

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

Meeting No. 57

<p>Date: Friday, July 19, 2024</p> <p>Time: 9:00 A.M.</p> <p>Primary Location: San Mateo County Transit District Office 1250 San Carlos Ave, 2nd Fl. Auditorium, San Carlos, CA</p>	<p>Join by Webinar: https://us02web.zoom.us/j/86536920710?pwd=37Mywy9dsAITg8h7vHO36WZiL AOj3W.1</p> <p>Webinar ID: 865 3692 0710</p> <p>Password: 071924</p> <p>Join by Phone: (669) 900-6833</p>
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*****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: Rico E. Medina (Chair), Michael Salazar (Vice Chair), Alicia Aguirre, Rich Hedges, Carlos Romero, and Julia Mates.

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 PRESENTATIONS

3.1 Certificate of Appreciation to Emily Beach for her years of dedicated service to San Mateo County Express Lanes Joint Powers Authority. p. 1

4.0 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.

- 4.1 Approval of the minutes of Board of Directors regular business meeting No. 56 dated June 14, 2024. ACTION p. 2
- 4.2 Accept the Sources and Uses of Funds for the FY2024 Period Ending May 31, 2024. ACTION p. 6
- 4.3 Review and approve Resolution SMCEL 24-05, ratifying the purchase of General Liability Insurance, Public Officials Liability, and Property Insurance policies for a 12-month period, beginning July 1, 2024, for a not-to-exceed amount of \$597,492. ACTION p. 8

5.0 **REGULAR AGENDA**

- 5.1 Receive presentation and provide feedback on the various organizational model options as part of the JPA organizational assessment project. INFORMATION p. 11

6.0 **REPORTS**

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

7.0 **WRITTEN COMMUNICATIONS**

None.

8.0 **NEXT REGULAR MEETING**

September 13, 2024

9.0 **ADJOURNMENT**

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

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

(650) 599-1406 to arrange for inspection of public records.

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

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

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

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

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

***In-person participation:**

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

***Remote participation:**

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

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

Executive Director: Sean Charpentier (650) 599-1409

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



**A PRESENTATION OF THE BOARD OF DIRECTORS OF THE
SAN MATEO COUNTY EXPRESS LANES
JOINT POWERS AUTHORITY (SMCEL-JPA)
EXPRESSING APPRECIATION TO
EMILY BEACH**

RESOLVED, by the Board of Directors of the San Mateo County Express Lanes Joint Powers Authority; that

WHEREAS Emily Beach has served on the San Mateo County Express Lanes Joint Powers Authority Board of Directors from 2019 through 2024; and

WHEREAS as one of the inaugural SMCEL-JPA Board Members, Emily Beach helped lead the organization through the design and implementation of the first express lane equity program in the Bay Area; the negotiation and adoption of a \$100 million loan for the express lanes construction project; the development of a branding campaign and logo for the SMCEL-JPA; the negotiation of critical foundational agreements with BAIFA, BATA, CALTRANS, and the CHP; and grand opening ceremonies for the southern segment in February 2022, and of the northern segment in April 2023; and

WHEREAS Emily Beach served the citizens of Burlingame as a highly regarded member of the City Council since 2015, and re-elected in 2019; and

WHEREAS Emily Beach is actively involved in regional organizations and committees, serving as a Board Member for the San Mateo County Transportation Authority, Vice Chair of Commute.org, a member of the Caltrain Modernization Local Policymaker Group, and a member of the San Mateo County Office of Education’s Safe Routes to School Community Advisory Committee.

WHEREAS Emily Beach served on the League of California Cities State Board of Directors, representing 36 Peninsula Division cities, and was President of the Peninsula Division. Her commitment to effective and sensible local government has positively impacted Burlingame and its residents.

WHEREAS Emily Beach, with her boundless energy, has been a strong leader in improving her community and the well-being of individuals in the County. Through her professional, public, and community activities, she has made remarkable contributions to the welfare of San Mateo County residents.

