

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

**Meeting No. 55**

<p><b>Date:</b> Friday, May 17, 2024</p> <p><b>Time:</b> 9:00 A.M.</p> <p><b>Primary Location:</b> San Mateo County Transit District Office 1250 San Carlos Ave, 2<sup>nd</sup> Fl. Auditorium, San Carlos, CA</p>	<p><b>Join by Webinar:</b> <a href="https://us02web.zoom.us/j/89486200839?pwd=ZGs5TDdBc2xWOWtOdHMvdVpCWlJEZz09">https://us02web.zoom.us/j/89486200839?pwd=ZGs5TDdBc2xWOWtOdHMvdVpCWlJEZz09</a></p> <p><b>Webinar ID:</b> 894 8620 0839</p> <p><b>Password:</b> 051724</p> <p><b>Join by Phone:</b> (669) 900-6833</p>
--	---

**\*\*\*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.

\*\*\*\*\*

**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. 54 dated April 12, 2024. ACTION p. 1
- 3.2 Accept the Sources and Uses of Funds for the FY2024 Period Ending March 31, 2024 ACTION p. 9

- 3.3 Review and approve Resolution SMCEL 24-01 authorizing the negotiation and execution of a service contract amendment with the California Highway Patrol (CHP) to increase the budget of the existing Agreement up to \$1,132,909, until June 30, 2025. ACTION p. 11
- 3.4 Review and approve Resolution SMCEL 24-02 authorizing a no-cost contract amendment with Samaritan House to administer the Community Transportation Benefits Program (CTB Program) through June 30, 2025. ACTION p. 15
- 3.5 Review and approve Resolution SMCEL 24-03 approving the proposal from Carahsoft for Granicus Video Conversion Services for SMCEL-JPA Board Meetings from July 1, 2024 through June 30, 2027, with a total not to exceed amount of \$81,048.78. ACTION p. 18

#### 4.0 **REGULAR AGENDA**

- 4.1 Receive a presentation on the draft Fiscal Year 2025 SMCEL-JPA Operating Budget. INFORMATION p. 30
- 4.2 Review and provide feedback on an informational update about the proposed implementation plan for the Next Generation of the Community Transportation Benefits Program. INFORMATION p. 59
- 4.3 Receive a quarterly update on the US 101 Express Lanes Variable Rate Bond. INFORMATION p. 76

#### 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**

June 14, 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. 54  
April 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.



### 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	Michael Salazar			
C/CAG		Rich Hedges		
SMCTA				Carlos Romero
SMCTA	Emily Beach			
SMCTA	Rico E. Medina			

<b>Staff Present (In-Person):</b>	<b>Staff Present (Remote):</b>
Sean Charpentier, Executive Council – C/CAG	
April Chan, Executive Council – TA	
Mima Crume – Clerk of the Board	<b>Members of the Public (In-Person):</b>
Tim Fox – Legal Counsel	
Kaki Cheung – C/CAG	
Van Ocampo – C/CAG	<b>Members of the Public (Remote):</b>
Connie Mobley-Ritter – TA	
Peter Skinner – TA	
Jessica Manzi – TA	
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. 53 dated March 8, 2023. APPROVED

3.2 Accept the Sources and Uses of Funds for the FY2024 Period Ending February 29, 2024. APPROVED

Director Medina MOVED to approve the consent agenda items 3.1 and 3.2.  
Director Romero SECONDED. **MOTION CARRIED 5-0-0**

### 4.0 REGULAR AGENDA

4.1 Receive an update on the draft Fiscal Year 2023 Flow of Funds and the illustrative forecasts for Fiscal Years 2024 through 2031. INFORMATION

Ms. Manzi provided an update on the draft Fiscal Year 2023 Flow of Funds and projections for Fiscal Years 2024 through 2031. She detailed the flow of funds as per the loan agreement, highlighting key reserve allocations:

- Operating Reserve: A \$3 million buffer for unexpected expenses.
- Revenue Stabilization Reserve: Safeguarding against revenue loss, with an estimate of \$22 million.
- Repair and Rehabilitation Reserve: Allocated for significant infrastructure repairs.
- Equipment Replacement Reserve: Designated for toll equipment replacement, with an annual target of \$5.9 million.

Remaining funds are distributed to the revenue sharing fund, with 85% for loan repayment and 15% for equity programs or other JPA-identified initiatives.

Chair Aguirre asked if there are any aspects of the express lanes project not covered by our responsibilities or funding.

Mr. Charpentier clarified that the JPA covers all maintenance and operational costs for the express lane, including expenses related to contracts with Caltrans or the Bay Area Toll Authority. This encompasses everything mentioned, such as potholes and equipment, within the area included in the lease.

Ms. Manzi sought input from the Board on whether to fully fund the equipment replacement reserve or prioritize allocating more funds to bond and operating loan repayments. Proceeding with the second options means that the equipment replacement reserve may be reduced. A 10-year financial model has been prepared. Option 1 allocates \$5.9 million yearly to the equipment replacement fund, with excess revenue used for bond repayment (85%) and other programs (15%). Option 2 prioritizes loan repayment, spreading a \$10 million bond payment over three years. Any leftover funds go to the equipment replacement fund, enabling earlier loan repayment. If our reserves can't cover expenses, we may need to tap into other reserves.

Mr. Charpentier noted that there would be flexibility among the reserves if a situation arose that exceeded the funds allocated to a specific reserve category. These funds are not restricted, lacking federal covenants or state mandates dictating their use for specific purposes, allowing for discretion. Ms. Chan added that while the Operating Fund reserve and the stabilization reserve have prescribed amounts dictated by the funding agreement, the capital reserve, which Ms. Manzi is discussing, does not have a set formula. Therefore, there are options to consider by the board.

Director Romero expressed concern about costs to rehabilitate the roadway, which will require a larger repair and rehabilitation reserve.

Ms. Manzi clarified that while the annual operating and maintenance budget handles potholes and emergencies, the repair and rehabilitation fund is for significant paving projects. Since the express lanes are new and Caltrans has upcoming paving projects, there's currently no urgent need for a large sum in that fund. However, staff intended to evaluate this category closely to determine the best allocation in the future.

Director Romero expressed concerns about the deterioration of lanes after rain, highlighting the importance of maintenance.

Ms. Manzi elaborated on the evolution of different funds over time, emphasizing the focus on overall trends rather than specific numbers. She noted that the scenarios were identical for the first five years due to funds being allocated to build the revenue stabilization fund, with differentiation starting from fiscal year 2028. She also highlighted that decisions made today wouldn't have an immediate impact, as funds from fiscal year 2023 were unlikely to flow into the equipment replacement reserve. Ms. Manzi summarized the positions of both options after ten years. While both options had the same amount in the operating reserve, differences arose in the revenue stabilization reserve due to debt carrying expenses. However, the most significant disparity was in the equipment replacement reserve, with option one having \$8 - \$9 million dollars more than option two. This discrepancy stemmed from option two paying down more loans, resulting in reduced interest payments. Ultimately, the decision revolved around prioritizing either building reserves or repaying loans to minimize interest expenses.

Vice Chair Beach sought clarification on the slide, noting that in option 2,

repaying approximately \$4 million more in the loan results in \$150,000 in interest savings. While this means more money in the JPA's pocket due to faster interest payment, it also translates to about \$9 million less in total reserves. Ms. Manzi confirmed this understanding was correct.

Director Romero expressed confusion about the apparent \$8.83 million difference between option one and option two. He assumed that the numbers for bond principal payments, bond interest payments, and operating loan payments would collectively reflect this difference. However, upon examination, he found that these numbers did not add up to \$8.83 million. He asked where the remainder of this amount might be allocated. Ms. Manzi explained that she'd examined the full financial model to provide an analysis.

This risk of lower reserves is evident in potential catastrophic events like accidents damaging the express lanes infrastructure, which could affect revenue collection and loan repayment capabilities. Ms. Manzi then outlined the next steps, which include refining the financial model to align with the evolving budgets developed by the budget team. The plan is to present a recommendation to the board next month regarding the proposed approach. Additionally, a clarifying document is being developed to accompany the loan agreement, addressing aspects open to interpretation or unclear in operationalizing the directions outlined in the agreement. This ongoing activity aims to ensure a shared understanding of how the loan agreement is implemented.

Vice Chair Beach followed up by a question about potential additional cost savings resulting from repaying the loans earlier. She asked whether there were other significant savings to consider beyond the \$150,000 in interest savings already identified, or if that constituted the primary source of cost savings.

Ms. Manzi stated that she hadn't found any additional savings to consider. However, she clarified a crucial aspect regarding the equipment replacement reserve. She explained that the intended funding goal for it was \$6 million annually. Yet, upon reviewing the tables, she noted that this target wouldn't be achieved until the later years. This delay was due to a significant portion of funds being directed towards operating expenses initially, which was essential to sustain operations. Consequently, the funding for equipment replacement and revenue stabilization wouldn't reach the desired level until 2028. She emphasized that, in this context, there appeared to be a deficit in capital funding.

Ms. Chan contributed to the discussion, mentioning an important aspect related to principal payments. She clarified that there were two significant principal payments to be made, primarily by the TA, with expectations for repayment by the JPA. The first payment of \$5 million was due in 2027, followed by another of \$10 million in 2030. Ms. Chan stressed the importance of fulfilling these payments, highlighting that while the TA was initially responsible, the JPA would ultimately be looked to for repayment. She indicated that this consideration was factored into both options being discussed. Mr. Charpentier highlighted that while the presented cost savings were projected over a 10-year period, they didn't encompass the entire duration of the repayment. He emphasized that repaying the principal would lead

to additional cost savings in interest over the entire repayment period for both loans.

Director Romero raised a point regarding the scheduled principal payments on the bonds. He mentioned that there was an expectation of residual funds in the interest reserve, stemming from the cessation of interest payments as of February. This leftover amount could potentially be utilized to pay down the principal. Director Romero sought clarification on whether this situation persisted and how it would impact the repayment of future sums due.

Mr. Skinner responded that it was premature to determine the exact amount of bonds that would remain. He explained that the TA were awaiting the closure of the last contracts with Caltrans, along with some outstanding balances that needed payment upon receipt of invoices. Mr. Skinner anticipated that there would likely be around one to two million dollars of bond funds remaining, possibly slightly more. Once they obtained this information, they planned to integrate it into the financial model to assess the flow of funds accordingly.

Director Romero sought clarification regarding the usage of the interest reserve, expressing his belief that it could solely be utilized for interest payments due to the bond's structure. Ms. Chan affirmed Director Romero's understanding, confirming that any remaining funds in the interest reserve must be allocated towards the bonds.

Ms. Mobley-Ritter provided clarification on the different funds available for use. She differentiated between the capitalized interest reserve, which is strictly designated for bond payments, and the remaining construction funds. These construction funds cover costs incurred before March 2, 2024, and their allocation is still being determined. Once these construction costs are settled, the surplus will be available to address the initial \$5 million principal payment due in 2027 and potentially the subsequent \$10 million payment in 2030. Ms. Mobley-Ritter emphasized that while the capitalized interest can only be used for bond principal reduction, the surplus construction funds can be utilized for various purposes related to bond repayment.

Vice Chair Beach expressed her curiosity about her colleagues' opinions on the direction they should take regarding the discussed matters. She emphasized the importance of avoiding a situation where the JPA lacks sufficient reserves and needs to seek additional funding from the TA. Reflecting on the challenges faced in accumulating the targeted \$6 million in capital reserves due to initial financial constraints, she stressed the need for a robust capital reserve. Additionally, she highlighted the benefits of paying down the loan sooner, as it would enhance the JPA independence and ability to secure funding independently in the future. She invited input from others but acknowledged the option to revisit the discussion in the next meeting if necessary.

Director Romero expressed gratitude for Vice Chair Beach's remarks and shared his perspective as a member of the transportation authority. He emphasized the responsibility of taxpayers in San Mateo County to pay off the \$100 million debt,



highlighting the need to balance adequately funded operating reserves with paying down the bond principal. Director Romero stressed the importance of managing the debt to eventually free up funding for other projects outlined in the transportation authority's strategic plan. Director Romero concluded by suggesting further discussion on the matter in the future.

4.2 Receive an update on the JPA organizational assessment. INFORMATION

The Board received an update on the JPA's organizational assessment. Kaki Cheung, Deputy Director for C/CAG supporting the JPA, provided an overview. The JPA had initiated an organizational assessment, with a contract approved for consultant WSP in November 2023. The project's goal is to ensure the organization is structured to deliver on Express Lanes' vision and goals while maximizing efficiency and effectiveness.

The Project Manager Ms. Dinsdale provided an overview of their work on the organizational assessment. She discussed the project's goals, emphasizing the need to assess the organization's efficiency and effectiveness. She outlined the project's timeline and key milestones. Ms. Dinsdale then explained how the consultant team developed selection criteria based on desired organizational characteristics across various domains, such as finance, people, community, and operations.

