.3 – line 14), Equity program administration and cost (\$0.2 million – line 22), and Staff support (\$0.2 million – line 6).

### **BACKGROUND**

Budget Amendment: There are no budget amendments for the month of December 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 (December 2023)

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

	ADOPTED BUDGET		ACTUALS	
	Annual		As of 12/31/2023	
<b>SOURCES OF FUNDS:</b>				
1 Toll Revenues	\$	20,200,000	\$	13,586,181
2 Toll Violation, Fees and Penalties		4,200,000		1,093,712
3 Allocated Bond Funds - Equity Program		577,550		245,861
4 SMCTA Measure A (ACR TDM) - Equity Program		400,000		-
5 Misc. Income		-		263,132
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$</b>	<b>25,377,550</b>	<b>\$</b>	<b>15,188,886</b>
<b>USES OF FUNDS:</b>				
6 Staff Support	\$	1,055,611	\$	239,029
7 Administrative Overhead		117,139		109,999
8 Seminar Training/Business Travel		40,500		6,300
9 Audit & Bank Fees		22,636		8,059
10 Promotional Advertising		50,000		25,002
11 Utilities		50,000		25,735
12 Software Maintenance & License		33,600		18,591
13 Legal Services		60,000		25,000
14 Insurance		500,000		256,632
15 SMCEL-JPA Bond Related Debt Fees		520,000		-
16 Miscellaneous		29,350		10,521
17 Consultant		2,206,700		660,619
18 Express Lane Maintenance		847,000		28,530
19 Toll Operations and Maintenance (BAIFA)		8,350,000		1,760,973
20 FasTrak Customer Service (BATA)		5,200,000		1,608,167
21 Express Lanes Enhanced Enforcement (CHP)		240,000		100,000
22 Equity Program Administration and Costs		1,435,000		245,861
23 Interest Expense on Operating Advances		269,098		104,612
24 Credit Enhancement Fee		400,000		199,998
25 SMCEL-JPA Bond Interest		1,000,000		-
<b>TOTAL USES OF FUNDS</b>	<b>\$</b>	<b>22,426,634</b>	<b>\$</b>	<b>5,433,628</b>
<b>PROJECT SOURCES OVER USES</b>	<b>\$</b>	<b>2,950,916</b>	<b>\$</b>	<b>9,755,258</b>
<b>Additional Information:</b>				
Loan payables to the City/County Association of Governments of San Mateo County			\$	2,817,370
Loan payables to the San Mateo County Transportation Authority			\$	3,315,732

## **San Mateo County Express Lanes Joint Powers Authority Agenda Report**

Date: March 8, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Accept the Sources and Uses of Funds for the FY2024 Period Ending January 31, 2024  
(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 January 31, 2024.

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 January 2024, the Total Sources of Funds are \$17.5 million. It is comprised of Toll revenues (\$15.7 million – line 1) and Toll violation, fees and penalties (\$1.2 million – line 2) 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 include Allocated bond funds - Equity program (\$0.3 million – line 3) and Interest income (\$0.3 million – line 5).

Year-to-Date Uses of Funds: As of January 2024, the Total Uses of Funds are \$6.4 million. Major expenses are in the categories of Toll operations and maintenance costs (\$2.1 million – line 19), FasTrak customer service costs (\$1.8 million – line 20), Consultant (\$0.8 million – line 17), Insurance (\$0.3 – line 14), Equity program administration and costs (\$0.3 million – line 22), and Staff support (\$0.3 million – line 6).

### **BACKGROUND**

Budget Amendment: There are no budget amendments for the month of January 2024.

#### 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 (January 2024)

**SAN MATEO COUNTY EXPRESS LANE JPA**  
**SOURCES AND USES OF FUNDS**  
**Fiscal Year 2024**  
**January 2024**

	<b>ADOPTED BUDGET</b>		<b>ACTUALS</b>	
	<b>Annual</b>		<b>As of 1/31/2024</b>	
<b>SOURCES OF FUNDS:</b>				
1 Toll Revenues	\$	20,200,000	\$	15,720,851
2 Toll Violation, Fees and Penalties		4,200,000		1,232,721
3 Allocated Bond Funds - Equity Program		577,550		253,124
4 SMCTA Measure A (ACR TDM) - Equity Program		400,000		-
5 Misc. Income		-		326,291
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$</b>	<b>25,377,550</b>	<b>\$</b>	<b>17,532,987</b>
<b>USES OF FUNDS:</b>				
6 Staff Support	\$	1,032,871	\$	328,718
7 Administrative Overhead		117,139		131,157
8 Seminar Training/Business Travel		40,500		7,175
9 Audit & Bank Fees		22,636		9,333
10 Promotional Advertising		50,000		29,169
11 Utilities		50,000		33,480
12 Software Maintenance & License		33,600		20,446
13 Legal Services		60,000		35,000
14 Insurance		500,000		299,410
15 SMCEL-JPA Bond Related Debt Fees		520,000		-
16 Miscellaneous		52,090		12,494
17 Consultant		2,206,700		770,722
18 Express Lane Maintenance		847,000		39,330
19 Toll Operations and Maintenance (BAIFA)		8,350,000		2,054,468
20 FasTrak Customer Service (BATA)		5,200,000		1,791,677
21 Express Lanes Enhanced Enforcement (CHP)		240,000		224,219
22 Equity Program Administration and Costs		1,435,000		253,124
23 Interest Expense on Operating Advances		269,098		125,599
24 Credit Enhancement Fee		400,000		233,331
25 SMCEL-JPA Bond Interest		1,000,000		-
<b>TOTAL USES OF FUNDS</b>	<b>\$</b>	<b>22,426,634</b>	<b>\$</b>	<b>6,398,852</b>
<b>PROJECT SOURCES OVER USES</b>	<b>\$</b>	<b>2,950,916</b>	<b>\$</b>	<b>11,134,135</b>
<b>Additional Information:</b>				
Loan payables to the City/County Association of Governments of San Mateo County			\$	2,827,010
Loan payables to the San Mateo County Transportation Authority			\$	3,327,078

## **San Mateo County Express Lanes Joint Powers Authority Agenda Report**

Date: March 8, 2024

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

From: Executive Council

Subject: US 101 Express Lanes: Quarterly Update on Variable Rate Bond and Operations

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

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### **RECOMMENDATION**

No Board Action is required, as this is only an informational item.

### **FISCAL IMPACT**

There is no budget impact.

### **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 (a) construction of the US 101 Express Lanes project, and (b) implementation of an equity program designed to help those in need improve mobility within the county. Interest and fees on the bond are capitalized for either (a) first three years after issuance of the bonds, or (b) one year beyond completion of construction. The Express Lanes Project extends over 22-miles 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. The Northern Segment was opened for operations on March 3, 2023.

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 San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Express Lanes project. Staff will discuss how recent interest rate increases may impact TA obligations and payments to the bondholders in both the near and long terms.