NOW THEREFORE, the Board of Directors of the San Mateo County Express Lanes Joint Powers Authority hereby resolves that SMCEL-JPA expresses its appreciation to Emily Beach for her dedicated leadership as one of the inaugural SMCEL-JPA Board members.

PASSED, APPROVED, AND ADOPTED THIS 19TH DAY OF JULY, 2024.

Rico E. Medina, Chair

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

Meeting No. 56
June 14, 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.

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

Staff Present (In-Person):	Staff Present (Remote):
Sean Charpentier, Executive Council – C/CAG	
April Chan, Executive Council – TA	
Peter Skinner – TA	Members of the Public (In-Person):
Tim Fox – Legal Counsel	
Mima Crume – Clerk of the Board	
Kaki Cheung – C/CAG	
Van Ocampo – C/CAG	Members of the Public (Remote):
Ladi Millard-Olmeda – TA	

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. 55 dated May 17, 2024. APPROVED
- 3.2 Accept the Sources and Uses of Funds for the FY2024 Period Ending April 30, 2024. APPROVED
- 3.3 Review and approval of Biennial update to Conflict of Interest Code for the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA). APPROVED

Director Hedges MOVED to approve the consent agenda items 3.1 to 3.3.
Director Beach SECONDED. **MOTION CARRIED 6-0-0**

4.0 REGULAR AGENDA

- 4.1 Public Hearing: Approval of SMCEL Resolution 24-04 on the adoption of the Fiscal Year (FY) 2025 SMCEL-JPA Operating Budget. APPROVED

The Board received a presentation on the preliminary fiscal year 25 budget at last month's meeting. There have been no changes since then, so staff is requesting board approval for two items:

Adopt the fiscal year 25 San Mateo County Express Lanes Joint Powers Authority budget of \$22,258,749.

Delegate investment authority to the Executive Council or designee to act as treasurer from July 1, 2024, to June 30, 2025.

Chair Aguirre opened the public hearing for item 4.1, but there were no public comments. The public hearing was then closed.

Director Hedges MOVED to approve item 4.1. Director Medina SECONDED.
MOTION CARRIED 6-0-0

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

The Board received a quarterly update presentation. The Policy and Program Manager highlighted that there are not any major changes since the last quarter. The corridor is experiencing slight increases in assessed tolls, and a drop in violations due to more FasTrak users. The cumulative total revenue collected was

about \$7 million per quarter, with a year-to-date total of \$22 million by the end of Q3.

The presentation covered areas of congestion, average tolls, and the breakdown of assessed tolls. CHP enforcement actions were discussed, along with an update on the Community Transportation Benefits Program, which has issued over 4,000 benefits.

Vice Chair Beach inquired about the rollout of the \$200 Clipper card benefit. Ms. Vong confirmed the next generation program would start next month, with board approval.

Director Salazar asked if free trips were included in the average toll calculation, to which Ms. Vong replied that only paid trips were included.

Director Romero asked when the Q4 data would be available and about the increase in toll-free trips. Ms. Vong mentioned it takes about a month to gather data and that they are working with CHP to address the issue.

A discussion followed about CHP's focus while on duty, with concerns raised about their ability to monitor the express lane while addressing other violations. The Policy and Program Manager acknowledged this challenge.

- 4.3 Election of a Chairperson and a Vice Chairperson to serve a one-year term, effective July 1, 2024. APPROVED

Director Romero **MOVED** to nominate Director Medina as the SMCEL-JPA Chairperson. Vice Chair Beach **SECONDED**. Roll call was taken. **MOTION CARRIED 6-0-0**

Director Medina **MOVED** to nominate Director Salazar as the C/CAG Vice Chair. Vice Chair Beach **SECONDED**. Roll call was taken. **MOTION CARRIED 6-0-0**

5.0 **REPORTS**

- a) Chairperson Report.

Chair Aguirre expressed gratitude to her colleagues for their outstanding support during her year as chair of the organization.

- b) Member Communication.