Mr. DiAdamo from WSP discussed the insights gathered from interviews with board members, staff, and peer agencies. He highlighted key points, including the successful performance of express lanes, concerns about duplication of responsibilities among staff, the emphasis on local control and equity, and the importance of fiscal responsibility. Mr. DiAdamo then introduced the selection criteria for evaluating potential organizational models, dividing them into two categories: "Can this model?" and "How well does this model?" He emphasized the need to establish clear criteria before delving into specific organizational models to ensure a comprehensive evaluation process.

Ms. Dinsdale of WSP outlined the upcoming milestones in the assessment process. She mentioned that they would provide a preliminary set of findings report in the summer and an alternatives analysis towards the end of the year, followed by the final report after the first of the year. Ms. Dinsdale then provided a preview of the types of organizational models they are drafting for consideration, including variations such as maintaining the current model, establishing a standalone agency, or redistributing functions among existing agencies. She emphasized that cost would be a key criterion in the evaluation process, ensuring that the impact and value of each model are carefully assessed.

## 5.0 REPORTS

a) Chairperson Report.

None.

b) Member Communication.

Director Medina mentioned that he spoke at an event at the Elks Lodge, sharing information related to the Express Lanes. The audience had insightful and sometimes challenging questions.

c) Executive Council Report - Executive Council Verbal Report.

Ms. Chan shared a staffing announcement regarding Connie Mobley-Ritter's retirement. Ms. Mobley-Ritter has been with the organization for 8 years and will be retiring at the end of the month. Ms. Chan expressed gratitude for Connie's contributions, particularly her role in securing the \$100 million bond for the construction of express lanes. She also highlighted Connie's efforts in providing quarterly reports to both the TA board and the express lanes JPA board. Ms. Chan wished Connie well in her retirement.

Ms. Mobley-Ritter expressed her gratitude for the opportunity to work on behalf of San Mateo County taxpayers, acknowledging the importance of the work done by everyone involved. She thanked the organization for the chance to make a difference within the county and expressed her appreciation for the opportunity to serve.

Ms. Chan continued her report by informing the board that Kate Steiner and Kevin Belts would be responsible for delivering the quarterly reports to the board in the future. Additionally, she shared a joint announcement regarding the organization's submission to the WTS San Francisco chapter for the Community Transportation Benefits Program. The organization has been selected to receive the 2023 WTS San Francisco Chapter Innovative Transportation Solutions Award, which will be presented at an annual event on June 20th in Oakland. Ms. Chan expressed her intention to invite the entire board, particularly the chair and vice-chair, to receive the award.

Mr. Charpentier provided two updates during his report. Firstly, he mentioned receiving complaints about potholes, noting that not all of them are in the express lane but also in the general-purpose lanes. Additionally, Caltrans is working on a capital project to reseal the section between Whipple and the Santa Clara County line. Median work will begin this calendar year, with pavement work starting early next calendar year. He explained that the presence of potholes in this section is due to the scheduled and budgeted capital project following the Express Lane project overlay, which was not as thick as desired because of the upcoming work. Secondly, Mr. Charpentier announced a change in the meeting schedule. The next meeting will be on May 17th instead of the previously scheduled May 10th. A cancellation notice for the May 10th meeting will be sent out, along with an agenda for the May 17th meeting.

d) Policy/Program Manager Report.

None.

**6.0 WRITTEN COMMUNICATIONS**

None.

**7.0 NEXT REGULAR MEETING**

May 10, 2024 – Regular board meeting cancelled.

May 17, 2024 – Next board meeting.

**8.0 ADJOURNMENT – 9:54 a.m.**

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

Date: May 17, 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 March 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 March 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 March 2024, the Total Sources of Funds are \$22.8 million. It is comprised of Toll revenues (\$20.5 million – line 1) and Toll violation, fees and penalties (\$1.6 million – line 2) from both Southern and Northern segments of Express Lanes on U.S. 101. The Sources of Funds also include Allocated bond funds - Equity program (\$0.3 million – line 3) and Interest income (\$0.4 million – line 5).

Year-to-Date Uses of Funds: As of March 2024, the Total Uses of Funds are \$8.7 million. Major expenses are in the categories of Toll operations and maintenance costs (\$2.9 million – line 19), FasTrak customer service costs (\$2.4 million – line 20), Consultant (\$1.0 million – line 17), Staff support (\$0.5 million – line 6), Insurance (\$0.4 – line 14), and Credit enhancement fee (\$0.3 million – line 24).

### **BACKGROUND**

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

#### Other Information:

Loan payables represent loan advance payments received and the interests accrued 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 (March 2024)

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

	ADOPTED BUDGET		ACTUALS	
	Annual		As of 3/31/2024	
<b>SOURCES OF FUNDS:</b>				
1 Toll Revenues	\$	20,200,000	\$	20,546,663
2 Toll Violation, Fees and Penalties		4,200,000		1,553,014
3 Allocated Bond Funds - Equity Program		577,550		274,427
4 SMCTA Measure A (ACR TDM) - Equity Program		400,000		-
5 Misc. Income		-		469,308
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$</b>	<b>25,377,550</b>	<b>\$</b>	<b>22,843,412</b>
<b>USES OF FUNDS:</b>				
6 Staff Support	\$	1,032,871	\$	485,817
7 Administrative Overhead		117,139		127,728
8 Seminar Training/Business Travel		40,500		8,925
9 Audit & Bank Fees		22,636		11,803
10 Promotional Advertising		50,000		37,503
11 Utilities		50,000		52,496
12 Software Maintenance & License		33,600		24,156
13 Legal Services		60,000		45,000
14 Insurance		500,000		384,966
15 SMCEL-JPA Bond Related Debt Fees		520,000		37,132
16 Miscellaneous		52,090		15,693
17 Consultant		2,206,700		990,928
18 Express Lane Maintenance		847,000		22,474
19 Toll Operations and Maintenance (BAIFA)		8,350,000		2,862,606
20 FasTrak Customer Service (BATA)		5,200,000		2,389,106
21 Express Lanes Enhanced Enforcement (CHP)		240,000		221,204
22 Equity Program Administration and Costs		1,435,000		274,427
23 Interest Expense on Operating Advances		269,098		163,416
24 Credit Enhancement Fee		400,000		299,997
25 SMCEL-JPA Bond Interest		1,000,000		246,038
<b>TOTAL USES OF FUNDS</b>	<b>\$</b>	<b>22,426,634</b>	<b>\$</b>	<b>8,701,415</b>
<b>PROJECT SOURCES OVER USES</b>	<b>\$</b>	<b>2,950,916</b>	<b>\$</b>	<b>14,141,997</b>
<b>Additional Information:</b>				
Loan and interest payable to the City/County Association of Governments of San Mateo County			\$	2,844,383
Loan and interest payable to the San Mateo County Transportation Authority			\$	3,347,523
Interest and debt fees payable on capital loan of \$100M to San Mateo County Transportation Authority			\$	283,170

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

Date: May 17, 2024

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

From: Executive Council

Subject: Review and approve Resolution SMCEL 24-01 authorizing the negotiation and execution of a service contract amendment with the California Highway Patrol (CHP) to increase the budget of the existing Agreement up to \$1,132,909, until June 30, 2025.

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

---

### RECOMMENDATION

That the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board review and approve Resolution SMCEL 24-01 authorizing the negotiations and execution of a service contract amendment with the California Highway Patrol (CHP) to increase the budget of the existing Agreement up to \$1,132,909, until June 30, 2025. The amendment represents an increase of \$526,000 from the existing Agreement.

### FISCAL IMPACT

The total fiscal impact is \$526,000, covering Fiscal Years (FY) 2024 and 2025. An additional \$160,000 is requested for FY 2024, as outlined in the FY 2024 Forecast being presented to the Board in May 2024. Funding for FY 2025 is included in the FY 2025 Proposed Budget, also being presented to the Board in May 2024 as part of the FY 2025 budgeting process.

### SOURCE OF FUNDS

For FY 2024, an amount of \$240,000 was approved to cover CHP enforcement services and an additional \$160,000 is being requested as part of the FY 2024 Forecast, totaling \$400,000 for the Fiscal Year. For FY 2025, an amount of \$616,000 is proposed in the FY 2025 Proposed Budget to cover these services.

### BACKGROUND

On June 11, 2021, the SMCEL-JPA Board approved Resolution 21-10, which adopted SMCEL Ordinance 2021-01 for the Administration of Tolls and Enforcement of Toll Violations for the 101 Express Lanes in San Mateo County. Administrative procedures and penalties enacted pursuant to Article 4 were adopted to ensure that motorists who evade the payment of Tolls while travelling on San Mateo County 101 Express Lanes shall be subject to civil penalties, while ensuring fairness in the treatment of violators.

California Streets and Highways Code Section 149.7 requires the SMCEL-JPA to enter into a contract with CHP that addresses all law enforcement matters related to the toll facility and authorizes reimbursement of that state agency for the enforcement activities, including those under SMCEL Ordinance 2021-01. Other express lane operators in the State have similar service contracts.

At its October 8, 2021 meeting, the SMCEL-JPA Board approved Resolution SMCEL 21-18 authorizing the

Chair of the SMCEL-JPA Board of Directors to execute the initial contract with CHP for the period of one year beginning with the initiation of tolling in the amount of \$200,000. That amount was based on the enforcement levels consistent with other regional express lane operators. The level of enforcement is dependent on the availability of CHP resources, which are occasionally diverted to other emergencies like natural disasters. To date, the level of enforcement has varied but is generally lower than anticipated. As of the end of this contract on December 31, 2022, \$126,909 remained of the \$200,000. Those funds were rolled over into the new service contract.

At its September 8, 2023 meeting, the SMCEL-JPA Board approved Resolution SMCEL 23-15, authorizing the SMCEL-JPA Board Chair to execute a new service agreement with the CHP. The agreement covers the period from January 1, 2023 through June 20, 2025, with a maximum amount of \$480,000. Additionally, the remaining funds from the initial contract, totaling \$126,909, are included, resulting in a total amount of \$606,909.

As a result of adjustments in the CHP enforcement strategy and CHP's ability to meet service demands, there has been an increase in service levels in FY 2024 by about 70% compared to FY2023. In addition, CHP rates have also increased. To ensure there is sufficient levels of enforcement services on the US 101 San Mateo Express Lanes, staff recommend increasing the FY 2024 and FY 2025 budget to \$400,000 and \$616,000, respectively. This results in an amendment that brings the total authorized expenditure to an amount not to exceed \$1,132,909 through the end of FY 2025.

Staff has negotiated the proposed contract terms between SMCEL-JPA and CHP, and recommends that the Chair of the SMCEL-JPA be authorized to execute the service contract.

**ATTACHMENT**

1. Resolution SMCEL 24-01

**RESOLUTION SMCEL 24-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A SERVICE CONTRACT AMENDMENT WITH THE CALIFORNIA HIGHWAY PATROL (CHP) TO INCREASE THE BUDGET OF THE EXISTING AGREEMENT UP TO \$1,132,909, UNTIL JUNE 30, 2025**

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

**WHEREAS** the SMCEL-JPA was granted approval by the California Transportation Commission (CTC) pursuant to California Streets and Highways Code section 149.7 to build, own, administer and operate high-occupancy toll lanes or other toll facilities, including the administration and operation of a value pricing program and exclusive or preferential lane facilities for public transit, on US 101 between Interstate 380 and the Santa Clara/San Mateo County line; and

**WHEREAS**, on June 11, 2021, the SMCEL-JPA adopted a Resolution SMCEL 21-10 for the Toll Ordinance for the Administration of Tolls and Enforcement of Toll Violations for the San Mateo County US 101 Express Lanes, and

**WHEREAS**, pursuant to California Streets and Highways Code section 149.7, SMCEL-JPA shall enter into a contract with CHP that addresses all law enforcement matters related to the toll facility and authorizes reimbursement of that state agency for the enforcement activities, including those under SMCEL Ordinance 2021-01, and

**WHEREAS**, in order to procure enforcement services for the San Mateo County US 101 Express Lanes, the SMCEL-JPA and CHP must enter a contract including, but not limited to, the scope of services, the duration of the contract and the applicable hourly rates; and

**WHEREAS**, on October 8, 2021, the SMCEL-JPA Board adopted Resolution SMCEL 21-18 authorizing the Chair of the SMCEL-JPA Board of Directors to execute the initial contract with CHP for the period of one year beginning with the initiation of tolling in the amount of \$200,000 and a contract with CHP was executed on November 10, 2021 by the Chair of the SMCEL-JPA Board; and

**WHEREAS**, on October 8, 2021, the SMCEL-JPA Board adopted Resolution SMCEL 23-15 authorizing the SMCEL-JPA Board Chair to execute a second contract with CHP for the period of commencing January 31, 2023 through June 30, 2025 in the amount not to exceed \$606,909; and

**WHEREAS** it is the desire of the SMCEL-JPA to amend the contract with CHP for the agreed upon express lanes enforcement services through Fiscal Year 2025 for a new amount not to exceed \$1,132,909. This represents an increase of \$526,000, covering Fiscal Years 2024 and 2025.