### **ATTACHMENT**

1. Bond Update Presentation



# US 101 Express Lanes: Update on Variable Rate Bond



# Overview

- Background
- Flow of Funds
- Debt Service
- Bond Outlook

# Background

## In 2020 TA issued \$100M variable rate Bonds:

- To support JPA's \$581M cost for US 101 Express Lanes (EL)
- Secured by Measures A & W sales tax

## Why variable rate Bonds?

- Lowest cost
- 20 Year Historical interest average: 1.1%
- Initial rates: 0.07%
- Prepayment flexibility

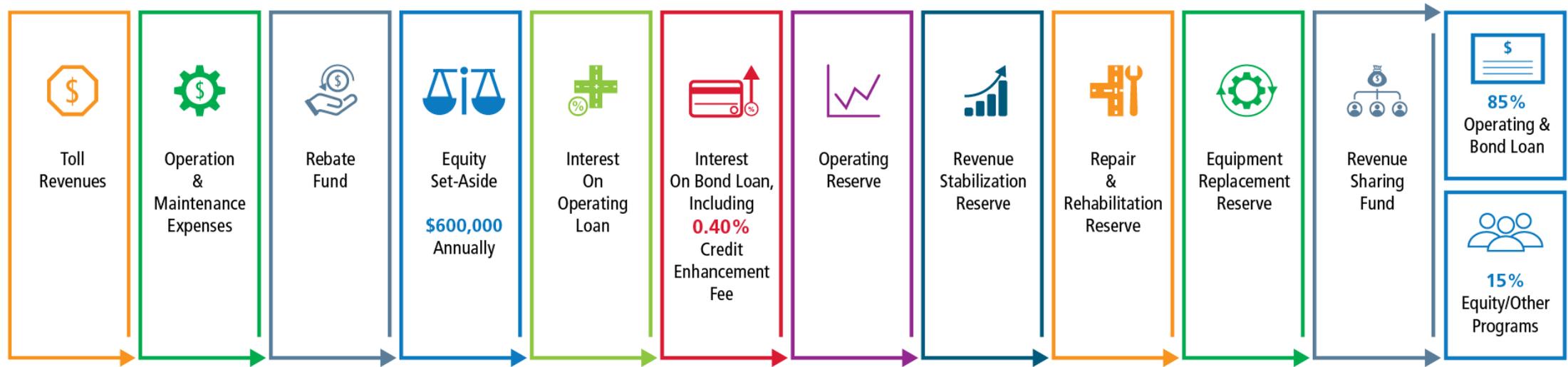
## Alternative: Fixed rate at issuance

- Estimated 3.00% to 3.50%



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

# Flow of Funds



Note: If in any given year, excess revenues to the TA are more than \$5 million, 0.15% of the TA's Credit Enhancement Fee will be used for additional Bond Loan principal repayment

# Debt Service

- Approx \$2.6M per year (with current rates)
- Debt service paid by capitalized interest through March 2, 2024
- Toll revenue will fund debt service and other expenses thereafter

JPA Flow of Funds - FY24 Sources/Uses	
	FY24 Year End Estimate
<b>Sources - Toll Revenue</b>	<b>\$ 26,650,336</b>
O&M Expense	14,256,377
Equity Set-Aside	600,000
Interest on Operating Loans	262,632
Interest & Fees on Bonds	1,430,138
<b>Subtotal - Uses</b>	<b>\$ 16,549,147</b>
<b>Balance (Sources less Uses)</b>	<b>\$ 10,101,189</b>

# Bond Outlook

## Ability to use Cap Interest and Project funds ends after March 2, 2024

- Unused project funds and cap interest will be used to call bonds.
- JPA toll revenue projected to fully fund ongoing O&M and interest payments after that date

## How might TA separate from Bond?

- Fund debt service with toll revenue through life of bonds (25Y)
- Repay principal as quickly as lanes revenue allows
- JPA Refinance bonds (after 3-5 years of steady revenues)

# Summary

- Sufficient capitalized interest up to March 2024
- JPA is estimated to have sufficient revenue to make interest payments through the remainder Fiscal Year 2024 (April-June)

# Questions?



## San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: March 8, 2024

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

From: Policy/Program Manager (PPM)

Subject: Receive a quarterly update on the operations of the US 101 Express Lanes

(For further information please contact Lacy Vong, Policy/Program Manager, [LVong@hntb.com](mailto:LVong@hntb.com))

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### **RECOMMENDATION**

Receive update on the US 101 Express Lanes operations from Interstate 380 to the San Mateo /Santa Clara County line for the second quarter of Fiscal Year 2023-2024. No Board action is required.

### **FISCAL IMPACT**

There is no fiscal impact related to this informational item.

### **SOURCE OF FUNDS**

N/A

### **BACKGROUND**

#### **US 101 Express Lanes Operations**

On March 3<sup>rd</sup>, 2023, the northern segment of the US 101 Express Lanes (between Interstate-380 and Whipple Avenue) opened, establishing the complete 22-mile San Mateo 101 Express Lanes corridor. There is now a seamless express lanes network along US 101 from Interstate 380 to the San Mateo and Santa Clara County line.

The following are the operational highlights for the 2<sup>nd</sup> quarter of fiscal year 2024 (October 1 – December 31, 2023).

#### Trips and Revenue

- About 3.43 million express lane trips were taken on the US-101 Express Lanes in San Mateo County over 62 tolling days, which is similar to the prior quarter.
- An average of 55,351 daily express lane trips were taken in Q2, which is roughly a 1% increase compared to the first quarter in FY 24.
- Single-occupant vehicle (SOV) trips utilizing a valid transponder made up 19.9% of total trips in Q2.

Trips receiving a discounted toll (either HOV2 or CAV) accounted for 8.2% of trips. Toll-free trips (HOV3+) accounted for 38.9% of trips, while the remaining 33% of trips were captured by license plate (image-based tolls and violations).

- The SMCEL-JPA collected \$7.4 million in toll revenue in the 2<sup>nd</sup> quarter of FY24.

### Speeds

- For the northbound direction, vehicles traveling in the express lanes during the peak hours were on average 10 mph faster than vehicles in the general-purpose lane. Southbound express lane speeds were on average 12 mph faster than the general-purpose lanes during peak hours.
- Express Lane speeds continued to stay above the federal speed requirement of 45 mph most of the tolling day.

### Tolls

- Northbound and Southbound have two distinct peak periods during the AM and PM commutes. Average tolls by direction in FY 24 Q2 were:
  - Southbound
    - AM Peak (6 am – 9am): \$4.54
    - PM Peak (3 pm – 6 pm): \$4.27
  - Northbound
    - AM Peak (6 am – 9 am): \$3.26
    - PM Peak (3 pm – 6 pm): \$4.52
- The average tolls for southbound traffic increased by 7% in the AM peak compared to the prior quarter and there was a 14% decrease during the PM peak. The average tolls for northbound traffic increased by 13% and 21% during the AM peak and PM peak, respectively.
  - The change in average tolls is directly linked to the change in traffic volume. When comparing FY24 Q1 to Q2, the effect of the Christmas/New Year's holidays did not significantly impact revenue and volume quarter over quarter given Q1 included the 4<sup>th</sup> of July weekend. In fact, average daily volume in Q2 was higher than Q1 despite Q2 having one less operating day.
  - The reduction in southbound average tolls during PM peak hours is attributed to a decrease in traffic volume during that time frame. In contrast, the southbound AM peak and both peak periods for the northbound experienced a rise in traffic volume leading to an increase in average tolls.
- The average assessed toll in the southbound direction for the quarter was \$3.26, which represents an 8.7% decrease quarter over quarter, while in the northbound direction, it was \$3.15, representing a 15% increase quarter over quarter.
- 67% of tolled trips were less than \$3, and slightly under 6% of drivers paid a toll in excess of \$12 during the 2<sup>nd</sup> quarter of FY 24.

### Enforcement

- CHP made 663 enforcement contacts in Q2 of FY24, 45% of which resulted in HOV occupancy citations.
- Enforcement costs were approximately \$88,900, resulting in an average cost per enforcement contact of approximately \$134.13.