None.

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

Mr. Charpentier expressed gratitude to Chair Aguirre and Vice Chair Beach for their

leadership over the past year, recognizing their contributions to the organization's success. He also noted that Caltrans has started a pavement rehabilitation and median barrier construction project on Highway 101 from Whipple Avenue to the Santa Clara County line. Initial closures occurred last week, all scheduled outside express lane operations, with no reported impact on the express lanes.

Ms. Chan expressed gratitude to Chair Aguirre and Vice Chair Beach and welcomed the new Chair, Medina, and Vice Chair, Salazar. She also reported that Ms. Soules from HNTB will present on the Community Transportation Benefit Program at the IBTTA Conference in Maryland. Additionally, the program was accepted into the Second Annual Transportation Research Board conference, focusing on equity, with Peter Skinner representing the JPA to present on the topic.

d) Policy/Program Manager Report.

None.

6.0 **WRITTEN COMMUNICATIONS**

None.

7.0 **NEXT REGULAR MEETING**

July 12, 2024

8.0 **ADJOURNMENT** – 9:24 am

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: July 19, 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 May 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 May 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 May 2024, the Total Sources of Funds are \$28.9 million. It is comprised of Toll revenues (\$26.1 million – line 1) and Toll violation, fees and penalties (\$1.9 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 and miscellaneous income (\$0.6 million – line 5).

Year-to-Date Uses of Funds: As of May 2024, the Total Uses of Funds are \$11.4 million. Major expenses are in the categories of Toll operations and maintenance costs (\$3.9 million – line 19), FasTrak customer service costs (\$2.8 million – line 20), Consultant (\$1.2 million – line 17), SMCELJPA bond interest (\$0.8 million – line 25), Staff support (\$0.6 million – line 6), Insurance (\$0.5 million – line 14), and Credit enhancement fee (\$0.4 million – line 24).

BACKGROUND

Budget Amendment: There are no budget amendments for the month of May 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 (May 2024)



SAN MATEO COUNTY EXPRESS LANE JPA
SOURCES AND USES OF FUNDS
Fiscal Year 2024
As of May 31 2024

	YEAR-TO-DATE JULY TO MAY				ANNUAL
	ADOPTED BUDGET	CURRENT ACTUALS	\$ VARIANCE	% VARIANCE	ADOPTED BUDGET
SOURCES OF FUNDS:					
1 Toll Revenues	\$ 18,516,663	\$ 26,090,897	\$ 7,574,234	40.9%	\$ 20,200,000
2 Toll Violation, Fees and Penalties	3,850,000	1,895,375	(1,954,625)	-50.8%	4,200,000
3 Allocated Bond Funds - Equity Program	529,419	282,807	(246,612)	-46.6%	577,550
4 SMCTA Measure A (ACR TDM) - Equity Program	366,663	-	(366,663)	-100.0%	400,000
5 Misc. Income	-	636,225	636,225	100.00%	-
TOTAL SOURCES OF FUNDS	\$ 23,262,745	\$ 28,905,304	\$ 5,642,558	24.3%	\$ 25,377,550
USES OF FUNDS:					
6 Staff Support	\$ 946,814	\$ 572,766	\$ 374,048	39.5%	\$ 1,032,871
7 Administrative Overhead	107,382	127,728	(20,346)	-18.9%	117,139
8 Seminar Training/Business Travel	37,114	15,175	21,939	59.1%	40,500
9 Audit & Bank Fees	20,746	14,302	6,444	31.1%	22,636
10 Promotional Advertising	45,837	45,837	-	0.0%	50,000
11 Utilities	45,837	88,113	(42,276)	-92.2%	50,000
12 Software Maintenance & License	30,800	27,866	2,934	9.5%	33,600
13 Legal Services	55,000	55,000	-	0.0%	60,000
14 Insurance	458,326	470,522	(12,196)	-2.7%	500,000
15 SMCEL-JPA Bond Related Debt Fees	476,663	110,550	366,113	76.8%	520,000
16 Miscellaneous	47,751	20,111	27,640	57.9%	52,090
17 Consultant	2,022,812	1,211,134	811,678	40.1%	2,206,700
18 Express Lane Maintenance	776,413	62,454	713,959	92.0%	847,000
19 Toll Operations and Maintenance (BAIFA)	7,654,163	3,872,981	3,781,182	49.4%	8,350,000
20 FasTrak Customer Service (BATA)	4,766,663	2,796,360	1,970,303	41.3%	5,200,000
21 Express Lanes Enhanced Enforcement (CHP)	220,000	295,904	(75,904)	-34.5%	240,000
22 Equity Program Administration and Costs	1,315,413	282,807	1,032,606	78.5%	1,435,000
23 Interest Expense on Operating Advances	246,675	202,803	43,872	17.8%	269,098
24 Credit Enhancement Fee	366,663	366,663	-	0.0%	400,000
25 SMCEL-JPA Bond Interest	916,663	794,048	122,615	13.4%	1,000,000
TOTAL USES OF FUNDS	\$ 20,557,735	\$ 11,433,123	\$ 9,124,611	44.4%	\$ 22,426,634
PROJECT SOURCES OVER USES	\$ 2,705,010	\$ 17,472,181	\$ 14,767,171	545.9%	\$ 2,950,916
Additional Information:					
Loan and interest payable to the City/County Association of Governments of San Mateo County	\$	2,715,468			
Loan and interest payable to the San Mateo County Transportation Authority	\$	3,192,215			
Interest and debt fees payable on capital loan of \$100M to San Mateo County Transportation Authority	\$	904,597			