**NOW, THEREFORE, BE IT RESOLVED** by the SMCEL-JPA Board of Directors that the Chair is authorized to execute the contract amendment for enforcement services with CHP in an amount not to exceed \$1,132,909. Be it further authorized that the Executive Council negotiates final terms prior to execution, subject to Legal Counsel approval.



**PASSED, APPROVED, AND ADOPTED, THIS 17TH DAY MAY 2024.**

---

*Alicia Aguirre, Chair*

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

Date: May 17, 2024

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

From: Policy Program Manager (PPM)

Subject: Review and approve Resolution SMCEL 24-02 authorizing a no-cost contract amendment with Samaritan House to administer the Community Transportation Benefits Program (CTB Program) through June 30, 2025.

(For further information please contact Christa Cassidy at [ccassidy@hntb.com](mailto:ccassidy@hntb.com))

---

### **RECOMMENDATION**

Review and approve Resolution SMCEL 24-02 authorizing a no-cost contract amendment with Samaritan House to administer the Community Transportation Benefits Program (CTB Program) through June 30, 2025.

### **FISCAL IMPACT**

N/A. There is no fiscal impact related to this contract amendment.

### **SOURCE OF FUNDS**

Funding for the CTB Program comes primarily from the San Mateo County Transportation Authority (TA) bond/loan proceeds and the San Mateo County Express Lanes toll revenue in subsequent years. In addition, a one-time allocation of \$400,000 from the TA's Measure A Alternative Congestion Relief and Transportation Demand Management (ACR/TDM) was approved by the TA Board of Directors for the CTB Program.

### **BACKGROUND**

SMCEL-JPA contracts with Samaritan House to administer the CTB Program. The current contract expires on June 30, 2024. The PPM is seeking approval for a no-cost contract extension with Samaritan House until June 30, 2025 to maintain the existing CTB Program while the Next Gen CTB Program is being developed. It is anticipated the Next Gen CTB Program will launch before June 30, 2025, in which case, the PPM will develop a new contract amendment with Samaritan House detailing their augmented administrative role.

### **ATTACHMENTS**

1. Resolution 24-02
2. Contract Amendment B

**RESOLUTION SMCEL 24-02**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) AMENDING THE CONTRACT BETWEEN SAMARITAN HOUSE AND THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY FOR THE ADMINISTRATION OF SMCEL-JPA EQUITY PROGRAMS FOR A NEW PERIOD ENDING IN JUNE 30, 2025**

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

WHEREAS, on May 14, 2021, the Board of the SMCEL-JPA approved an Equity Program for the San Mateo County Express Lanes hereinafter called the “Program” and directed the Policy/Program Manager (PPM) and staff to finalize the implementation of the Program; and

WHEREAS, on October 8, 2021, the PPM recommended to the SMCEL-JPA Board to enter into a partnership with Samaritan House for the administration of the initial phase of the Program; and

WHEREAS, the SMCEL-JPA and Samaritan House first entered an Agreement approved by the SMCEL-JPA Board on December 10, 2021, for services spanning one year, with a budget not to exceed \$108,000. Additionally, a contract amendment was executed on March 2, 2023, extending the agreement for a one additional year with a budget not to exceed \$158,000; and

WHEREAS, the SMCEL-JPA desires to retain Samaritan House to administer the Program for an additional period to June 30, 2025;

**NOW THEREFORE BE IT RESOLVED**, by the SMCEL-JPA Board of Directors that the Chair is authorized to execute a no-cost second Amendment to the Agreement with Samaritan House, extending the term until June 30, 2025. Be it further authorized that the Executive Council is able make revisions prior to execution, subject to approval by the SMCEL-JPA Legal Counsel approval.

**PASSED, APPROVED, AND ADOPTED, THIS 17TH DAY MAY 2024.**

---

*Alicia Aguirre, Chair*

**Amendment B**

The parties agree to amend the Agreement by the following addition.

1. A section is added to Attachment A that reads as follows:

**Term:** The Term of this Agreement shall be from the date of contract amendment execution through June 30, 2025. The Agreement may be extended on an annual basis upon written agreement of the parties.

Samaritan House (Contractor)

By: \_\_\_\_\_  
Laura Bent

\_\_\_\_\_  
Date

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

By: \_\_\_\_\_  
Alicia Aguirre (Chair)

\_\_\_\_\_  
Date

Attest by:

By: \_\_\_\_\_  
Mima Guilles – Secretary of the Board

\_\_\_\_\_  
Date

Approved as to form:

By: \_\_\_\_\_  
Tim Fox

\_\_\_\_\_  
Date

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

Date: May 17, 2024

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

From: Executive Council

Subject: Review and approve Resolution SMCEL 24-03 approving the proposal from Carahsoft for Granicus Video Conversion Services for SMCEL-JPA Board Meetings from July 1, 2024 through June 30, 2027, with a total not to exceed amount of \$81,048.78.

(For further information please contact Van Dominic Ocampo at vocampo@smcgov.org )

---

### **RECOMMENDATION**

Review and approve Resolution SMCEL 24-03 approving the proposal from Carahsoft for Granicus Video Conversion Services for SMCEL-JPA Board Meetings from July 1, 2024 through June 30, 2027, with a total not to exceed amount of \$81,048.78. Additionally, authorize the SMCEL-JPA Executive Council to execute the necessary Purchase Orders.

### **FISCAL IMPACT**

A 3-year contract with Carahsoft for Granicus Video Conversion Services has a not to exceed amount of \$81,048.78. The fiscal impact for the first year of service is at an amount not to exceed \$24,486.03, increasing to \$26,934.65 and 29,934.65 for the second and third years, respectively. Succeeding years' Purchase Orders will be reviewed and executed by the Executive Council at the time of fiscal year's budget adoption.

### **SOURCE OF FUNDS**

Funds to cover the Purchase Order with the first year of Carahsoft service will be included in the adopted Fiscal Year 2024-2025 budget, while the funds for the succeeding years shall be included in the corresponding Fiscal Year's budget.

### **BACKGROUND**

To enhance public outreach and communication, the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) currently uses the video conversion services of Granicus to convert video recordings of SMCEL-JPA board meetings to live streams. Granicus is currently used by various San Mateo County government agencies including, the County Board of Supervisors, Caltrain, and the San Mateo County Transportation Authority (SMCTA).

California Government Code Section 53060 allows for a non-competitive type of procurement process, in light of the specially trained and experienced administrative support that the Granicus product line offers. In addition, Carahsoft is an Authorized Federal Supply Service Contractor with the General Services Administration (GSA) Multiple Award Schedules (MAS) Program, under Contract No. GSA MAS 8F:

47QSWA18D008F.

Carahsoft's proposal to SMCEL-JPA is \$81,048.78 for a three-year service period from July 1, 2024 through June 30, 2027. The attached proposal from Carahsoft (Attachment B) provides a breakdown of the service description and cost per year. Purchase Orders for the succeeding year's services will be executed by the Executive Council at the same time as the adoption of the corresponding Fiscal Year's budget.

**ATTACHMENTS**

1. Resolution SMCEL 24-03
2. Attachment A Purchase Order for Year 1
3. Attachment B - Proposal from Carahsoft

**RESOLUTION SMCEL 24-03**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) APPROVING THE PROPOSAL FROM CARAHSOFT FOR GRANICUS VIDEO CONVERSION SERVICES FOR SMCEL-JPA BOARD MEETINGS FROM JULY 1, 2024 THROUGH JUNE 30, 2027, WITH A TOTAL NOT TO EXCEED AMOUNT OF \$81,048.78 AND AUTHORIZING THE EXECUTIVE COUNCIL TO EXECUTE THE NECESSARY PURCHASE ORDERS**

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

**WHEREAS**, the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) is in need of video conversion services that will convert video recordings of SMCEL-JPA board meetings to live streams in order to enhance public outreach and communication; and

**WHEREAS**, staff solicited a proposal from Carahsoft, resulting in a submission to SMCEL-JPA. The proposal covers the period of July 2024 through June 2027, with a total not to exceed amount of \$81,048.78; and

**WHEREAS**, California Government Code Section 53060 allows for a non-competitive type of procurement process, in light of the specially trained and experienced administrative support that the Granicus product line offers; and

**WHEREAS**, Carahsoft is a distributor of Granicus Video Conversion Services and an Authorized Federal Supply Service Contractor with the General Services Administration (GSA) Multiple Award Schedules (MAS) Program, under Contract No. GSA MAS 8F: 47QSWA18D008F.

**NOW THEREFORE BE IT RESOLVED**, that the Board of Directors of the SMCEL-JPA approve the proposal from Carahsoft for Granicus Video Conversion Services for the SMCEL-JPA Board meetings from July 1, 2024 through June 30, 2027, with a total not to exceed amount of \$81,048.78. Be it further authorized that the Executive Council can execute the necessary Purchase Orders.

**PASSED, APPROVED, AND ADOPTED, THIS 17TH DAY OF MAY, 2024.**

---

*Alicia Aguirre, Chair*

## ATTACHMENT A

## SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

## Purchase Order

**San Mateo County Joint Powers Authority**

555 County Center, 5th Floor  
Redwood City, CA 94063  
USA

**Vendor's Contact Name:** Mandi Queen

**Phone:** (571) 662-3051

**Email:** Mandi.Queen@carahsoft.com

Dispatch via Email		
<b>Purchase Order</b> SAMCELJPA-002	<b>Contract #</b> Not Specified	<b>Payment Terms</b> Net 30
<b>Freight Terms</b> Destination	<b>PO Date</b> 05/17/2024	<b>Due Date</b> 05/17/2024
<b>Buyer</b> Leslie Fong	<b>E-mail Address</b> fongl@samtrans.com	<b>Phone</b> (650) 508-6332

**Vendor:** 000001

CARASOFT TECHNOLOGY CORP  
11493 SUNSET HILLS ROAD, SUITE 100  
RESTON, VA 20190

**Ship to:** P.O. Box 3006  
1250 San Carlos Ave.  
San Carlos CA 94070- 1306

**Requestor:** Leslie Fong  
**Department:** Finance  
**Phone:** 650 508 6332  
**E-mail Address:**  
FongL@samtrans.com

**Bill To:**  
[invoices@samtrans.com](mailto:invoices@samtrans.com)

Line	Item ID	Description	Quantity	UOM	Unit Price	Extended Amount
1		Granicus Video Conversion Services and hardware for SMCEL-JPA Board Meeting Video Conversion and uploading for the period of July 2024 through June 2025	1.00	LOT	\$24,486.03	\$24,486.03
<b>PO Amount Sub Total :</b>						\$24,486.03
<b>PO Misc Amount Total :</b>						0.00
<b>PO Sales Tax Total:</b>						0.00
<b>Total Tax</b>						0.00

Dated: 04/18/2024  
Quote No.: 44433080  
Quote Date: 04/07/2021  
Contact Authorized Representative: Leslie Fong  
Phone: 650-508-6332  
Email address: fongl@samtrans.com

Invoices or billing inquiries must be submitted to San Mateo County Express Lanes Joint Powers Authority Accounts Payable at [AccountsPayable@samtrans.com](mailto:AccountsPayable@samtrans.com).  
The Purchase Order Number should appear on all related correspondence, shipping papers, and invoices.  
Vendor shall provide products or perform services in their entirety in accordance with the submitted quote or proposal

**Total PO Amount** \$24,486.03

By submitting an invoice in connection with purchases under this purchase order, the vendor certifies that such invoice reflect the vendor's lowest applicable hourly billing rates, catalog pricing and/or other charges as applicable, equivalent or lower than that of pricing to their best commercial customer. All shipments, shipping papers, invoices and correspondence must be identified with the Purchase Order Number. Over shipments will not be accepted unless authorized by Buyer prior to shipment. Seller is advised to read and comply with all terms and conditions governing this purchase order attached herein as Exhibit 1.