### Lane Users

- An estimated 584,000 unique vehicles made trips in the SM101 express lanes.
  - 62% (361,000) of the vehicles did so with a FasTrak® toll tag in the vehicle.
  - 38% (224,000) of the vehicles without a FasTrak® toll tag are captured by license plates. As a

side note, this figure differs slightly from the previously cited 33% Image Based Toll (IBT) figure. IBT measures total trips while this statistic measures total unique vehicles.

- Vehicles carrying FasTrak® toll tags made an average of 7.0 trips per vehicle in the quarter, while vehicles identified by license plate made an average of 3.5 trips. This indicates that FasTrak® customers tend to be more frequent users of the facility.

#### Community Transportation Benefits Program

- By the end of Q2, a total of 3,852 program benefits were issued in San Mateo County.
  - 3,168 (82%) Clipper cards were issued.
    - This represents a 28% growth quarter over quarter.
  - 684 (18%) FasTrak® Flex toll tags were issued.
    - This represents a 10% growth quarter over quarter.

#### **ATTACHMENT**

1. US 101 Express Lanes Performance: 2<sup>nd</sup> Quarter FY 2024



101 Express Lanes Performance  
2<sup>nd</sup> Quarter FY2024  
(October – December 2023)

# Rules of the Road

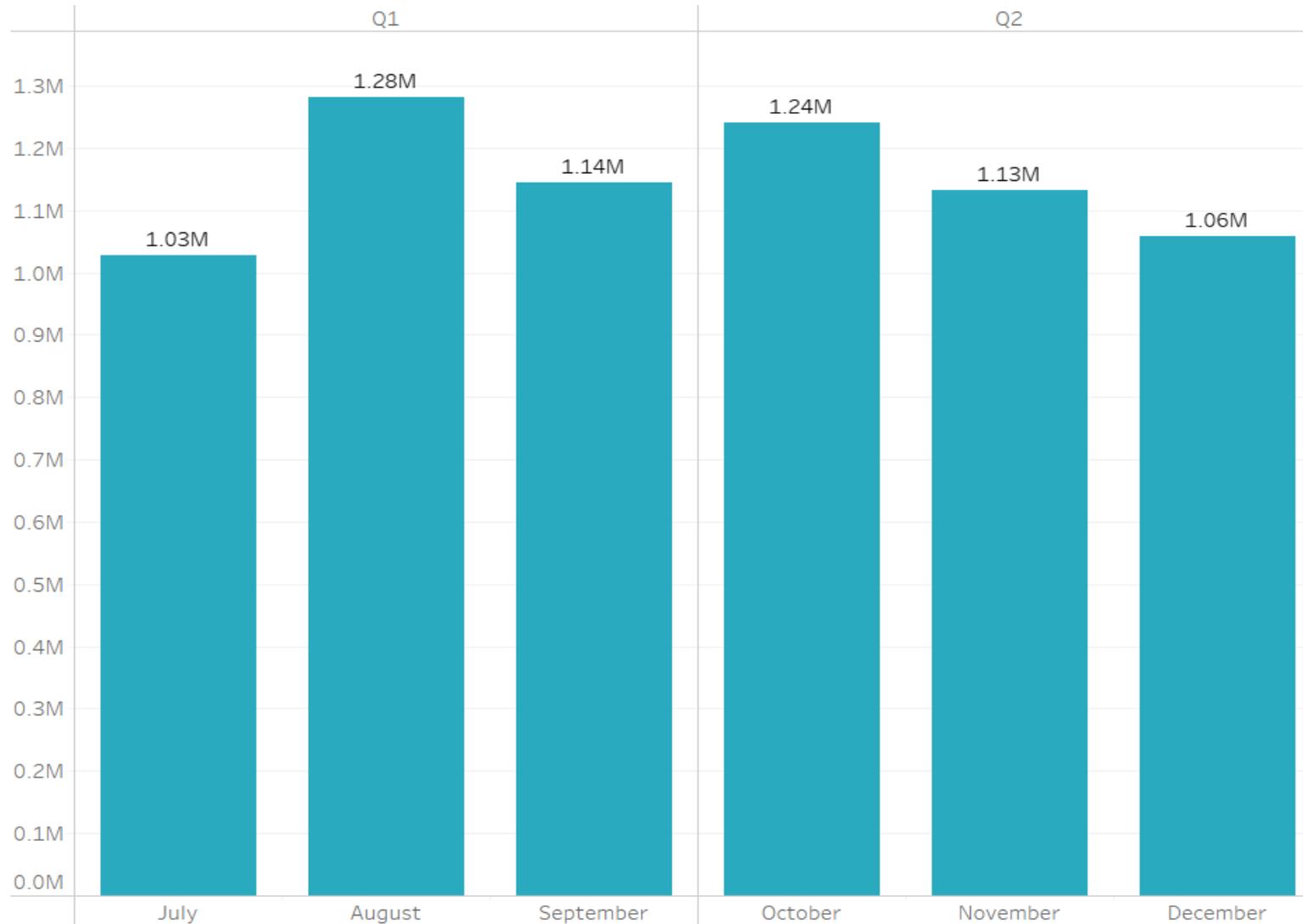
- Hours: 5 a.m. to 8 p.m. Monday – Friday
- FasTrak® required
- Carpools (HOV 3+), buses, and motorcycles travel toll-free with FasTrak® Flex toll tags
- Carpools (HOV 2) pay half-price tolls with FasTrak® Flex toll tags
- Solo drivers in eligible clean-air vehicles pay half-price toll with FasTrak® CAV toll tags