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: July 19, 2024

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

From: Executive Council

Subject: Review and approve Resolution SMCEL 24-05, ratifying the purchase of General Liability Insurance, Public Officials Liability, and Property Insurance policies for a 12-month period, beginning July 1, 2024, for a not-to-exceed amount of \$597,492.

RECOMMENDATION

That the SMCEL-JPA Board review and approve Resolution SMCEL24-05, ratifying the purchase of General Liability, Public Officials Liability, and Property insurance policies for a 12-month period, beginning July 1, 2024, for a not to exceed amount of \$597,492.

FISCAL IMPACT

The Commercial General Liability insurance carries limits of \$25 million and a self-insured retention (SIR) of \$100,000 at a cost of \$318,929 in premiums. The Public Officials Liability carries limits of \$3 million and an SIR of \$10,000 at a cost of \$15,197 in premiums. The Property insurance provides per occurrence coverage limits of \$5 million with a deductible of \$50,000 per occurrence at a cost of \$263,366 in premiums. The total insurance premiums for Fiscal Year 2025 (FY25) amount to \$597,492.

SOURCE OF FUNDS

The adopted Fiscal Year 2025 (FY25) budget includes \$669,500 for estimated insurance premium costs. There is an expectation that the JPA may have the need to purchase Cyber Liability insurance sometime during this fiscal year. The FY25 adopted budget takes into consideration the prospect of purchasing Cyber Liability insurance mid-year. Current actual insurance premium costs for General Liability, Public Officials Liability, and Property insurance amount to \$597,492. Cyber Liability insurance can be added when deemed necessary at a cost believed to be within the current budget.

BACKGROUND

With construction completed, the SMCEL-JPA now operates twenty-two (22) miles of express lanes in both directions of U.S. 101 within San Mateo County and provide a seamless transition to the express lanes being constructed in Santa Clara County.

The SMCEL-JPA insurance program is comprised of \$25 million in combined Primary and Excess Commercial General Liability coverage, \$3 million Public Officials Liability coverage and \$5 million limits per occurrence Commercial Property insurance. The \$25 million General Liability limit is in

accordance with and a requirement of the Operating and Maintenance Agreement with Caltrans.