**Authorized Signature**

Executive Council



PO ID: SMCELJPA - 002 Vendor : 000001

**Terms and Conditions**

1. **ACKNOWLEDGEMENT OF ORDER.** If this Purchase Order ("Order") is not returned within 7 working days of VENDOR'S receipt of it, AGENCY will deem the Order to have been accepted by VENDOR and a CONTRACT entered by both parties.
2. **OWNERSHIP OF WORK/RECORDS.** All materials to which VENDOR has access or prepares under this Order will be the property of AGENCY; must be held in confidence by VENDOR; may not be released without permission of AGENCY; and must be returned to AGENCY upon termination of Order. VENDOR will maintain all data and records relating to its performance of this Order for three years after AGENCY makes final payment under this Order and will permit AGENCY to inspect, audit and copy these records.
3. **INSPECTION AND ACCEPTANCE.** All items and work are subject to final inspection and acceptance by AGENCY, notwithstanding prior payment to obtain cash discount. VENDOR is to pay transportation/shipping charges to remove rejected materials or products.
4. **CHANGES.** AGENCY may suspend this Order or make changes in any terms and conditions governing this Order at any time. If any change causes a change in the price or in the time required for its performance, VENDOR will promptly submit its claim for adjustment in writing to AGENCY. All changes will be by confirmed written amendment issued by AGENCY. Nothing in this clause excuses VENDOR from proceeding immediately with this Order as changed.
5. **TERMINATION.** AGENCY reserves the right to terminate this Order at any time and for any reason upon written notice to the VENDOR. If VENDOR fails to cure default upon reasonable notice by AGENCY and the Order is terminated for default, AGENCY will have such additional remedies as may be available under California law. For services, AGENCY will only pay for those services performed satisfactorily up to the date of termination.
6. **WARRANTY.** VENDOR warrants that all items furnished will meet all requirements of the AGENCY'S Order and manufacturer's warranty, if any, and will be fit for the purposes intended, are free from defects in design, material, and workmanship. VENDOR agrees that by acceptance of this warranty and acceptance of the items provided by VENDOR the AGENCY does not waive any warranty either expressed or implied in Sections 2312-2317 of the Commercial Code of the State of California.
7. **DELIVERY.** If prices quoted on this Order include an additional charge for delivery from point of origin, VENDOR will invoice such delivery charge separately and such charge will not be subject to California State Sales/Use Tax. No C.O.D. shipments will be accepted. No additional charge for transportation, containers, packing, etc. will be allowed unless so specified in this Order. Unless otherwise provided in this Order, VENDOR must have title to and will bear the risk of any loss of damage to the goods ordered until they are delivered in conformity with this Order at the specified F.O.B. point. Upon such delivery, title will pass from VENDOR to AGENCY and VENDOR's responsibility for loss or damage will cease, except for loss or damage occurring prior to or upon delivery, or loss or damage resulting from VENDOR's negligence. Passing of title upon such delivery will not constitute acceptance of the goods and services by AGENCY.
8. **PAYMENT.** Payment will be made within 30 days of AGENCY'S acceptance of the invoice or the goods/services, whichever is later. All invoices and packing slips/bills must contain AGENCY'S Purchase Order (PO) number. To facilitate payment, each line of VENDOR's invoice must match each line of the PO. If invoice lines and PO lines do not match, AGENCY reserves the right to withhold payment until VENDOR resubmits a corrected invoice. For services, AGENCY must be invoiced monthly. For goods, each order and shipment must be invoiced separately.
9. **VENDOR'S STATUS.** VENDOR is an independent contractor. Neither VENDOR nor any party contracting with VENDOR or employed by VENDOR shall be deemed an agent or employee of AGENCY.
10. **ASSIGNMENTS AND SUBCONTRACTING.** Neither this Order nor any interest nor claim hereunder may be assigned or subcontracted by VENDOR either voluntarily or by operation of law, without the prior consent of AGENCY. Consent will not be deemed to relieve VENDOR of its obligations to comply fully with the requirements thereof.
11. **INDEMNIFICATION.** VENDOR will indemnify, defend and keep harmless AGENCY and its directors, officers, employees and agents against all suits, proceedings or claims that may be based on (1) any injury to or death of any person or any damage to property; or (2) an infringement of any patent of the United States; that may occur or be alleged to have occurred, arising from the performance of this Order by the VENDOR, whether or not it shall be claimed that the claim or injury was caused through a negligent act or omission of the VENDOR or its employees or agents. VENDOR will, at its own expense, pay all charges of attorneys and all costs and other expenses arising or incurred in connection with such suits, claims or losses. If any judgment is rendered against AGENCY in connection with any such suit, claim or loss, VENDOR will at its own expense satisfy and discharge it.
12. **INSURANCE.** VENDOR must maintain worker's compensation insurance in accordance with state requirements. VENDOR must also maintain commercial general liability insurance, including automobile liability insurance, in the amount of at least \$1,000,000 per claim for Orders from the District and \$2,000,000 for Orders from the JPB and TA. AGENCY reserves the right to require submittal of a certificate of insurance naming the AGENCY as additional insured. In addition, VENDOR must maintain professional liability insurance if applicable for \$1,000,000 per occurrence at a minimum. In the event a claim is made, the AGENCY reserves the right to request certified duplicate copies of all insurance policies required under this Section. Policy(ies) must be issued by an insurance company authorized to do business in the State of California with a minimum "Best's" rating of A-10, or better, or as otherwise approved by AGENCY. Policy(ies) must be kept in full force and effect during the performance of any work to be performed.
13. **ENVIRONMENTAL COMPLIANCE.** VENDOR will bear full and exclusive responsibility for any release of hazardous or nonhazardous substances, transportation or disposal of hazardous substances during the course of performance of this Order. The VENDOR will be solely responsible for all claims and expenses associated with the transport or disposal of hazardous substances or with the removal or remediation of any release, including without limitation, payment of any fines or penalties levied against AGENCY by any governmental authority as a result of such release. VENDOR will hold harmless, indemnify, protect and defend AGENCY from any claims, suits or actions arising from any disposal or release. VENDOR must immediately notify the AGENCY of any accidental incident related to the handling, transportation or disposal of hazardous or non-hazardous substances. The AGENCY reserves the right to gain access to and inspect vendor vehicles and/or facilities that handle, transport, or dispose of hazardous or non-hazardous substances.
14. **DISADVANTAGED BUSINESS ENTERPRISES/NONDISCRIMINATION.** VENDOR will cooperate with AGENCY in meeting its commitments and goals with regard to the maximum utilization of Disadvantaged Business Enterprises ("DBEs") and VENDOR will use its best efforts to insure that DBEs have an equitable opportunity to compete for subcontract work, if any, under this Order. VENDOR must not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin or disability. Such actions include, but are not limited to the following: employment, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates or pay or any other forms of compensation and selection for training, including apprenticeship. Furthermore, in providing services under this Order, VENDOR must not discriminate against any person on the basis of race, religion, color, sex, national origin or disability.
15. **GOVERNING LAW.** VENDOR'S acceptance of this Order certifies that it will comply with all applicable federal, state and local laws, rules, ordinances and regulations, including all applicable environmental statutes, regulations and guidelines. This Order and work performed under it will be governed by these terms and conditions and by California laws.
16. **TAXES.** AGENCY is exempt from Federal Taxes or Federal Transportation Taxes.
17. **PRECEDENCE OF DOCUMENTS.** In the event of conflict between these Terms and Conditions and the terms contained in any other agreements relating to this Order, these Terms and Conditions will govern.
18. **TIME OF ESSENCE/BINDING ON SUCCESSORS.** Time is of the essence of each and all provisions of this Order.
19. **NO WAIVER.** Failure of AGENCY to insist upon strict performance of any of the terms and conditions hereof, or failure or delay to exercise any rights or remedies or to properly notify VENDOR in the event of breach, or the acceptance of or payment for any goods hereunder, will not release VENDOR of any of the warranties or obligations of this Order and will not be deemed a waiver of any right of AGENCY to insist upon strict performance hereof.
20. **COMPLIANCE WITH LAWS.** VENDOR's acceptance of this Order certifies that goods and services sold and furnished to AGENCY by VENDOR are produced and sold in conformity with all applicable federal, state and local laws, rules, ordinances and regulations.

AGENCY is defined as: San Mateo County Express Lanes Joint Powers Authority

Revised 09-2019

15768428.1

# GOVERNMENT- PRICE QUOTATION

## Granicus at Carahsoft



11493 SUNSET HILLS ROAD | SUITE 100 | RESTON, VIRGINIA 20190  
 PHONE (703) 871-8500 | FAX (703) 871-8505 | TOLL FREE (888) 66CARAH  
 WWW.CARAHSOFT.COM | GRANICUS@CARAHSOFT.COM



**TO:** Leslie Fong  
 San Mateo County Express Lanes Joint Powers Authority  
 1250 San Carlos Avenue  
 San Carlos, CA 94070-1306 USA

**FROM:** Mandi Queen  
 Granicus at Carahsoft  
 11493 Sunset Hills Road  
 Suite 100  
 Reston, Virginia 20190

**EMAIL:** invoices@smcta.com

**EMAIL:** Mandi.Queen@carahsoft.com

**PHONE:** (650) 508-6332

**PHONE:** (571) 662-3051

**FAX:** (703) 871-8505

**TERMS:** GSA Schedule No: 47QSWA18D008F  
 Term: August 22, 2018 - August 21, 2028  
 FTIN: 52-2189693  
 Shipping Point: FOB Destination  
 Credit Cards: VISA/MasterCard/AMEX  
 Remit To: Same as Above  
 Payment Terms: Net 30 (On Approved Credit)  
 Cage Code: 1P3C5  
 DUNS No: 088365767  
 UEI: DT8KJHZXVJH5  
 Business Size: Other than Small  
 Sales Tax May Apply

**QUOTE NO:** 44433080  
**QUOTE DATE:** 04/18/2024  
**QUOTE EXPIRES:** 06/30/2024  
**RFQ NO:**  
**SHIPPING:** ESD  
**TOTAL PRICE:** \$24,486.03  
**TOTAL QUOTE:** \$24,486.03

# GOVERNMENT- PRICE QUOTATION

## Granicus at Carahsoft



11493 SUNSET HILLS ROAD | SUITE 100 | RESTON, VIRGINIA 20190  
 PHONE (703) 871-8500 | FAX (703) 871-8505 | TOLL FREE (888) 66CARAH  
 WWW.CARAHSOFT.COM | GRANICUS@CARAHSOFT.COM



### SUGGESTED OPTIONS

LINE NO.	PART NO.	DESCRIPTION	-	QUOTE PRICE	QTY	EXTENDED PRICE
<b>FUTURE YEAR PRICING</b>						
6	GR-ID-UPSDI	Upgrade to SDI 720p Streaming - Annual Subscription Granicus - SAS-SE-MA-VID-UPSDI Start Date: 07/01/2025 End Date: 06/30/2026		\$3,560.42	GSA 1	\$3,560.42
7	GR-E-MA-VID	Government Transparency Suite - Annual Subscription Granicus - SAS-SE-MA-VID Start Date: 07/01/2025 End Date: 06/30/2026		\$17,143.47	GSA 1	\$17,143.47
8	GR-VID-ESFW	Granicus Encoding Appliance Software (GT) - Annual Subscription Granicus - SAS-SE-MA-VID-ESFW Start Date: 07/01/2025 End Date: 06/30/2026		\$1,780.22	GSA 1	\$1,780.22
9	GR-MA-ECOM	eComment - Annual Subscription Granicus - SAS-SE-MA-ECOM Start Date: 07/01/2025 End Date: 06/30/2026		\$4,450.54	GSA 1	\$4,450.54
10	GR-E-MA-PLF-OP-611	Open Platform Suite Each Annual Subscription Granicus - SAS-SE-MA-PLF-OP Start Date: 07/01/2025 End Date: 06/30/2026		NSP	GSA 1	\$0.00
11	GR-ID-UPSDI	Upgrade to SDI 720p Streaming - Annual Subscription Granicus - SAS-SE-MA-VID-UPSDI Start Date: 07/01/2026 End Date: 06/30/2027		\$3,916.46	GSA 1	\$3,916.46
12	GR-E-MA-VID	Government Transparency Suite - Annual Subscription Granicus - SAS-SE-MA-VID Start Date: 07/01/2026 End Date: 06/30/2027		\$18,857.82	GSA 1	\$18,857.82
13	GR-VID-ESFW	Granicus Encoding Appliance Software (GT) - Annual Subscription Granicus - SAS-SE-MA-VID-ESFW Start Date: 07/01/2026 End Date: 06/30/2027		\$1,958.24	GSA 1	\$1,958.24
14	GR-MA-ECOM	eComment - Annual Subscription Granicus - SAS-SE-MA-ECOM Start Date: 07/01/2026 End Date: 06/30/2027		\$4,895.58	GSA 1	\$4,895.58
15	GR-E-MA-PLF-OP-611	Open Platform Suite Each Annual Subscription Granicus - SAS-SE-MA-PLF-OP Start Date: 07/01/2026 End Date: 06/30/2027		NSP	GSA 1	\$0.00
<b>FUTURE YEAR PRICING SUBTOTAL:</b>						<b>\$56,562.75</b>
<b>SUGGESTED SUBTOTAL:</b>						<b>\$56,562.75</b>

# GOVERNMENT- PRICE QUOTATION

## Granicus at Carahsoft



11493 SUNSET HILLS ROAD | SUITE 100 | RESTON, VIRGINIA 20190  
PHONE (703) 871-8500 | FAX (703) 871-8505 | TOLL FREE (888) 66CARAH  
WWW.CARAHSOFT.COM | GRANICUS@CARAHSOFT.COM



---

**Net 30 (Payments for subscriptions are due at the beginning of the period of performance.)**

**Period of Performance: 07/01/24 - 06/30/25**

**with the option to renew for two (2) additional annual terms.**

**Client must award all upcoming and future subscription terms listed in the proposal to be eligible for the pricing noted herein.**

**Please add the Contracts # on the PO**

**Contract Number:**

**GSA MAS 8F: 47QSWA18D008F**

**For govDelivery Customers Only:**

**Potential Users are based on the greater of quarterly website visits to the domains covered by a license or the subscriber base multiplied by 12, less 20% to account for inactive subscribers.**

**The Granicus Master Subscription Agreement can be found at <https://granicus.com/wp-content/uploads/application/pdf/Granicus-Master-Subscription-Agreement-GSA.pdf>**

## Granicus Order Form for San Mateo County Express Lane JPA

### ORDER DETAILS

**Granicus Contact:** Justine Torres  
**Email:** justine.torres@granicus.com  
**Order #:** Q-347487  
**Prepared On:** 18 Apr 2024

### ORDER TERMS

**Currency:** USD  
**Payment Terms:** All fees set forth in the Quote from reseller/distributor to Client are due and payable in accordance with those terms. Use of the Products is governed by the terms of the Granicus Master Subscription Agreement or such other Agreement as agreed to by the parties.