# Key Performance Highlights

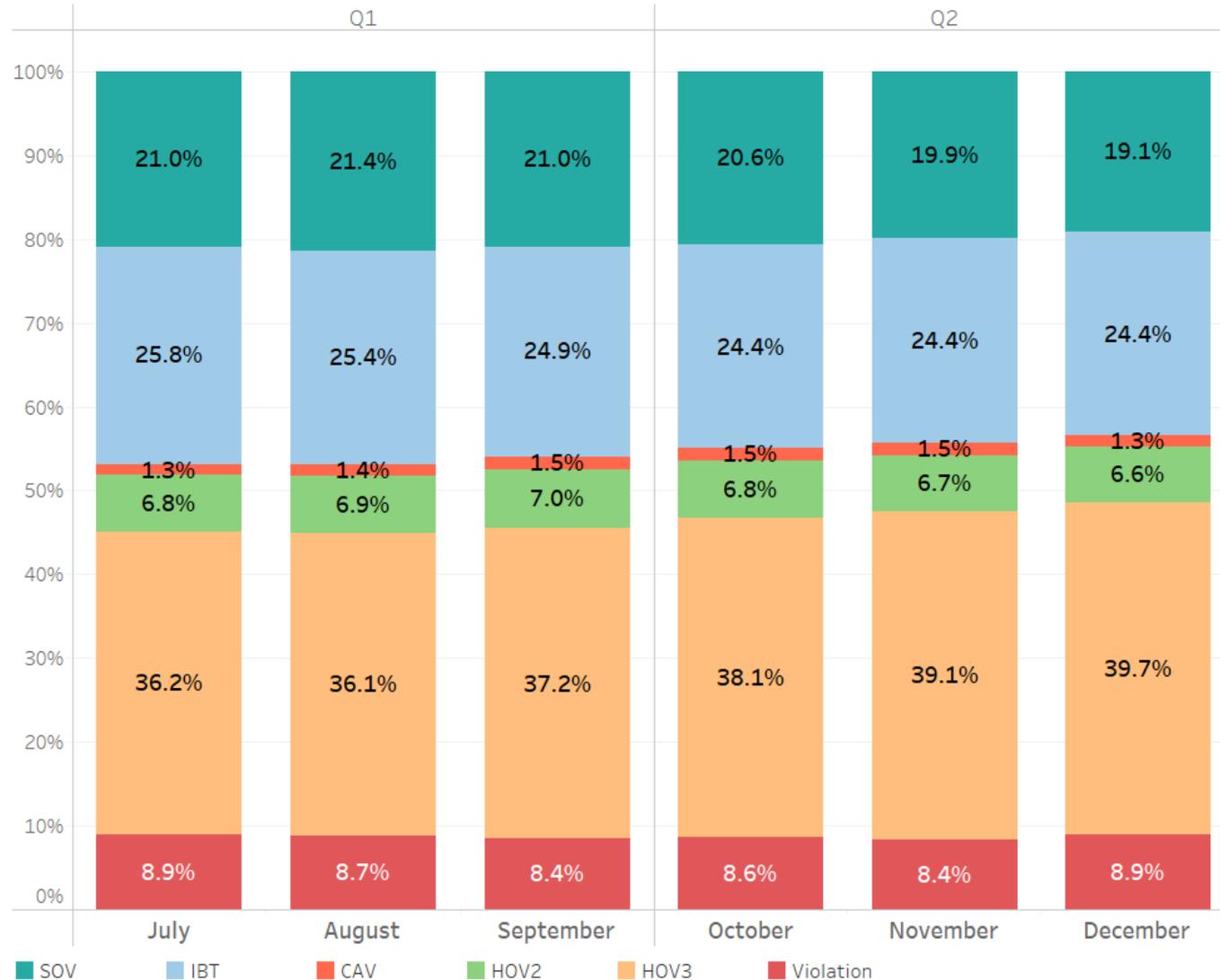
- **Consistent Trends:** Over the last two quarters of the fiscal year observed performance has been fairly consistent.
- **Increase in Average Assessed Tolls:** Q2 saw a slight uptick in overall average assessed tolls compared to Q1.
- **Steady Express Lane Performance:** Both trip volume and revenue for the express lanes have maintained steadiness quarter over quarter.
  - **Q2 Express Lane Volume:** While Q2 express lane volume experienced a slight dip compared to Q1, this could be attributed to one less operating day due to express lane closure for holidays.
- **Seasonal Trends:** It's worth noting potential seasonality trends for July and December, possibly influenced by the holiday seasons of 4th of July and Christmas/New Years. These months witnessed a decline in express lane volume and revenue in comparison to the other months.

# Express Lane Trips



- Q2 of FY24 consisted of 62 tolling days.
- In Q2 of FY24, an average of 55,351 express lane trips have been made daily, a 1% increase over FY24 Q1.
- A total of 3,431,742 trips for the quarter.

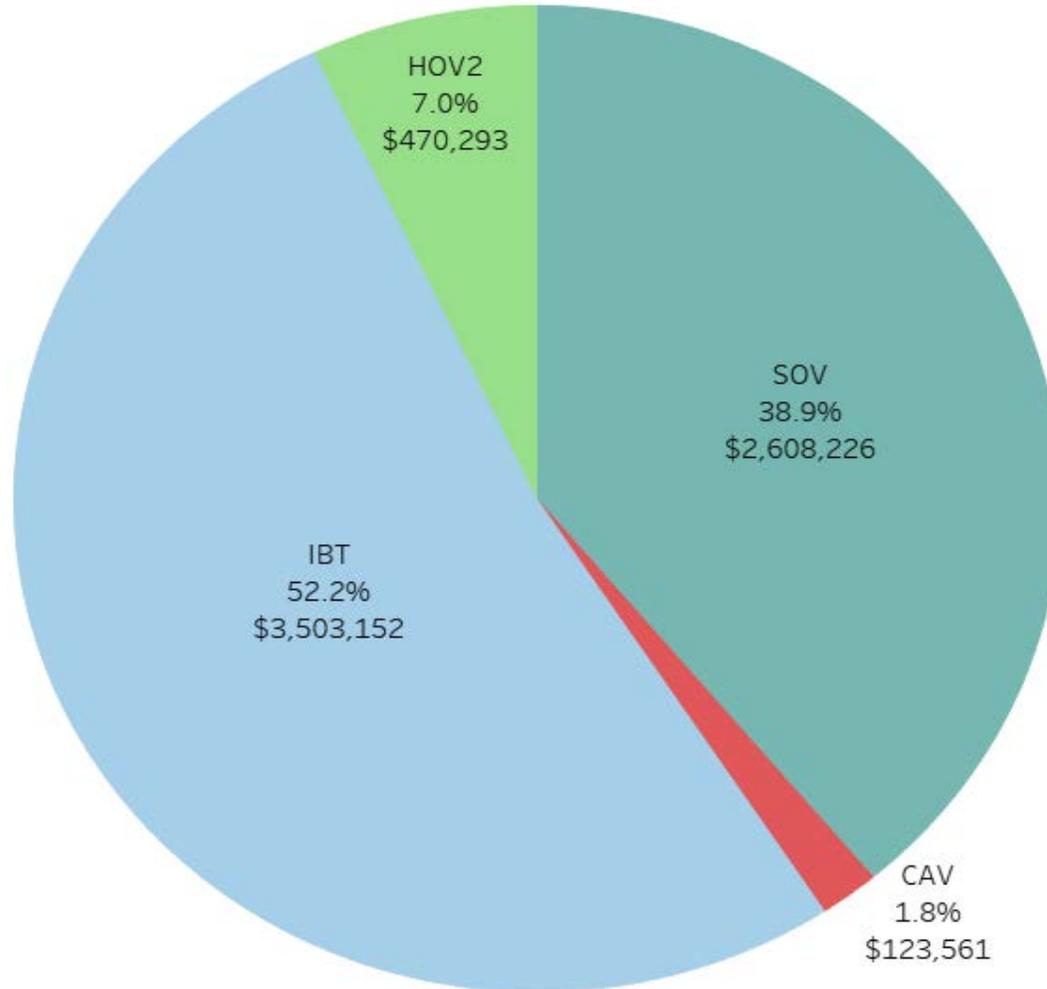
# Express Lane Trip Types



- Toll-free trips: 38.9%
  - HOV 3+ and Non-Revenue
- Tolled trips: 61.1%
  - 52.9% full toll (SOV + IBT)
  - 6.7% half toll (HOV 2)
  - 1.4% half toll (CAV)
- Violation trips: 8.6%
  - IBT trips with No FasTrak account at the time of the trip

\*The violation and tagged trip reports have been rerun due to incomplete posting of image trips. As a result, the IBT and violation percentages have been adjusted to incorporate revised data.