The table below shows a comparison between the FY24 and proposed FY25 insurance premiums:

Principal Program	Coverage (\$M)	FY24 Premium	FY25 Premium
General Liability	\$25M	\$227,539	\$318,929
Public Officials	\$3M	\$15,197	\$15,197
Property	\$5M	<u>\$288,530</u>	<u>\$263,366</u>
Total		\$531,266	\$597,492

This year, the first \$10 million lead General Liability insurer, Allied Public Risk, withdrew from writing public entities altogether. A thorough canvass of the liability market for replacement coverage was undertaken by the broker with at least 15 alternate carriers. As a result, the primary layer of \$10 million will be filled by two carriers, CHUBB and Arch, each carrying \$5 million. The remaining \$15 million will be underwritten by the existing excess carrier, Allied World, for a combined total General Liability limit of \$25 million.

The General Liability market remains extremely challenging and ever increasingly costly year-to-year. The FY25 General Liability premiums increased by 40 percent from \$227,539 in FY24 to \$318,929 FY25. Public Officials Liability remained flat at \$15,197 and, despite some reported losses, Property insurance dropped 9 percent from \$288,530 in FY24 to \$263,366 in FY25, due to competitive quotes and negotiations with the current Property carrier, Travelers. Overall, the net result of the SMCEL-JPA insurance program will have a 12 percent increase in premiums from \$531,266 FY24 to \$597,492 FY25.

USI Insurance Services is the existing insurance broker for the SMCEL-JPA and is the recommended broker to bind the JPA's Insurance program.

ATTACHMENT

1. Resolution SMCEL 24-05

RESOLUTION SMCEL 24-05

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) RATIFYING THE PURCHASE OF COMMERCIAL GENERAL LIABILITY INSURANCE, PUBLIC OFFICIALS LIABILITY INSURANCE, AND COMMERCIAL PROPERTY INSURANCE POLICIES FOR A 12 MONTH PERIOD, BEGINNING JULY 1, 2024, FOR A NOT TO EXCEED AMOUNT OF \$597,492.

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

WHEREAS, Staff of the San Mateo County Transportation Authority have, in their capacity of serving as finance staff of SMCEL-JPA, consider renewal of the General Liability, Public Officials Liability, and Commercial Property exposures associated with the Board of Directors for the SMCEL-JPA; and

WHEREAS, after such consideration, Staff recommends binding the renewal of the General Liability Insurance policy, Public Officials Liability, and Commercial Property insurance with the following significant elements:

- General Liability with aggregate limits of \$25,000,000 and a \$100,000 Self-Insured Retention (SIR) at an annual premium of \$318,929; and
- Public Officials Liability with aggregate limits of \$3,000,000 and a \$10,000 SIR at an annual premium of \$15,197; and
- Commercial Property insurance with per occurrence limits of \$5,000,000 and a \$50,000 deductible for a premium of \$263,366.

WHEREAS, the insurance policy shall be a part of a comprehensive risk management program addressing the exposures associated with the SMCEL-JPA.

WHEREAS, the insurance policies will facilitate and satisfy insurance requirements necessitated by the License Agreements entered into with various cities affected by the Express Lanes project.

NOW THEREFORE BE IT RESOLVED, that the SMCEL-JPA Board of Directors ratifies the Chief Financial Officer's binding of the SMCEL-JPA's Fiscal Year 2025 General Liability, Public Officials Liability, and Commercial Property Insurance renewal, at an amount not to exceed \$597,492.

PASSED, APPROVED, AND ADOPTED, THIS 19TH DAY JULY 2024.

Rico E. Medina, Chair

Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: July 19, 2024

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

From: Executive Council

Subject: Receive presentation and provide feedback on the various organizational model options as part of the JPA organizational assessment project.

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

RECOMMENDATION

That the SMCEL-JPA Board of Directors receive a presentation and provide feedback on the various organizational model options as part of the organizational assessment project.

FISCAL IMPACT

The cost of the organizational assessment project is \$366,495.