**Current Subscription**  
**End Date:** 30 Jun 2024  
**Initial Order Term End**  
**Date:** 30 Jun 2027  
**Period of Performance:** 01 Jul 2024 - 30 Jun 2025

## PRODUCT SUMMARY

The specifications and terms within this Order Form are specific to the products and volumes contained herein.

**NOTE: Fees for the below Products will be as set forth in the quote from an authorized reseller.**

Renewing Subscriptions		
Solution	Billing Frequency	Quantity/Unit
Upgrade to SDI 720p Streaming	Annual	1 Each
Government Transparency Suite	Annual	1 Each
Granicus Encoding Appliance Software (GT)	Annual	1 Each
eComment	Annual	1 Each
Open Platform Suite	Annual	1 Each

## PRODUCT DESCRIPTIONS

Solution	Description
Upgrade to SDI 720p Streaming	Upgrade to SDI 720p Streaming (requires Digital encoder and HD feed)
Government Transparency Suite	Government Transparency are the live in-meeting functions. Streaming of an event, pushing of documents, and indexing of events.
Granicus Encoding Appliance Software (GT)	Granicus Encoding Appliance Software (GT) This includes the LiveManager Software solution where webcasts are started/stopped, agendas amended and indexed, votes and attendance recorded, and minutes created.
eComment	eComment reduces staff time by providing the ability to effortlessly collect and manage citizen input on agenda items. Citizens are allowed to either submit comments in regards to items or sign up to speak before a scheduled meeting.
Open Platform Suite	Open Platform is access to MediaManager, upload of archives, ability to post agendas/documents, and index of archives. These are able to be published and accessible through a searchable viewpage.

## TERMS & CONDITIONS

- This quote, and all products and services delivered hereunder are governed by the terms located at <https://granicus.com/legal/licensing>, including any product-specific terms included therein (the "License Agreement"). If your organization and Granicus has entered into a separate agreement or is utilizing a contract vehicle for this transaction, the terms of the License Agreement are incorporated into such separate agreement or contract vehicle by reference, with any directly conflicting terms and conditions being resolved in favor of the separate agreement or contract vehicle to the extent applicable.
- If submitting a Purchase Order, please include the following language: The pricing, terms and conditions of quote Q-347487 dated 18 Apr 2024 are incorporated into this Purchase Order by reference and shall take precedence over any terms and conditions included in this Purchase Order.
- This quote is exclusive of applicable state, local, and federal taxes, which, if any, will be included in the invoice. It is the responsibility of San Mateo County Express Lane JPA to provide applicable exemption certificate(s).
- Any lapse in payment may result in suspension of service and will require the payment of a setup fee to reinstate the subscription.



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

DATE: May 17, 2024

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

FROM: Kate Jordan Steiner  
Chief Financial Officer

SUBJECT: Receive a presentation on the draft Fiscal Year 2025 SMEL-JPA Operating budget

(For further information or questions, contact Kate Jordan Steiner at steinerkj@samtrans.com)

---

### RECOMMENDATION

That the SMCEL-JPA Board receives a presentation on the draft Fiscal Year 2025 SMEL-JPA Operating budget. Staff will present a final Fiscal Year 2025 (FY25) budget proposal for Board adoption at the June 14, 2024, Board meeting.

### FISCAL IMPACT

Adoption of the FY2025 Budget would provide the SMCEL-JPA budget authority for \$22,258,749 in anticipated expenditures in the upcoming fiscal year. This budget includes toll revenues and express lanes operational and maintenance (O&M) expenses for the full corridor.

### SOURCE OF FUNDS

Funding sources for the SMCEL-JPA mainly come from toll revenues and interest earnings.

### BACKGROUND

Management and operation of the Express Lanes is governed by the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA), a six-member joint powers authority consisting of three (3) San Mateo County Transportation Authority (TA) Board members and three (3) City/County Association of Governments of San Mateo County (C/CAG) Board members.

The Express Lanes, extending over 22 miles within San Mateo County, provide a continuous link to Santa Clara County's express lanes. These lanes facilitate travel in both the northbound and southbound directions along US 101, stretching from Santa Clara County line to Interstate 380 in South San Francisco. The FY25 Budget provides funding for the continued operational support of the full corridor of the US 101 Express Lanes.

**FY25 Preliminary Budget**

Please refer to Attachment A for a comparative schedule of the FY25 Preliminary, FY24 Forecast, and the FY24 Adopted budgets. The line numbers for each revenue and expense item are detailed below and refer to the corresponding line numbers on Attachment A.

**Total Sources of Funds (Line 7)**

Total revenues for FY25 are projected at \$31.0 million (M), an increase of \$0.7M (2.3%) compared to FY24 Forecast. The FY24 Forecast shows a total revenue of \$30.3M, an increase of \$5.0M from the FY24 Adopted budget.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>SOURCES OF FUNDS</b>					
<b>TOTAL SOURCES OF FUNDS</b>	25,377,550	30,341,790	31,038,000	696,210	2.3%

**Toll Revenues (Line 2) \$28.0M – Increase \$0.8M compared to FY24 Forecast**

The FY25 Preliminary Budget is estimated to be \$28.0M, which reflects a 3.0% growth compared to the FY24 Forecast. This growth is based on an assumption of steady state of traffic and revenue with a slight increase, similar to other regional corridor growth rates. Total annual revenue for FY24 Forecast is projected to be \$27.2M (\$2.3M per month). This number is derived from the average tolls gathered in the same six-month period. The FY24 Adopted Budget was \$20.2M, calculated from the average monthly tolls from the southern segment from July 2022 to February 2023, and escalated by the lane mile for the full corridor.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>SOURCES OF FUNDS</b>					
Toll Revenues	20,200,000	27,172,000	27,988,000	816,000	3.0%

**Toll Violation, Fees, and Penalties (Line 3) \$2.3M – Increase \$65,000 compared to FY24 Forecast**

This line item pertains to the penalties and charges linked to the use of the Express Lanes. The FY25 Preliminary Budget is estimated to be \$2.3M, which reflects a 3.0% growth from the six-month average of actual fees collected between July to December 2023.

The FY24 Forecast of \$2.2M is based on averaging the fee collections during the corresponding period. The monthly estimate of the FY24 Forecast is \$0.2M. The FY24 Adopted Budget of \$4.2M assumed a monthly collection of \$0.4M. The monthly figure is derived from the average fees of

the southern segment from December 2022 to February 2023, and escalated by the lane miles for the full corridor. The increase in FasTrak adoption by driver has led to fewer fees and violations than initially projected. The monthly collection has been fairly steady between July to December 2023.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>SOURCES OF FUNDS</b>					
Toll Violation, Fees and Penalties	4,200,000	2,188,000	2,253,000	65,000	3.0%

**Allocated Bond Funds – Equity Program (Line 4) \$0 – Decrease \$0.6M compared to FY24 Forecast.**

As part of the \$100.0M loan agreement the TA made to the SMCEL-JPA in 2020, \$1.0M was earmarked for equity program expenses. The FY25 Preliminary Budget does not include an allocation for this as it is expected that the Allocated Bond Funds will be completely expended in FY24. This is consistent with the FY24 Forecast, which projects that the remaining \$0.6M of the \$1.0M set aside for the Equity Program Administration and Costs will be fully spent. The FY24 Adopted budget included a rollover of \$0.6M, which was based on the projected expenditures from the previous year.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>SOURCES OF FUNDS</b>					
Allocated Bond Funds - Equity Program	577,550	558,100	-	(558,100)	-100.0%

**SMCTA Measure A (ACR TDM) – Equity Program (Line 5) \$0.4M – Increase \$0.3M compared to FY24 Forecast**

On January 6, 2022, TA Board made a one-time allocation of \$0.4M from the Alternative Congestion Relief/Transportation Demand Management (ACR/TDM) program to the US 101 Express Lanes Equity Program.

The FY25 Preliminary Budget assumes a carryforward balance of \$0.4M. This is based on the FY24 Forecast that projects an expenditure of \$45,900 for the Equity Program. The FY24 Adopted Budget reflects the originally approved allocation of \$0.4M.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>SOURCES OF FUNDS</b>					
SMCTA Measure A (ACR TDM) - Equity Program	400,000	45,900	354,100	308,200	671.5%

**Miscellaneous Revenue - Interest Income (Line 6) \$0.4M – Increase \$65,110 compared to FY24 Forecast**

This line item reflects the interest income on the SMCEL-JPA’s average annual cash holdings.

The FY25 Preliminary Budget projects interest earnings of \$0.4M, assuming an average balance of \$13.4M at a 3.3% interest rate. This represents a \$65,110 increase over the FY24 Forecast. The amount of interest in the FY24 Forecast is \$0.4M. The estimate is based on a \$11.4M cash balance at a 3.3% interest rate. No interest income was budgeted in the FY24 Adopted Budget as the lanes were newly open.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>SOURCES OF FUNDS</b>					
Miscellaneous Revenue (Interest Income)	-	377,790	442,900	65,110	17.2%

**Uses of Funds**

**Staff Support & Administrative Overhead: (Line 10) \$1.2M – Increase \$0.3M compared to FY24 Forecast**

This includes staff wages, benefits, and administrative overhead from the San Mateo County Transit District/TA and C/CAG to support the operations of the SMCEL-JPA.

- The FY25 Preliminary Budget is projected at \$1.2M, reflecting an increase of \$0.3M over the FY24 Forecast. Due to the cancellation of several Board meetings in FY24, staff costs are expected to be lower than the adopted budget. A total of 3.52 full-time equivalents (FTEs) in C/CAG and San Mateo County Transit District (District)/TA staff time is budgeted in FY25. The additional costs are driven by increases in staff time dedicated to the Express Lanes operation. New key initiatives planned for FY25 include implementation of recommendations from the Organizational Assessment, procurement of a new Program and Policy Manager contract, and the preparation of an Expenditure Plan.
- The FY24 Forecast is projected at \$0.9M, which is based on the actual staff charges and administrative overhead expenses up to February 2024 and estimated for the subsequent months. The decrease of \$0.3M from the FY24 Adopted budget is attributed to staff supporting the JPA charging less time than initially budgeted.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Staff Support	1,172,750	897,548	1,197,358	299,810	33.4%

**Seminar/Training & Business Travel: (Line 11) \$40,500 – Increase \$24,264 compared to FY24 Forecast**

Includes cost of seminars, training and conferences related to express lanes administration and technology, business travel for meeting attendance in and around the region regarding Express Lanes business, as well as meetings with the State, such as California Department of Transportation (Caltrans), California Toll Operations Committee, and the International Bridge, Tunnel and Turnpike Association (IBTTA) meetings & events.

- The FY25 Preliminary Budget retains the same allocation as the FY24 Adopted Budget, amounting to \$40,500 for Seminar/Training and Business Travel. The FY24 Forecast of \$16,236 reflects lower-than-expected expenses in training and business travel.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Seminar/Training & Business Travel	40,500	16,236	40,500	24,264	149.4%

**Audit and Bank Fees: (Line 12) \$21,965 – Minimal increase compared to FY24 Forecast**

This line item encompasses the costs for annual audit services, Government Finance Officers Association subscriptions and applications as well as bank fees and fiscal agent fees.

- The FY25 Preliminary Budget is projected at \$21,965 while the FY24 Adopted budget at \$22,636. This represents a modest increase over the FY24 Forecast of \$21,799, which is attributed to the yearly rise in the Consumer Price Index (CPI) of the annual audit service agreement.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Audit & Bank Fees	22,636	21,799	21,965	166	0.8%

**Promotional Advertising: (Line 13) \$50,000 – No change compared to FY24 Forecast**

This budget request is for marketing promotional advertising services for the San Mateo US 101 toll program, such as education and outreach on the usage of the Express Lanes.

The amount of \$50,000 is consistent with the FY25 Preliminary, FY24 Forecast and FY24 Adopted Budgets.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Promotional Advertising	50,000	50,000	50,000	-	0.0%

**Utilities: (Line 14) \$60,000 - Increase of \$10,000 compared to FY24 Forecast**

This line item includes utilities costs from PG&E.