# Potential Revenue by Occupancy Declaration – FY 24 Q2



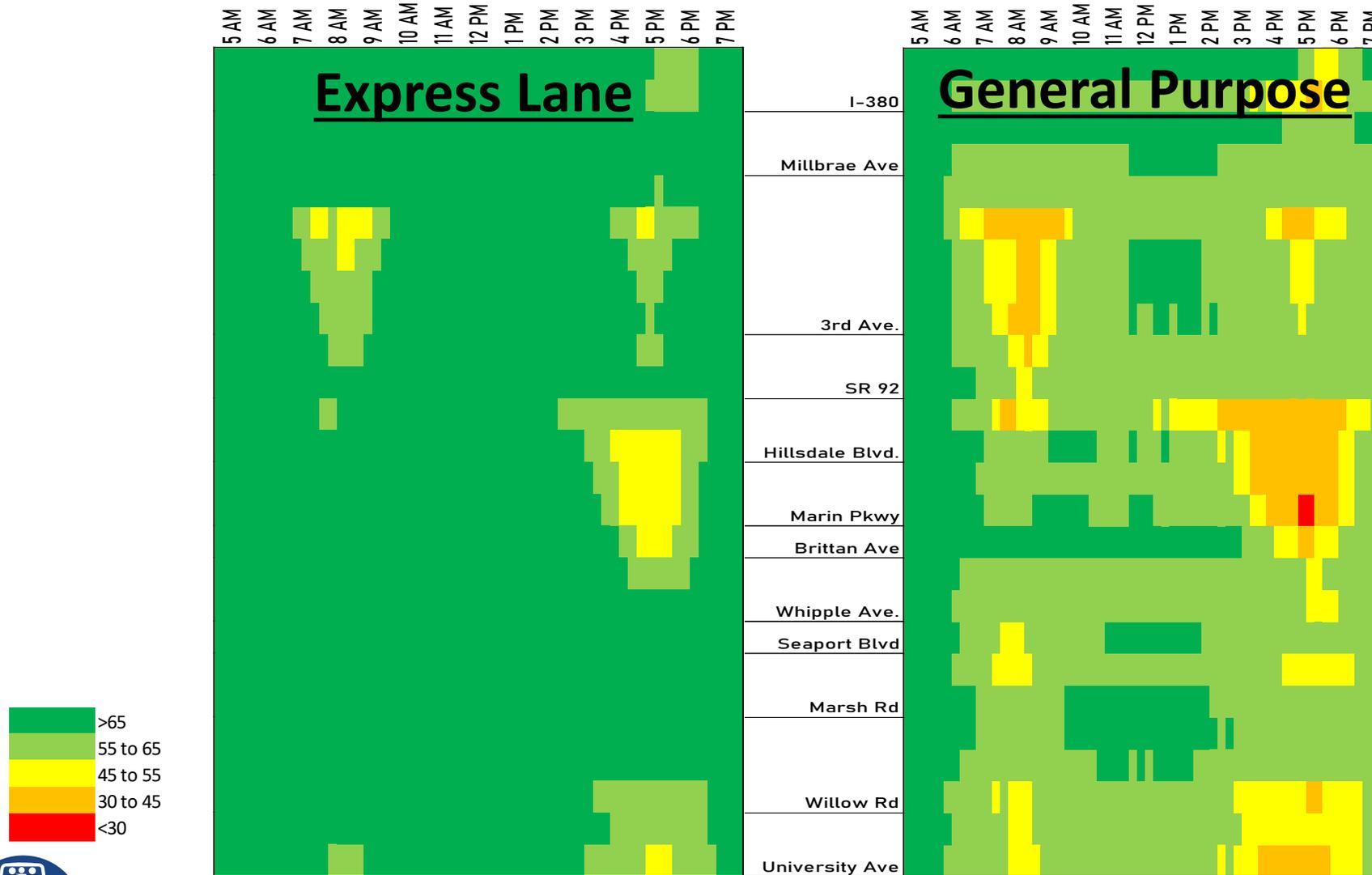
- In Q2 of FY2024, potential toll revenue amounted to \$6.7M, with IBT trips (including violation trips) comprising the majority of trip revenue at 52.2%

# Express Lanes Actual Cumulative Collected Toll Revenue



- To date in FY2024, SMCEL-JPA has received \$14.7 million in toll revenue.
- To date in FY2024, SMCEL-JPA has expended \$3.5 million in toll operations and maintenance (O&M) costs.

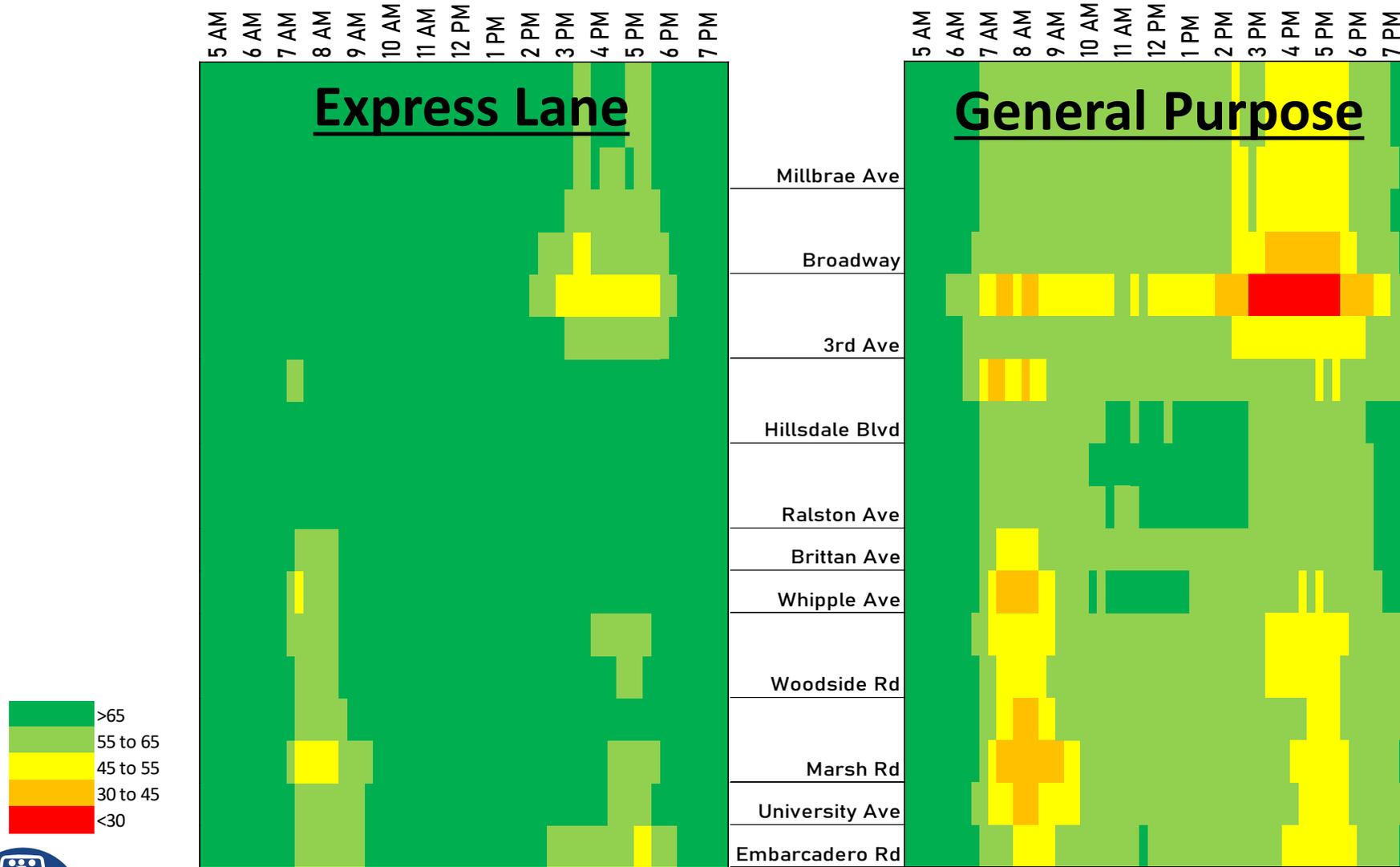
# Northbound Speeds by Location & Time - FY 24 Q2



- Average northbound Express Lane speeds were 10 mph or greater during tolling hours.
- Average northbound **general purpose lane** speeds were lowest in the approach to SR 92 in the PM.
- Most congested during PM peak period (3-6pm) approaching SR-92.