SOURCE OF FUNDS

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

BACKGROUND

With a fully operational San Mateo US 101 Express Lanes, the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) embarked on an organizational assessment project to determine the appropriate organizational and staffing structure. The project goal is to facilitate the seamless execution of the Express Lane’s vision, mission, and goals in a manner that maximizes efficiency and effectiveness. The JPA awarded a contract to WSP USA, Inc. to support this project.

At the April Board meeting, the Consultant provided a comprehensive update on the project progress, including presenting a preliminary set of organizational goals, and introducing the selection criteria for a recommended organizational model.

To determine the most suitable organizational model for SMCEL-JPA, several alternatives were developed for evaluation. The following figure provides an overview of the range of options considered for this study, including the existing model.

Figure 1: Considered Organizational Models Overview



The models vary in reporting channels, leadership structure, and resource allocation. In any of the options, either the PPM or agency staff can perform the current PPM duties and will be evaluated independently of the selected model. The models do not consider any change to the current JPA Board makeup; hence, all governance and decision-making remain unchanged.

At the July Board meeting, the consultant will present on the various organizational model options, discuss the challenges and opportunities associated with the options, and seek input from the Board.

ATTACHMENT:

The following attachment is available on the Express Lanes JPA Board meeting website (See “Document” for July 19th Meeting) at: <https://101expresslanes.org/about/bod/meetings>.

1. Organizational Models Presentation



Organizational Assessment

July Board Meeting

July 19, 2024



Agenda

Objective: WSP to inform the Board on project status and range of organizational models to be analyzed.

- Project Scope
- Organizational Models
 - Opportunities and Challenges for each model
- Next Steps
- Discussion



Project Scope



 JPA Board touchpoints

Organizational Models

JPA Board stays the same

Existing

**Focused
express lanes
function**

**C/CAG
managed
express lanes
organization**

**TA
managed
express lanes
organization**

**Dedicated
express lanes
organization**

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.

JPA Board remains the same

TA & C/CAG Executive and Deputy Directors facilitate management of express lanes

Functions currently delivered by: C/CAG, TA, and PPM

Existing

CHALLENGES

- No streamlined leadership
- **Staff prioritizes home agency hat**
- **No strong programmatic direction and coordination**

OPPORTUNITIES

- **Shared voice in decision-making**
- No new departments
- **Institutional know-how and exp**
- **Strong political buy-in**
- Redundant leadership for unplanned absences