- The FY25 Preliminary is budgeted at \$60,000 and will cover all the utility costs that will be incurred for the Express Lanes operations.
- The FY24 Adopted Budget amount is consistent with the FY24 Forecast of \$50,000. There is no change.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Utilities	50,000	50,000	60,000	10,000	20.0%

**Software Maintenance & License: (Line 15) \$38,000 – Increase \$8,279 compared to FY24 Forecast**

- The FY25 Preliminary budget allocates \$38,000 for software subscriptions, which includes \$10,000 for Box online Document Management and \$28,000 for Granicus software. This allocation is \$8,279 higher than the FY24 Forecast, reflecting rising costs of subscription.
- The FY24 Forecast projects a total of \$29,721, showing a \$3,879 drop from the FY24 Adopted Budget, which is due to the actual expenditures being lower than anticipated.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Software Maintenance & License	33,600	29,721	38,000	8,279	27.9%

**Legal Services: (Line 16) - \$60,000 – Increase \$48,000 compared to FY24 Forecast**

This line item covers costs for contracted legal services provided by the San Mateo County Attorney’s Office.

- The FY25 Preliminary and FY24 Adopted Budget reflects \$60,000 based on the contracted amount. The FY24 Forecast, reflects the actual and projected spending for the year.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Legal Services	60,000	12,000	60,000	48,000	400.0%

**Insurance: (Line 17) \$0.7M – Increase \$54,500 compared to FY24 Forecast**

This line item is for the annual premium for property and liability coverage.

- The FY25 Preliminary Budget is projected at \$0.7M, which is \$54,500 more than the FY24 Forecast, primarily due to a few claims in the past year.
- The FY24 Forecast is projected at \$0.6M. This is an increase of \$0.1M in premiums over the FY24 Adopted budget, due to the higher insurable value for covering the entire corridor and a required increase in General Liability coverage.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Insurance	500,000	615,000	669,500	54,500	8.9%

**SMCEL-JPA Bond Related Debt Fees: (Line 18) \$0.7M – Increase \$0.4M compared to FY24 Forecast**

- The FY25 Preliminary Budget projects \$0.7M for bond-related debt fees, including \$0.5M in Letter of Credit (LOC) fees, \$0.1M in Trustee and Remarketing fees, and \$30,000 in legal expenses. This amount is \$0.4M higher than FY24 Forecast, which accounts for only 4 months of debt fees- from March to June 2024.
- The FY24 forecast of \$0.3M only covered four months of interest (March-June 2024), after the capitalized interest are no longer available after February 2024. The FY25 budget reflects a full year of expenses.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
SMCEL-JPA Bond Related Debt Fees	520,000	280,000	670,000	390,000	139.3%

**Miscellaneous: (Line 19) \$54,300 – Increase \$26,390 compared to FY24 Forecast**

- This line item includes provisions for dues and subscriptions, board compensation, ADP fees, office supplies, printing, and information services.
- The FY25 Preliminary Budget allocates \$54,300 for miscellaneous expenses, a \$26,390 increase from the FY24 Forecast of \$27,910. This increase is to cover higher anticipated Board of Director compensation, International Bridge, Tunnel & Turnpike Association (IBTTA) membership fees and Pen Media Audio Visual costs.
- The FY24 Forecast represents a decrease of \$1,440 over the FY24 Adopted budget due to fewer Board meetings in the fiscal year.



	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Miscellaneous	29,350	27,910	54,300	26,390	94.6%

**Consultant: (Line 20) \$1.6M – Increase \$0.3M compared to FY24 Forecast**

This line item is for consulting services, which cover the HNTB’s Policy Program Management (PPM) contract that is valid until October 2025, a one-time organizational study and analysis, various technical studies, advocacy and lobbying efforts.

- The FY25 Preliminary Budget allocates \$1.6M for consulting services, representing a \$0.3M increase compared to the FY24 Forecast. This additional funding in FY25 supports essential initiatives, including:
  - Completion of the organizational assessment; \$70,000.
  - As needed technical studies not covered by the scope of the PPM contract: \$150,000.
  - Advocacy/lobbying efforts: \$75,000.
- The FY24 Forecast is projected at \$1.4M, which is \$0.9M less than the FY24 Adopted Budget. The forecast represents projected costs for the HNTB PPM and the organizational study and analysis. There are no projected costs for technical studies and advocacy/lobby services.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Consultant	2,206,700	1,350,000	1,645,000	295,000	21.9%

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
HNTB Policy Program Management (PPM)	\$ 1,481,700	\$ 1,200,000	\$ 1,200,000	\$ -	0.0%
Organizational Study and Analysis	400,000	\$ 150,000	\$ 220,000	\$ 70,000	31.8%
Allowance for Technical Studies/Services	250,000		\$ 150,000	\$ 150,000	100.0%
Advocacy and Lobbying Services	75,000		\$ 75,000	\$ 75,000	100.0%
<b>Total Consultant</b>	<b>\$ 2,206,700</b>	<b>\$ 1,350,000</b>	<b>\$ 1,645,000</b>	<b>\$ 295,000</b>	<b>21.9%</b>

**Express Lane Maintenance: (Line 21) \$0.8M – Increase \$0.6M compared to FY24 Forecast**

- The FY25 Preliminary Budget allocates \$0.8M for an extensive Caltrans maintenance agreement. This includes \$0.6M for direct maintenance work – covering labor, equipment, and repairs materials, and \$0.3M for Traffic Management Program (TIMP) operations, which involve real-time surveillance and incident management.
- In contrast, the FY24 Forecast is at \$0.2M. This is the reflection of the projected spending for the year based on incurred costs to date.



	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Express Lane Maintenance	847,000	222,500	847,000	624,500	280.7%

**Toll Operations and Maintenance (BAIFA) (Line 22) \$7.0M– Increase \$1.0M compared to FY24 Forecast**

This line reflects the Bay Area Infrastructure Financial Authority’s (BAIFA) operation of the Express Lanes toll system, including the collection of toll transactions and traffic data, sending information to the Bay Area Toll Authority customer service center, monitoring system performance, providing roadway operations, and the maintenance of toll system equipment and software.

- The FY25 Preliminary Budget is projected at \$7.0M. This includes program management, operations and maintenance of toll system, Regional Operations Center (ROC) 511 monitoring, other civil costs not covered by Caltrans, AT&T host/fiber costs, and a 10% contingency. This estimate is derived from the six-month average cost incurred from July to December 2023. The budget also accounts for the prevailing wage increase for the three toll system maintenance technicians, a 2.9% rise in the fix rate of the toll system, and a 3% increase in variable costs relative to the FY24 Forecast.
- The FY24 Forecast is projected at \$6.0M. This estimate is based on the same six-month average cost analysis from July to December 2023. This \$2.4M decrease from the FY24 Adopted Budget, which was calculated based on actual expenditures from the southern segment of 7.0 mile, escalated for the full corridor’s lane mile.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Toll Operations and Maintenance (BAIFA)	8,350,000	5,990,000	6,950,000	960,000	16.0%

Scope Area	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
Program Management	\$ 1,060,000	\$ 580,000	\$ 990,000	\$ 410,000	70.7%
Toll Systems	\$ 3,190,000	\$ 2,860,000	\$ 3,600,000	\$ 740,000	25.9%
Regional Operations Center (ROC) - Fixed	\$ 570,000	\$ 400,000	\$ 590,000	\$ 190,000	47.5%
Other Civil Costs	\$ 2,700,000	\$ 1,410,000	\$ 960,000	\$ (450,000)	-31.9%
Backhaul - Fixed (AT&T Host Costs & Fiber Costs)	\$ 190,000	\$ 200,000	\$ 180,000	\$ (20,000)	-10.0%
Contingency - 10%	\$ 640,000	\$ 540,000	\$ 630,000	\$ 90,000	16.7%
<b>Total</b>	<b>\$ 8,350,000</b>	<b>\$ 5,990,000</b>	<b>\$ 6,950,000</b>	<b>\$ 960,000</b>	<b>16.0%</b>

**FasTrak Customer Service (BATA) (Line 23) \$3.6M – Increase \$0.1M compared to FY24 Forecast**

This line item is to provide customer service for FasTrak® accounts and trips taken on the US

101 Express Lanes in San Mateo County, to process customer payments and issue toll evasion violation notices.

- The FY25 Preliminary Budget is projected at \$3.6M. This estimate is calculated using the average costs from July to December 2023, plus a 10% contingency. This reflects a \$0.1M increase over the FY24 Forecast, marking an approximately 3.0% growth rate for FY25.
- The FY24 Forecast represents a decrease of \$1.7M compared to the FY24 Adopted Budget of \$5.2M based on average costs from July to December 2023.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
FasTrak Customer Service (BATA)	5,200,000	3,543,100	3,647,500	104,400	2.9%

Scope Area	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST VS FY25 PRELIMINARY	PERCENTAGE CHANGE
FasTrak Maintenance & Accounting	\$ 200,000	\$ 88,400	\$ 91,100	\$ 2,700	3.1%
Customer Service Center	\$ 4,000,000	\$ 2,334,000	\$ 2,404,000	\$ 70,000	3.0%
Credit Card and Banking Fees	\$ 900,000	\$ 723,700	\$ 745,400	\$ 21,700	3.0%
Direct Costs	\$ 100,000	\$ 75,000	\$ 75,000	\$ -	0.0%
Contingency - 10%		\$ 322,000	\$ 332,000	\$ 10,000	3.1%
<b>Total</b>	<b>\$ 5,200,000</b>	<b>\$ 3,543,100</b>	<b>\$ 3,647,500</b>	<b>\$ 104,400</b>	<b>2.9%</b>

**Express Lane Enhanced Enforcement (CHP) (Line 24) \$0.6M – Increase \$0.2M compared to FY24 Forecast**

This line item is for the California Highway Patrol (CHP) to provide enforcement services.

- The FY25 Preliminary Budget of \$0.6M anticipates an increase of \$0.2M over the FY24 Forecast. The FY24 Forecast was based on average cost of six-month of actual expenditures from July to December 2023. The projected increase is mainly attributed to an expected rise in service levels for FY25 and an increase in CHP rate. A new contract is anticipated to be in place for FY25.
- The FY24 Forecast reflects an increase of \$0.2M compared to the FY24 Adopted Budget as this estimate is based on actual costs. The FY24 Adopted Budget was the contract amount agreed upon with CHP.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Express Lane Enhanced Enforcement (CHP)	240,000	400,000	616,000	216,000	54.0%

**Equity Program Administration and Costs (Line 25) \$1.5M – Increase \$0.9M compared to FY24 Forecast**

This line item reflects the agreement with Samaritan House for San Mateo 101 Express Lanes Equity Program administration services. This includes eligibility screening, marketing and outreach, oversight, reporting and the direct costs of procuring Clipper Cards and FasTrak® toll tag/transponders. Samaritan House will provide eligible residents with Clipper Cards and FasTrak® toll tag/transponders.

- The FY25 Preliminary Budget is projected at \$1.5M. In November 2023, the SMCEL-JPA Board approved significant changes to the equity program, which is expected to be implemented in FY25. The new equity program will have startup development costs, increased marketing and outreach, increased benefit costs from \$100 to \$200 per eligible participant, which is anticipated to result in an increased level of participation. FY25 is funded by \$0.4M of TA ACR/TDM of funds, with the balance covered by Toll Revenues.
- The FY24 Forecast of \$0.6M, projects \$0.5M for distributing around 1,000 Clipper Cards and 500 FasTrak toll tags annually, \$0.1M for administrative operations, and \$4,000 for printing and promotional activities to this program. This is a decrease compared to the FY24 Adopted Budget as the goal was to fully utilize all available funding from allocated bond funds of \$0.6M, \$0.4M of TA ACR/TDM funds and \$0.5M of toll revenue.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Equity Program Administration and Costs	1,435,000	604,000	1,471,039	867,039	143.5%

**Interest Expense on Operating Advances: (Line 26) \$0.3M – Increase \$74,249 compared to FY24 Forecast.**

This is the estimated interest incurred on the balance from the Operating advances from both C/CAG and TA.

- The FY25 Preliminary Budget is \$0.3M. This includes TA interest of \$0.2M and C/CAG interest of \$0.1M. The anticipated interest rate for FY25 is 5.0% annually on an estimated \$6.3M operating advance balance. This represents an increase of \$74,249 over the FY24 Forecast, which was projected at \$0.2M. The assumption was the JPA providing \$0.1M of interest payment each to TA and C/CAG. Estimates are based on the actual interest accrued from July 2023 to January 2024 with a 4.75% interest rate applied to the remaining five month’s projection based on \$6.1M operating advance balance.
- The FY24 Adopted Budget is \$0.3M, based on an average county pool interest rate of 4.375% on an estimated \$6.0M operating advance balance.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Interest Expense on Operating Advances	269,098	246,338	320,587	74,249	30.1%

**Credit Enhancement Fee: (Line 27) \$0.4M – No change with FY24 Forecast**

The Credit Enhancement Fee is a cost associated with the \$100.0M bond issuance secured by the TA in 2020 to support capital, financing, and ongoing costs of the US 101 Express Lanes Project for the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA). This fee compensates the TA for assuming risk and managing the bond issuance and maintenance process.