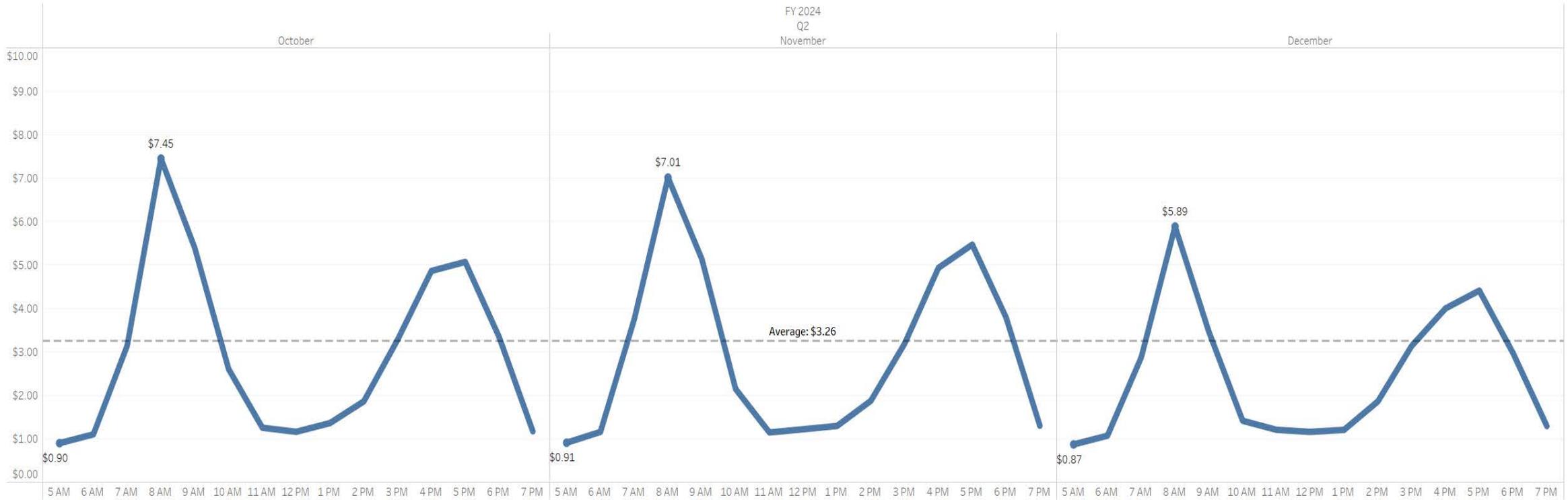
# Southbound Speeds by Location & Time – FY 24 Q2



- Average southbound Express Lane speeds were 12 mph or greater during tolling hours.
- Average southbound **general purpose** lane speeds were lowest between 3<sup>rd</sup> Ave and Broadway.
- Most congested during PM peak period (3-6pm) north of SR-92.

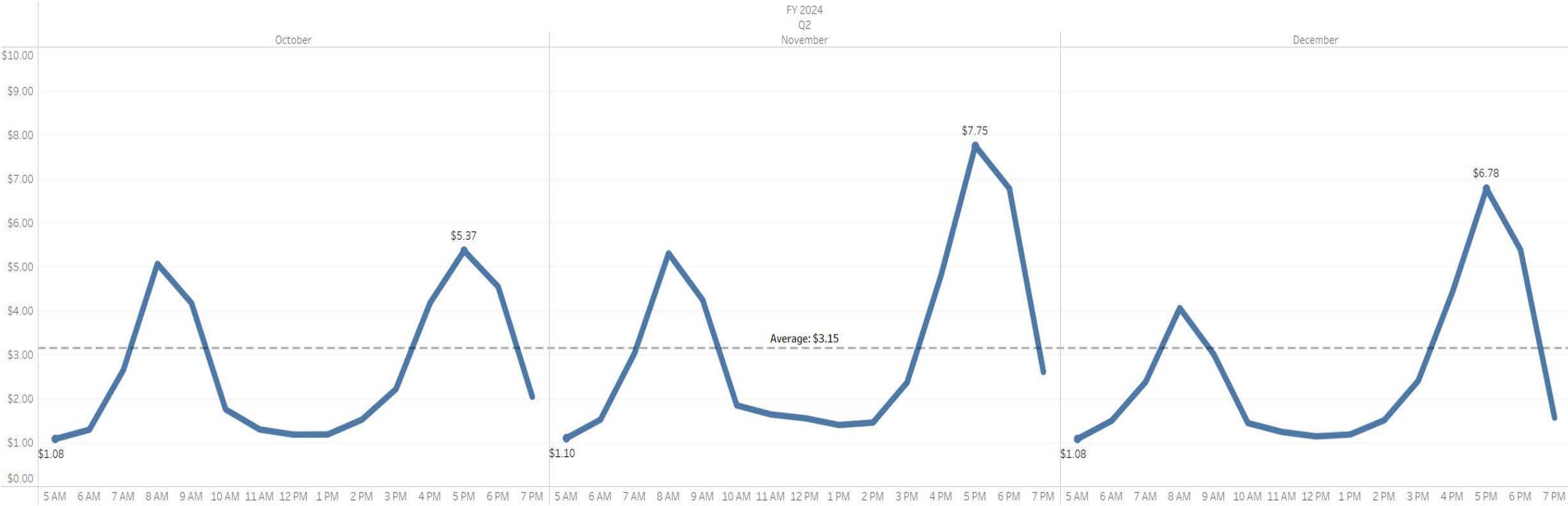
# Southbound Average Assessed Tolls – FY 24 Q2

This quarter's southbound average assessed toll was \$3.26.