Focused express lanes function

JPA Board remains the same

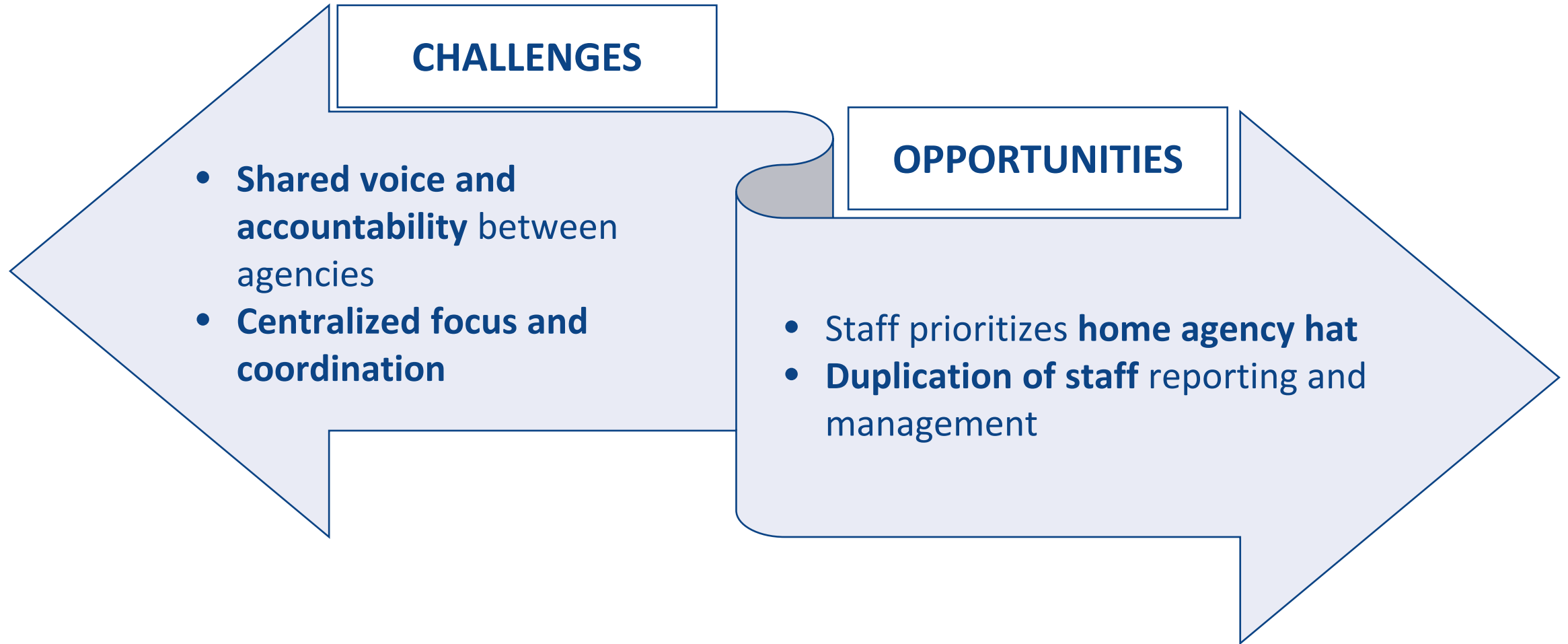
This option suggests **minimal changes to decision making and daily operations**

Program Manager position coordinates and leads the express lanes function.

Functions remain delivered by: TA, C/CAG, and PPM

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.

Focused express lanes function



C/CAG managed express lanes organization



JPA Board remains the same

C/CAG now delivers all functions including those previously under TA

Program Manager position created reporting to C/CAG Executive Director and responsible for program focus and cohesiveness

C/CAG Executive Director keeps TA Executive Director updated on JPA Board related matters

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.

C/CAG managed express lanes organization



CHALLENGES

- **Additional effort** to keep TA engaged
- **New establishment** of finance services and other depts

OPPORTUNITIES

- **Cohesion** and long-term **accountability**
- **Centralized focus** and external coordination
- **Unified** priority setting and admin resources decisions