- The fee is calculated annually at a rate of 0.4% on the outstanding loan balance.
- The FY25 Preliminary Budget remains the same as FY24. The FY24 Forecast is also in alignment with FY24 Adopted Budget.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
Credit Enhancement Fee	400,000	400,000	400,000	-	0.0%

**SMCEL-JPA Bond Interest: (Line 28) \$3.5M – Increase \$2.5M compared to FY24 Forecast**

When the TA issued debt in 2020 on behalf of the SMCEL-JPA to finance construction of the express lanes, the TA identified and qualified \$6.0M as capitalized interest for the first three years of the term of the loan. This capitalized interest allows the interest to be paid from the loan; however, after March 2, 2024, this set aside of capitalized interest will not be available to reimburse the interest costs.

- The FY25 Preliminary Budget is projected at \$3.5M, accounting for a full year’s worth of interest expense on an outstanding loan balance of \$100.0M, with an interest rate of 3.5%. This represents a \$2.5M increase from the FY24 Forecast.
- The FY24 Adopted and FY24 Forecast amounting to \$1.0M, only covers the interest expense for the period from March to June 2024, as capitalized interest funds are no longer available after March 2, 2024.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>USES OF FUNDS</b>					
SMCEL-JPA Bond Interest	1,000,000	1,000,000	3,500,000	2,500,000	250.0%

**Totals Uses of Funds: (Line 29)**

The FY25 Preliminary Budget is anticipated to be \$22.3M, showing an increase of \$6.5M over the FY24 Forecast. The FY24 Forecast is projected at \$15.7M, reflecting a decrease of \$6.6M when compared to the FY24 Adopted Budget.

	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE
<b>TOTAL USES OF FUNDS</b>	22,426,634	15,756,152	22,258,749	6,502,597	41.3%

**PROJECTED SOURCES OVER USES: (Line 30)**

The FY24 Forecast projects a surplus of \$14.6M and the FY25 Preliminary Budget projects a surplus of \$8.8M. Staff will distribute the surpluses for each year based on the flow of funds per the loan agreement when the yearend audit is completed. Depending on the availability of funds, future distributions may include funding of reserves and payment of debt principal.

**Flow of Funds Update**

At the April 12, 2024 meeting, the Board received a presentation on two scenarios that illustrated how net toll revenues could pass through the flow of funds within the framework of the loan agreement between the TA and JPA to ensure the JPA meets the obligations for principal payments on the \$100M bond. One scenario prioritized funding of the reserves and the other prioritized repayment of the loans. Board members expressed a desire to fund the reserves to ensure the fiscal viability of the Express Lanes while allowing for the repayment of loans to the extent feasible.

A question was raised at the meeting about the discrepancy between the final balances for the two options after ten years. One source of the discrepancy was an error in the summary table, which included the value of the operating loan payments with the bond principal payments, resulting in a double counting the loan payments for Option 1. This has been corrected. The other reason for the difference is that the summary table did not include all uses of funds. When additional loan payments are made through the Revenue Sharing Fund, corresponding contributions are made to the Equity/Other Programs line item. The table, below, has been corrected and modified to clarify the fiscal position of the two scenarios after ten years.

In summary, after ten years of express lane operation, staff estimates that:

- Option 1 would have almost \$9M more in reserves than Option 2
- Option 2 would have made almost \$7M more in loan repayments than Option 1, and
- Option 2 would put roughly \$2M more in the Equity/Other Programs than Option 1.

**Position of Reserve Accounts and Loan Repayment after Year 10 (\$M)**

	<b>Option 1 (Prioritize Building Reserve)</b>	<b>Option 2 (Prioritize Loan Repayments)</b>	<b>Difference (Option 1 - Option 2)</b>
Operating Reserve	\$ 3.47	\$ 3.47	\$ -
Revenue Stabilization Reserve	\$ 24.98	\$ 24.86	\$ 0.12
Equipment Replacement Reserve Fund	\$ 25.33	\$ 16.62	\$ 8.71
<i>Total Reserves</i>	\$ 53.77	\$ 44.95	\$ 8.83
Bond Principal Payments	\$ 20.00	\$ 23.33	\$ (3.33)
Bond Interest Payments	\$ 24.30	\$ 24.16	\$ 0.15
Operating Loan Payments	\$ 2.81	\$ 6.15	\$ (3.34)
Equity/Other Programs	\$ 0.99	\$ 3.29	\$ (2.30)
<i>Total Principal, Interest, and addl. Equity payments</i>	\$ 48.11	\$ 56.94	\$ (8.83)

The excess toll revenue from FY 23 is not sufficient to fully fund the required reserves. Therefore, the Board does not need to direct staff to select a specific strategy at this time. Staff will return to the Board in spring of 2025 with updated balances and estimates for the various account reserves and an update on the flow of funds. In the meantime, staff will develop a companion document to the loan agreement, which clarifies how the document is being operationalized.

**ATTACHMENTS:**

1. Attachment A: Preliminary FY25 SMCEL-JPA Budget
2. Preliminary FY25 Budget Presentation

**SAN MATEO COUNTY EXPRESS LANES JPA  
FY2025 PRELIMINARY BUDGET**

	FY2023 ACTUALS	FY2024 ADOPTED	FY2024 FORECAST	FY2025 PRELIMINARY	FY24 FORECAST vs FY25 PRELIMINARY	PERCENTAGE CHANGE	
<b>1 SOURCES OF FUNDS</b>							<b>1</b>
2 Toll Revenues	13,067,418	20,200,000	27,172,000	27,988,000	816,000	3.0%	2
3 Toll Violation, Fees and Penalties	1,038,314	4,200,000	2,188,000	2,253,000	65,000	3.0%	3
4 Allocated Bond Funds - Equity Program <sup>1</sup>	226,950	577,550	558,100	-	(558,100)	-100.0%	4
5 SMCTA Measure A (ACR TDM) - Equity Program <sup>1</sup>	-	400,000	45,900	354,100	308,200	671.5%	5
6 Miscellaneous Revenue (Interest Income)	62,767	-	377,790	442,900	65,110	17.2%	6
<b>7 TOTAL SOURCES OF FUNDS</b>	<b>14,395,449</b>	<b>25,377,550</b>	<b>30,341,790</b>	<b>31,038,000</b>	<b>696,210</b>	<b>2.3%</b>	<b>7</b>
<b>8</b>							<b>8</b>
<b>9 USES OF FUNDS</b>							<b>9</b>
10 Staff Support & Admin Overhead	1,047,219	1,172,750	897,548	1,197,358	299,810	33.4%	10
11 Seminar/Training & Business Travel	636	40,500	16,236	40,500	24,264	149.4%	11
12 Audit & Bank Fees	9,346	22,636	21,799	21,965	166	0.8%	12
13 Promotional Advertising	87,892	50,000	50,000	50,000	-	0.0%	13
14 Utilities	34,694	50,000	50,000	60,000	10,000	20.0%	14
15 Software Maintenance & License	26,205	33,600	29,721	38,000	8,279	27.9%	15
16 Legal Services	13,213	60,000	12,000	60,000	48,000	400.0%	16
17 Insurance	204,011	500,000	615,000	669,500	54,500	8.9%	17
18 SMCEL-JPA Bond Related Debt Fees	-	520,000	280,000	670,000	390,000	139.3%	18
19 Miscellaneous	28,142	29,350	27,910	54,300	26,390	94.6%	19
20 Consultant	1,321,237	2,206,700	1,350,000	1,645,000	295,000	21.9%	20
21 Express Lane Maintenance	193,495	847,000	222,500	847,000	624,500	280.7%	21
22 Toll Operations and Maintenance (BAIFA)	2,460,776	8,350,000	5,990,000	6,950,000	960,000	16.0%	22
23 FasTrak Customer Service (BATA)	2,197,736	5,200,000	3,543,100	3,647,500	104,400	2.9%	23
24 Express Lane Enhanced Enforcement (CHP)	147,087	240,000	400,000	616,000	216,000	54.0%	24
25 Equity Program Administration and Costs	226,950	1,435,000	604,000	1,471,039	867,039	143.5%	25
26 Interest Expense on Operating Advances	132,281	269,098	246,338	320,587	74,249	30.1%	26
27 Credit Enhancement Fee	332,055	400,000	400,000	400,000	-	0.0%	27
28 SMCEL-JPA Bond Interest	-	1,000,000	1,000,000	3,500,000	2,500,000	250.0%	28
<b>29 TOTAL USES OF FUNDS</b>	<b>8,462,973</b>	<b>22,426,634</b>	<b>15,756,152</b>	<b>22,258,749</b>	<b>6,502,597</b>	<b>41.3%</b>	<b>29</b>
<b>30 PROJECTED SOURCES OVER USES</b>	<b>5,932,476</b>	<b>2,950,916</b>	<b>14,585,638</b>	<b>8,779,251</b>	<b>(5,806,387)</b>		<b>30</b>

<sup>1</sup>Allocated Bond Funds and SMCTA Measure A (ACR TDM) are one-time allocations that have been carryforward from their original allocation





Fiscal Year 2025  
Preliminary Budget

Item 4.1





# Agenda

- FY2025 preliminary budget presentation
  - Sources and Uses
- Flow of Funds Update
- Next Steps



# FY25 Revenue Budget Highlights

- Toll Revenues, Violation, Fees and Penalties assume a 3% increase
- Equity Program
  - No carryforward balance from the Allocated Bond Funds for FY25
  - SMCTA ACR/TDM funds are expected to be spent in FY25



# FY25 Expense Budget Highlights

- Continuation of the organizational study and analysis
- Capitalized interest from the bond fund is no longer available
- BAIFA and BATA cost estimates are based on July to December 2023 actuals



# SOURCES OF FUNDS (\$ in Millions)

	FY2024 FORECAST	FY2025 PRELIMINARY	% CHANGE *
Toll Revenues	\$ 27.17	\$ 27.99	3.0%
Toll Violation, Fees and Penalties	2.19	2.25	3.0%
Allocated Bond Funds - Equity Program	0.56	-	(100.0%)
SMCTA Measure A (ACR TDM) - Equity Program	0.05	0.35	671.5%
Miscellaneous Revenue (Interest Income)	0.38	0.44	17.2%
<b>TOTAL</b>	<b>\$ 30.34</b>	<b>\$ 31.04</b>	<b>2.3%</b>

\* Budget numbers are presented in a high-level rounding to the millions, % change is based on the detailed numbers in dollars.



# USES OF FUNDS (\$ in Millions)

	FY2024 FORECAST	FY2025 PRELIMINARY	% CHANGE *
Staff Support & Administration Overhead	\$ 0.90	\$ 1.20	33.4%
Insurance	0.62	0.67	8.9%
SMCEL-JPA Bond Related Fees	1.68	4.57	172.0%
Consultant	1.35	1.65	21.9%
Express Lane Maintenance	0.22	0.85	280.7%
Toll Operations and Maintenance (BAIFA)	5.99	6.95	16.0%
FasTrak Customer Service (BATA)	3.54	3.65	2.9%
Express Lane Enhanced Enforcement (CHP)	0.40	0.62	54.0%
Equity Program Administration and Costs	0.60	1.47	143.5%
Interest Expense on Operating Advances	0.25	0.32	30.1%
Other Administrative Expenses	0.21	0.32	42.9%
<b>TOTAL</b>	<b>\$ 15.76</b>	<b>\$ 22.26</b>	<b>41.3%</b>

\* Budget numbers are presented in a high-level rounding to the millions, % change is based on the detailed numbers in dollars.



# SMCEL-JPA Bond Related Fees (\$ in Millions)

	<b>FY2025 PRELIMINARY</b>
SMCEL-JPA Bond Interest	\$ 3.50
Bond related Debt Fees	0.67
Credit Enhancement Fee	0.40
<b>TOTAL</b>	<b>\$ 4.57</b>



# Consultant (\$ in Millions)

	<b>FY2025 PRELIMINARY</b>	
HNTB Policy Program Management (PPM)	\$	1.20
Organizational Study and Analysis		0.22
Allowance for Technical Studies/Services		0.15
Advocacy and Lobbying Service		0.08
<b>TOTAL</b>	<b>\$</b>	<b>1.65</b>





# Toll Operations & Maintenance (BAIFA) (\$ in Millions)

	<b>FY25 PRELIMINARY BUDGET</b>	
Program Management	\$	0.99
Toll Systems		3.60
Regional Operations Center (ROC) 511 Monitoring		0.59
Other Civil Costs not covered by Caltrans		0.96
AT&T Host & Fiber Costs		0.18
Contingency (10%)		0.63
<b>Total</b>	<b>\$</b>	<b>6.95</b>





# FasTrak Customer Service (BATA) (\$ in Millions)

FasTrak (BATA)	FY25 PRELIMINARY BUDGET
FasTrak Maintenance & Accounting	\$ 0.09
Customer Service Center	2.40
Credit Card and Banking Fees	0.75
Direct Costs	0.08
Contingency - 10%	0.33
<b>Total</b>	<b>\$ 3.65</b>



# Projected Sources Over Uses (\$ in Millions)

	<b>FY2024 FORECAST</b>	<b>FY2025 PRELIMINARY</b>
Total Sources of Funds	\$ 30.34	\$ 31.04
Total Uses of Funds	15.76	22.26
<b>Projected Sources over Uses</b>	<b>\$ 14.58</b>	<b>\$ 8.78</b>



# Flow of Funds Update

- Modified and corrected summary table comparing scenarios
- FY 23 excess toll revenue – only enough to fund reserves
- Return in spring 2025 with update on reserve balances and flow of funds
- Developing companion document to loan agreement



## Next Steps

- Staff to incorporate feedback and finalize the budget
- June 14, 2024, Board Meeting- present the proposed FY2025 budget for Board adoption



# Questions?

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

Date: May 17, 2024

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

From: Policy Program Manager (PPM)

Subject: Review and provide feedback on an informational update about the proposed implementation plan for the Next Generation of the Community Transportation Benefits Program.