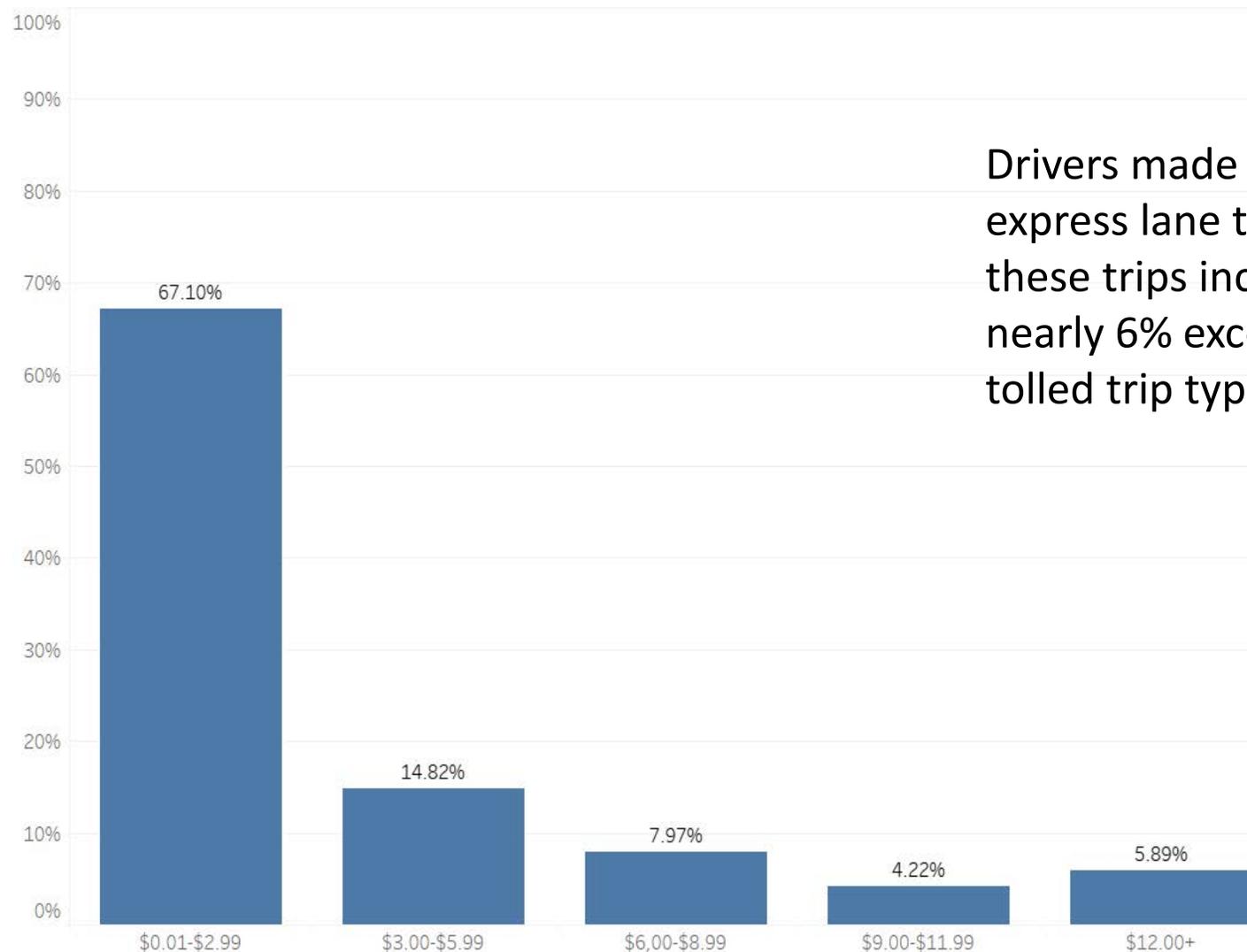


# Northbound Average Assessed Tolls – FY 24 Q2

This quarter’s northbound average assessed toll was \$3.15.

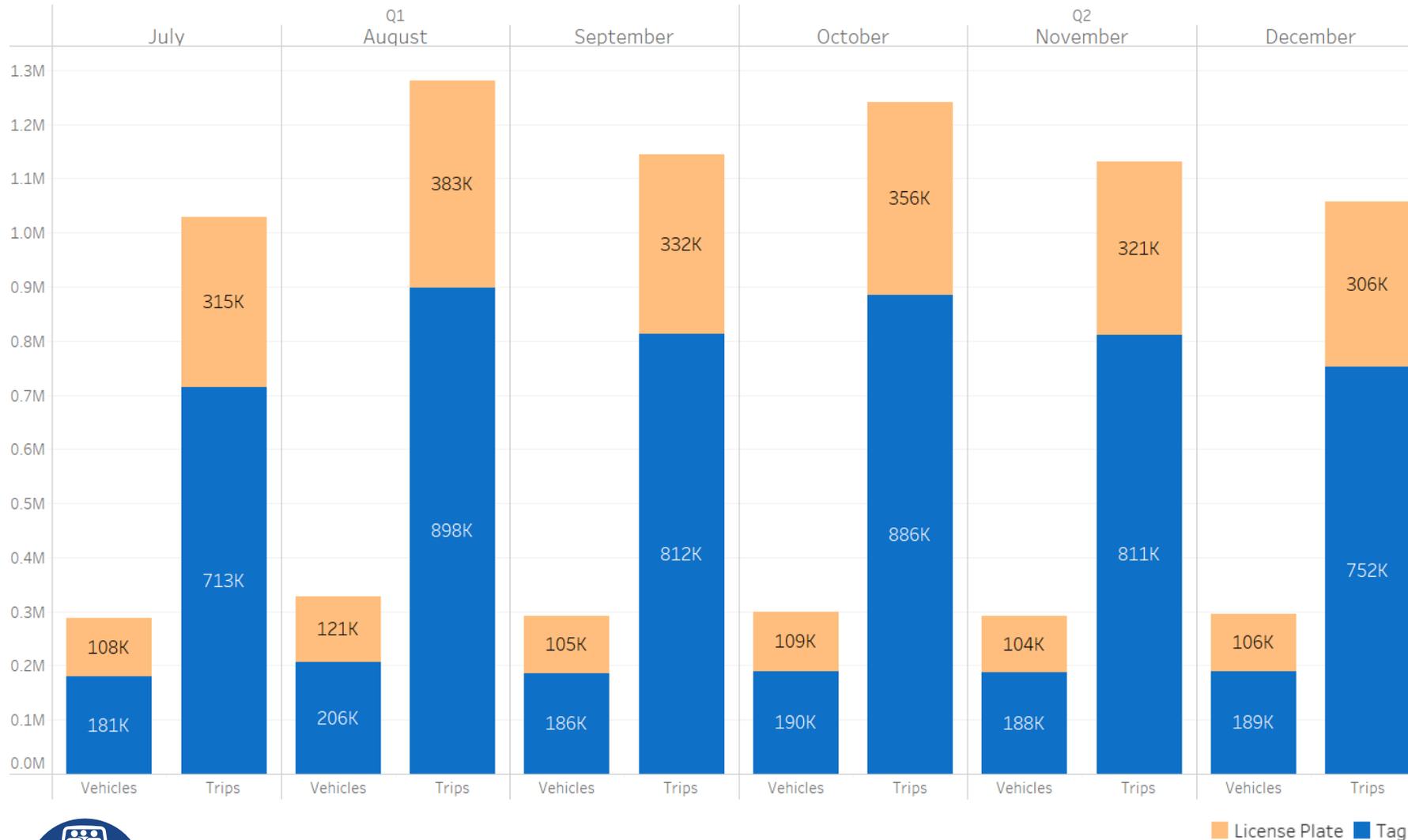


# Distribution of Assessed Tolls – FY 24 Q2



Drivers made nearly 2.1 million tolled express lane trips in Q2 of FY24. 67% of these trips incurred a toll less than \$3, while nearly 6% exceeded \$12. This includes all tolled trip types and lengths.