TA managed express lanes organization

JPA Board remains the same

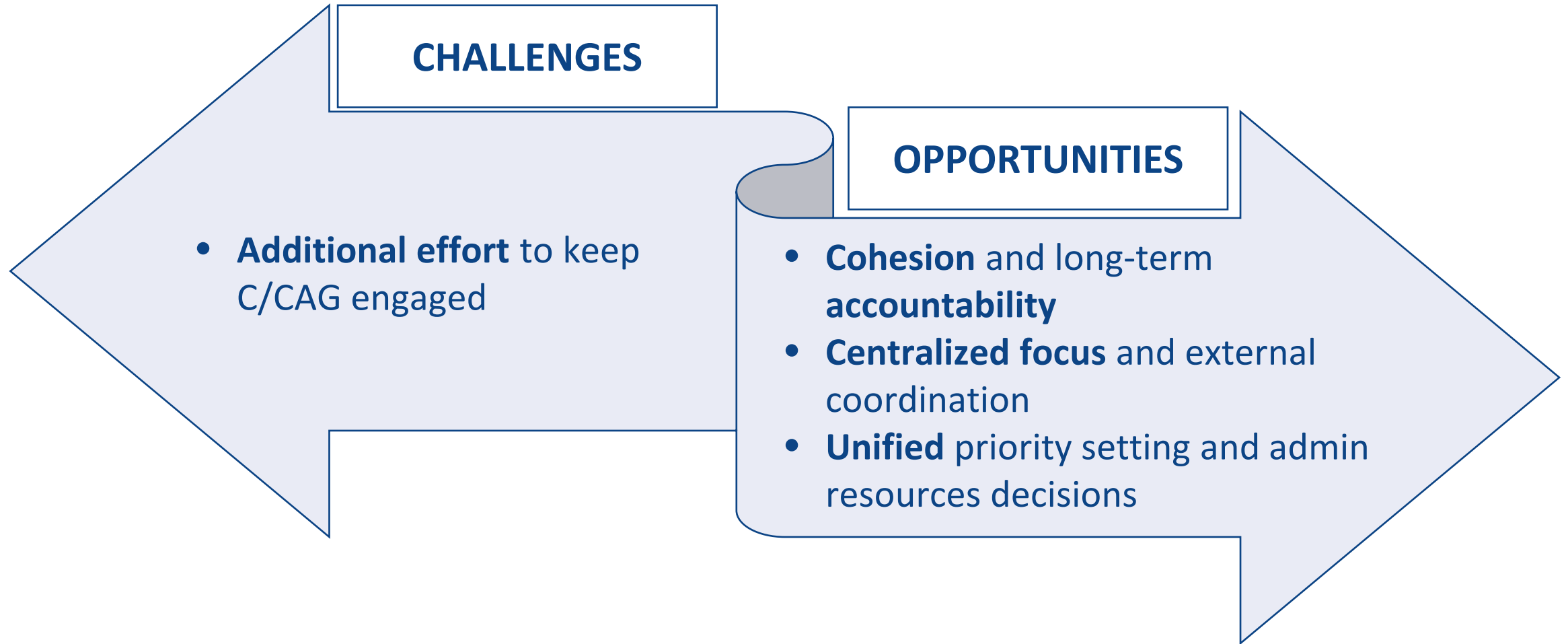
TA now delivers all functions including those previously under C/CAG

Program Manager position created reporting to TA Executive Director and responsible for program focus and cohesiveness

TA Executive Director keeps C/CAG Executive Director updated on JPA Board related matters

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.

TA managed express lanes organization



Dedicated express lanes organization

JPA Board stays the same

- All functions delivered by a new agency, TA & C/CAG no longer provide staff resources**
- Executive Director** acts as centralized figure that reports directly to the JPA Board
- TA & C/CAG Executive Directors** no longer directing express lanes functions and operations

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.

Dedicated express lanes organization

CHALLENGES

- **Lack of historic know-how, and management of Board and regional needs**
- **Creation of new staffing structure, benefits, etc.**
- **Effort to keep Board members engaged**

OPPORTUNITIES

- **Unified priority setting and admin resources decisions**
- **Cohesion and long-term accountability**
- **Centralized focus and external coordination**

Organizational Models

JPA Board stays the same

Existing

**Focused
express lanes
function**

**C/CAG
managed
express lanes
organization**

**TA
managed
express lanes
organization**

**Dedicated
express lanes
organization**

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.

Organizational Models

JPA Board stays the same

Existing	Focused express lanes function	C/CAG managed express lanes organization	TA managed express lanes organization	Dedicated express lanes organization
<ul style="list-style-type: none"> • TA & C/CAG each perform set functions of the express lanes 	<ul style="list-style-type: none"> • Similar to existing • Program Manager added facilitating program focus & cohesiveness 	<ul style="list-style-type: none"> • All functions performed by C/CAG • Express lanes Program Manager reports to C/CAG Exec Director • TA Exec Director updated on Board matters 	<ul style="list-style-type: none"> • All functions performed by TA • Express lanes Program Manager reports to TA Exec Director • C/CAG Exec Director updated on Board matters 	<ul style="list-style-type: none"> • New agency established • New Exec Director

PPM or agency staff perform current PPM duties in any option and would be evaluated independently of the selected model.



Next Steps

- Assess organizational models against Selection Criteria
- Conduct future state cost analysis and FTE forecasting for each model
- Present findings in Fall Board Meeting



Discussion