(For further information please contact Christa Cassidy at [ccassidy@hntb.com](mailto:ccassidy@hntb.com))

---

### **RECOMMENDATION**

Review and provide feedback on the proposed implementation plan for the Next Generation (Next Gen) of the Community Transportation Benefits Program (CTB Program).

### **FISCAL IMPACT**

This is an informational item. There is no fiscal impact related to receiving this information.

### **SOURCE OF FUNDS**

Funding for the CTB Program comes primarily from the San Mateo County Transportation Authority (TA) bond/loan proceeds and San Mateo County Express Lane toll revenues in subsequent years. In addition, a one-time direct allocation of \$400,000 from Measure A Alternative Congestion Relief Transportation Demand Management (ACR TDM) funds through the TA was authorized for the use of the CTB Program.

### **BACKGROUND**

The evaluation of the CTB Program's pilot year (April 2022-April 2023), completed in 2023, underscored the need for improvements to increase participation and address the evolving transportation needs of San Mateo County residents. In November 2023, the SMCEL-JPA Board of Directors approved the Next Gen CTB Program concept. This includes increasing the benefit amount to \$200, exploring an online enrollment option, and transitioning to a mobility debit card system to replace the existing FasTrak and Clipper credits. These adjustments aim to remove enrollment barriers and expand the usability of the benefit across different modes of transportation.

The current system's reliance on only FasTrak and Clipper credits limited its uptake by qualifying individuals while other barriers the PPM identified, such as the requirement to apply in-person, highlighted the need for a more flexible and accessible approach to the CTB Program. The proposed implementation plan addresses these challenges by broadening the spectrum of transportation options available to participants. It integrates an online enrollment portal with a versatile mobility debit card, while maintaining the important in-person enrollment option available through the San Mateo County Core Service Agencies.

The PPM will share the proposed plan for the Next Gen CTB Program, including the technical requirement, the recommended implementation details, cost and timeline, along with alternative solutions explored but not recommended.

**ATTACHMENT**

1. Proposed CTB Program Implementation Plan Presentation





Next Gen Community Transportation  
Benefits Program  
Proposed Implementation Plan





# Agenda

- Timeline
- Program evaluation conclusions
- Next Gen CTB Program elements
- Technical components and workflow
- Recommended option and timeline
- Alternative options
- Marketing
- Next steps

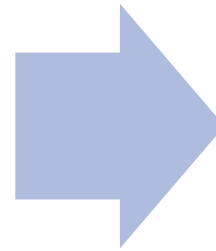


# Timeline

## Winter 2023/24

PPM developed Next Gen CTB Program technical solution and implementation plan

- Operational rules and key principles
- Articulation of concept
- Three potential technical implementation options
- Technical solution



## Spring/Summer 2024

PPM presenting Next Gen implementation plan as informational item (May) and for approval (June) to SMCEL-JPA BOD



# Program Evaluation Conclusions

- Increase benefit amount and provide annually
- Provide online enrollment option
- Integrate with other regional programs (Clipper START, Senior, paratransit)
- Expand mobility options

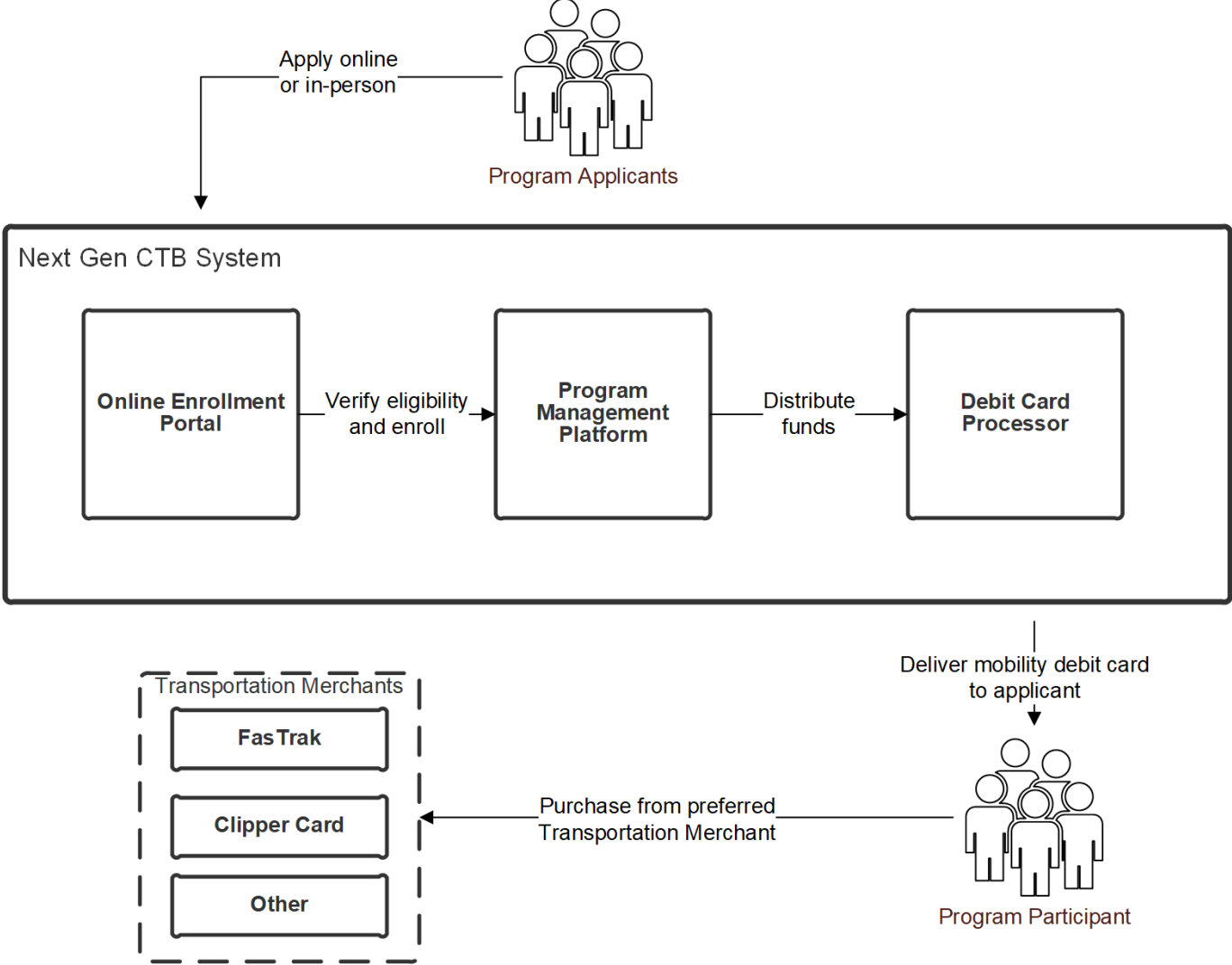
# Next Gen CTB Program Elements

Element	Current CTB Program	Next Gen CTB Program
<b>Amount</b>	\$100	\$200
<b>Benefit type</b>	Clipper Card credit, or FasTrak credit	Mobility debit card
<b>Renewal</b>	Clipper: Annual FasTrak: One-time	Annual
<b>Enrollment process</b>	In-person at Core Agencies	<ul style="list-style-type: none"> <li>• In-person at Core Agencies</li> <li>• Online</li> </ul>

# Next Gen Technical Solution Key Principles

1. User-centered design
2. Fast implementation (<1 year)
3. Secure and private
4. Flexible and agile
5. Cost efficient

# Next Gen System Technical Components



# Next Gen Implementation Options

1

Integration with  
existing Clarity  
system

2

Off-the-shelf  
enrollment portal  
and case  
management system

3

Partnership  
agreement with  
MTC's START  
programs

# Recommended Option


**Implementation costs: \$30-55K | Operating and maintenance costs: \$150-200K\***

**Timeline: 6-9 months**

Benefits	Challenges
<ul style="list-style-type: none"><li>• Off-the-shelf solutions for all system components – quick to implement.</li><li>• Most available platforms are intuitive and easy-to-use.</li><li>• Does not require integration with existing systems.</li><li>• Allows for partnership with other client-serving organizations if desired.</li></ul>	<ul style="list-style-type: none"><li>• Case managers must manage Program in separate system from other community services and benefits.</li><li>• All existing/previous program participant data would need to be transferred to new platform, requiring interagency cooperation.</li><li>• PII considerations.</li></ul>



# High-level Implementation Timeline

Task	2024							2025	
	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
RFP Development and Evaluation	Active	Active	Active	Active	Active				
Solution Development						Active	Active	Active	Active
Marketing/ Rebranding				Active	Active	Active	Active	Active	Active 

 **LAUNCH!**



# Marketing and Outreach Approach

- Re-branding for the Next Gen Program
- Updated collateral and webpage for Next Gen Program
- Landing page for online enrollment portal
- Paid digital advertisements

# Alternatives Explored (Not Recommended)

Alternative	Determining Factors	Implementation Costs	O&M Costs	Timeline
Integration with Clarity	<ul style="list-style-type: none"> <li>• Less control over data and stakeholders</li> <li>• Long lead time</li> <li>• Requires long-term specialized support and management, especially if HHS procures new vendor</li> </ul>	\$100-160K	\$140-180K	12 – 15 months
Partnership agreement with MTC	<ul style="list-style-type: none"> <li>• Different eligibility thresholds</li> <li>• Long lead time</li> <li>• System components, namely Salesforce and third-party verification, are expensive.</li> <li>• Unable to leverage sunk costs on integration</li> </ul>	>\$500K*	\$150-200K*	12 – 15 months

*\*Detailed estimates for this implementation alternative are difficult to estimate at this time because of the multiple organizations and vendors potentially involved in the solution.*

# Proposed Benefit Enhancements During Transition Period

Benefit	New participants	Existing participants
Clipper Card	Provide 2 x \$100 cards	Participants may return for a second \$100 card
FasTrak	Order small batch of transponders with \$200 for new participants	Participants may trade-in existing transponder for a new preloaded one with \$100 on it



# Next steps

- Prepare a JPA privacy policy
- Develop and issue RFP for program management platform and debit card processor
- Amend Samaritan House contract
- Finalize transportation merchants
- Develop marketing strategy for rebrand and launch
- Assess additional grant opportunities



Questions?

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

Date: March 17, 2024

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

From: Executive Council

Subject: Receive a quarterly update on the US 101 Express Lanes Variable Rate Bond

(For further information please contact Kevin Beltz at [BeltzK@samtrans.com](mailto:BeltzK@samtrans.com))

---

### **RECOMMENDATION**

Receive a quarterly update on the US 101 Express Lanes Variable Rate Bond. This is an informational item.

### **FISCAL IMPACT**

There is no budget impact.

### **SOURCE OF FUNDS**

2020 Variable Rate Demand Bonds issued by the San Mateo County Transportation Authority (TA)

### **BACKGROUND**

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.

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. Quarterly updates have been presented to the Board since opening of the Southern Segment and are proposed to move to once or twice annually going forward in FY 2024/25.

**ATTACHMENT**

1. Presentation on the variable rate bond





# US 101 Express Lanes: Update on Variable Rate Bond



# Overview

- Background
- Variable Rate Outlook
- Debt Service
- Future Briefings

# 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

# Rate Outlook

- Variable rate currently averaging 3.5%, at the upper end of original expectations
- Variable rate debt comes with the risk of volatile interest rates; however, earnings on assets held act as a “hedge” in that investment returns move in line with interest rates and offset interest rate moves
- Rates expected to moderate as the Federal Reserve continues to combat inflation

# Debt Service

- Interest costs approximately \$3.5M per year (with current rates)
- Toll revenue is sufficient to fund debt service, operational expenses, and system reserves
- Current and future year projections suggest toll revenue will continue to cover bond debts and expenses

# Future Briefings

- Limited changes in quarterly updates now that Express Lanes are in steady-state operations
- **Staff Recommendation:**
  - Consent item quarterly to provide regular updates on variable rates as the Fed works to bring inflation under control
  - Staff presentation on bonds once (March) or twice a year (March and September) going forward, now that revenues are sufficient to cover costs

# Questions?