# How Drivers Use the Lanes

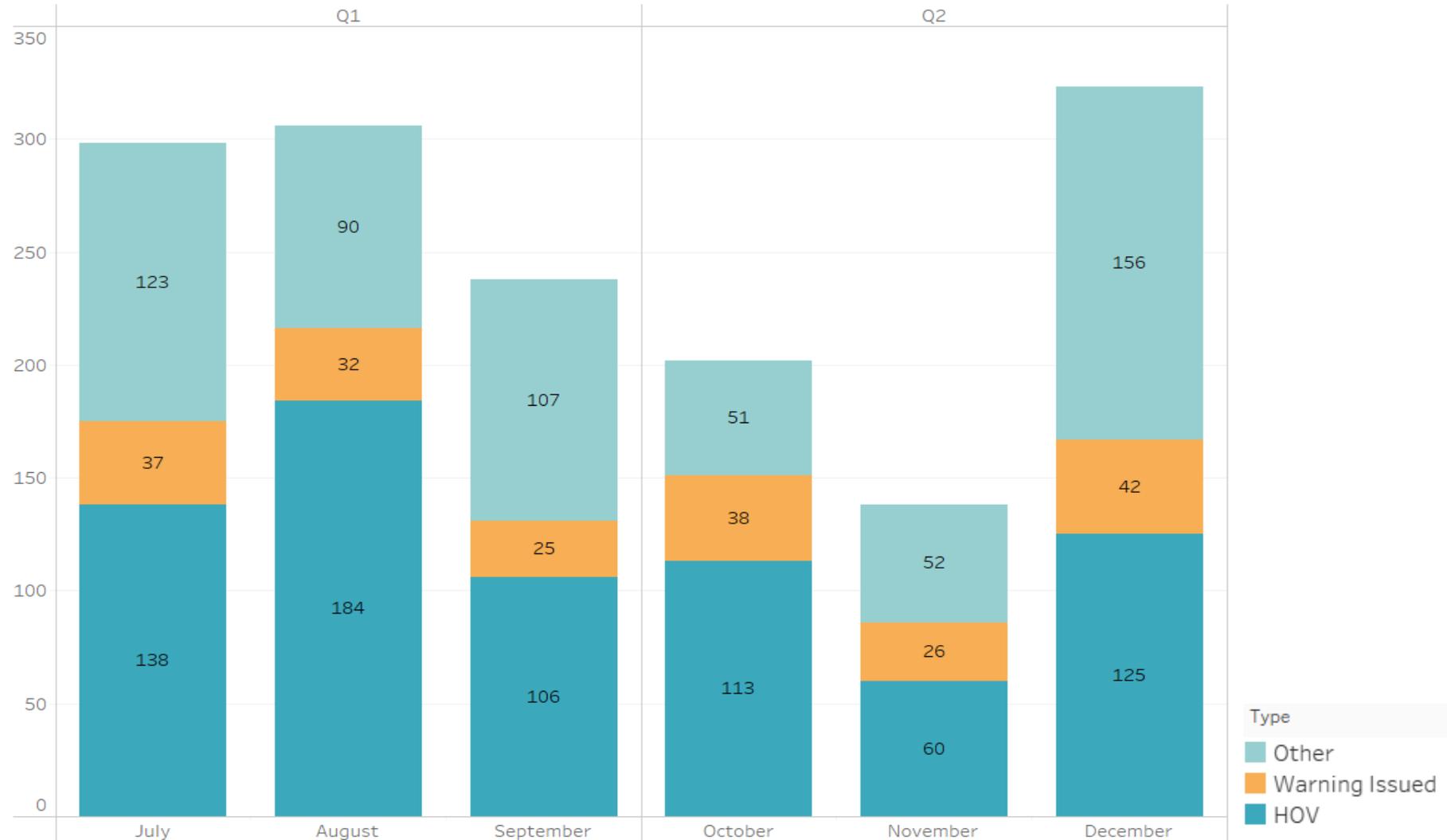


- In Q2 of FY24, about 584,000 unique vehicles made about 3.43 million express lane trips.
- 62% of these vehicles utilized FasTrak® toll tags and made 71% of the total trips.
- The other 38% of these vehicles did not carry toll tags and instead were captured as image-based trips for the remaining 29% of the total trips.

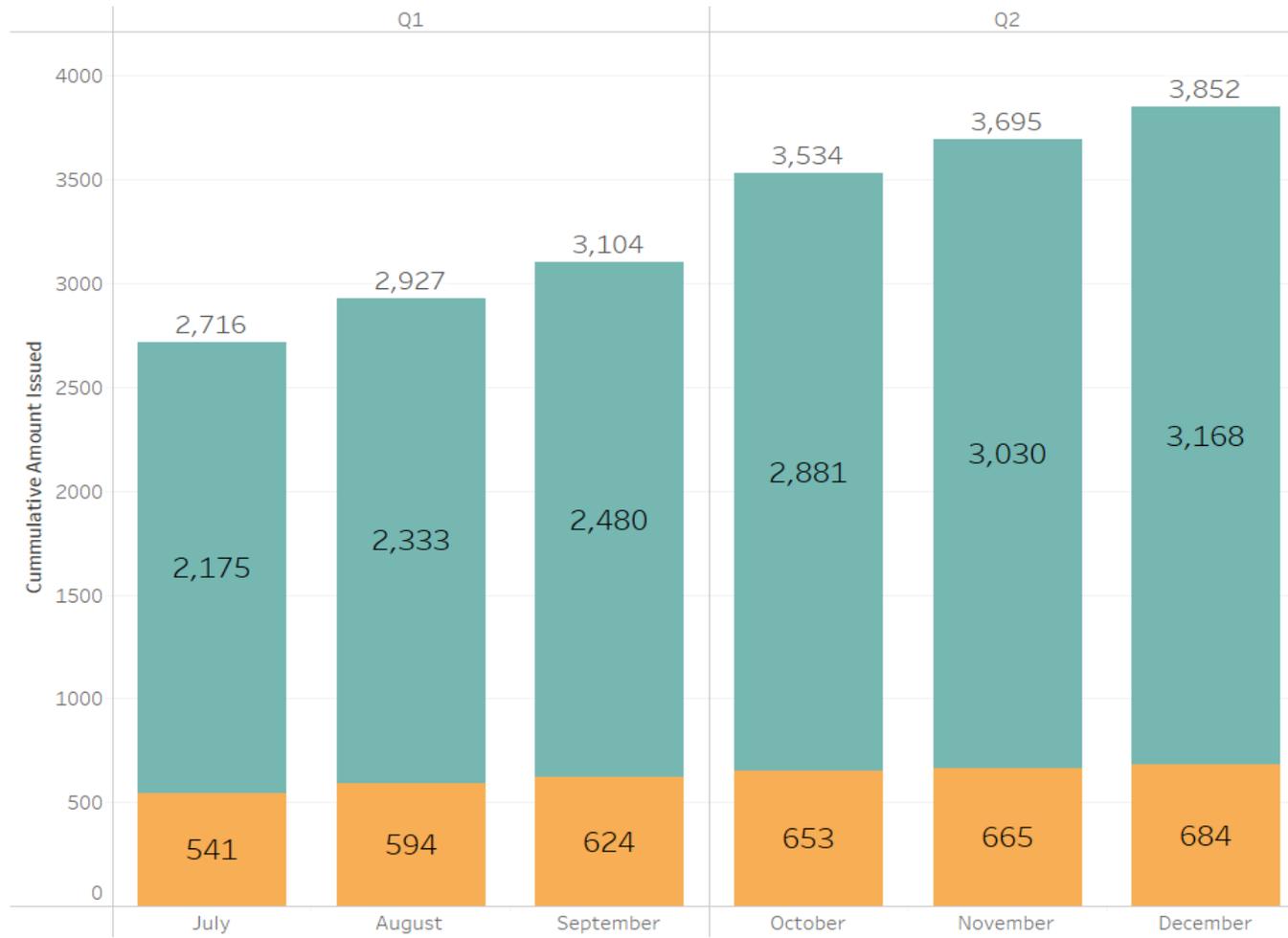


# CHP Enforcement

- CHP patrolled the express lanes for 658.5 hours in Q2 of FY24.
- CHP made 663 enforcement contacts in Q2 of FY24.
- 45% of the contacts resulted in HOV occupancy citations.
- Q2 of FY24 enforcement costs were approximately \$88,900, resulting in an average cost per enforcement contact of approximately \$134.13.



# Community Transportation Benefits Program – Cumulative Benefits Issued



For additional information, please visit: <https://101expresslanes.org>

