

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

Meeting No. 60

<p>Date: Friday, December 6, 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/85658576700?pwd=ScyCATNCrezqG5wZqpp3KoV9W8VuvE.1</p> <p>Webinar ID: 856 5857 6700</p> <p>Password: 120624</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, Julia Mates, Rich Hedges, and Carlos Romero.

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. 57 dated July 19, 2024. ACTION p. 1
- 3.2 Approval of the minutes of Board of Directors regular business meeting No. 58 dated October 11, 2024. ACTION p. 5
- 3.3 Acceptance of Statement of Revenues and Expenses for the FY2024 Period Ending June 30, 2024. ACTION p. 9
- 3.4 Acceptance of Statement of Revenues and Expenses for the Period Ending July 31, 2024. ACTION p. 12
- 3.5 Acceptance of Statement of Revenues and Expenses for the Period Ending August 31, 2024. ACTION p. 14
- 3.6 Acceptance of Statement of Revenues and Expenses for the Period Ending September 30, 2024. ACTION p. 16
- 3.7 Approval of the minutes of Board of Directors regular business meeting No. 59 dated November 8, 2024. ACTION p. 18
- 3.8 Acceptance of Statement of Revenues and Expenses for the Period Ending October 31, 2024. ACTION p. 22
- 3.9 Receive a quarterly update on the operations of the US 101 Express Lanes. INFORMATION p. 24

4.0 REGULAR AGENDA

- 4.1 Approve the selection of a Focused Organizational Model for Express Lane Program Management. ACTION p. 41
- 4.2 Accept and enter into the record the Annual Financial Report for the Fiscal Year ended June 30, 2024. ACTION p. 56
- 4.3 Review and approval of the 2025 Calendar of SMCEL-JPA Board of Directors Meetings. ACTION p. 73

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

February 7, 2025

8.0 ADJOURNMENT

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

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

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

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

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

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

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

*In-person participation:

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

*Remote participation:

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

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

Executive Director: Sean Charpentier (650) 599-1409

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

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

Meeting No. 57
July 19, 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: Rico E. Medina (Chair), Michael Salazar (Vice Chair), Alicia Aguirre, Carlos Romero, Julia Mates and Rich Hedges

1.0 CALL TO ORDER/ ROLL CALL

Chair Rico E. Medina 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	Julia Mates			
SMCTA	Rico E. Medina			

Staff Present (In-Person):	Members of the Public (In-Person):
Sean Charpentier, Executive Council – C/CAG	Lacy Vong
April Chan, Executive Council – TA	Jessica Manzi
Peter Skinner – TA	
Mima Crume – Clerk of the Board	
Kaki Cheung – C/CAG	
Emily Beach – San Mateo County Transit District	Members of the Public (Remote):
	Valentina d’Empaire, WSP
Staff Present (Remote):	Eryca Dinsdale, WSP
Van Ocampo	

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 there were no public comments.

3.0 PRESENTATIONS

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

Chair Medina presented a certificate of appreciation to Emily Beach for her dedicated service to the San Mateo County Express Lanes Joint Powers Authority. Emily’s involvement in the program including providing key input in the express lanes equity program, securing a \$100 million construction loan, and developing a branding campaign. She also served on the Burlingame City Council and other regional committees. The Board appreciated her leadership.

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. APPROVED
- 4.2 Accept the Sources and Uses of Funds for the FY2024 Period Ending May 31, 2024. APPROVED
- 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. APPROVED

Director Hedges **MOVED** to approve the consent agenda items 4.1 to 4.3.
Director Romero **SECONDED**. **MOTION CARRIED 6-0-0**

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

The Board received a presentation and feedback on various organizational model options as part of the JPA organizational assessment project.

The express lanes authority initiated this project to optimize organizational structure and staffing for 101 express lane operations, aiming to ensure efficient execution of the program’s vision. Preliminary goals and selection criteria were presented at the April meeting.

At the July meeting, Deputy Director Kaki Cheung introduced Eryca Dinsdale from WSP, who shared different organizational models and their associated

opportunities and challenges for board input. Organizational models presented ranged from the current shared services to a dedicated express lanes organization.

The board deliberated on the need for changes, considering the benefits of current versus new models, and the possibility of quarterly meetings to improve efficiency.

Next steps include assessing the models against selection criteria and conducting a cost analysis over the summer, with findings to be presented in the fall. The board appreciated the thorough discussion and will continue to evaluate the best path forward.

6.0 REPORTS

a) Chairperson Report.

None.

b) Member Communication.

Director Romero highlighted a scheduling conflict with board meetings on the second Friday, which overlap with his ABAG and MTC meetings, and requested consideration to move the meeting to the third Friday.

Chair Medina explained that the current schedule was based on previous board members' availability and could be reassessed with the addition of two new members later in the year. The Chair and Executive Council Sean have discussed this issue, taking into account the timing for new member appointments at C/CAG.

Another board member emphasized that meeting times are known when members choose to serve, and frequent changes can be disruptive. However, the schedule could be reconsidered with the new board composition.

c) Executive Council Report - Executive Council Verbal Report.

Ms. Chan reported two updates. She thanked Director Romero and former Director Emily Beach for receiving the Innovative Transportation Solutions award for the Community Benefits Program at the WTS San Francisco Chapter banquet on June 20th.

Mr. Skinner attended the TRB Conference on Advancing Transportation Equity on July 17th, where he presented on the Community Transportation Benefits Program. He thanked Christa Cassidy with the Policy/Program Manager consultant team for her assistance in preparing the presentation.

d) Policy/Program Manager Report.

Ms. Vong reported three items:

- CHP Refresher Training: Four training sessions will be held next month to update CHP officers, share data, and address congestion spots.
- Community Transportation Benefits RFP: The next-gen RFP is expected to be released in August, with results and selection presented in the fall and implementation in spring 2025.
- Privacy Policy Report: A new privacy policy has been developed to align with regional standards, detailing management of private information. JPA staff do not have direct access to PII, as that is handled through a secure portal following BATA and BAIFA policies.

7.0 WRITTEN COMMUNICATIONS

None.

8.0 NEXT REGULAR MEETING

September 13, 2024

9.0 ADJOURNMENT – 10:04 am

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

Meeting No. 58
October 11, 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: Rico E. Medina (Chair), Michael Salazar (Vice Chair), Alicia Aguirre, Carlos Romero, Julia Mates and Rich Hedges

1.0 CALL TO ORDER/ ROLL CALL

Chair Rico E. Medina called the meeting to order at 9:06 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		Julia Mates		
SMCTA	Rico E. Medina			

Staff Present (In-Person):	Members of the Public (In-Person):
Sean Charpentier, Executive Council – C/CAG	Lacy Vong
April Chan, Executive Council – TA	Eryca Dinsdale
Peter Skinner – TA	Giuliano Carlini
Mima Crume – Clerk of the Board	
Kaki Cheung – C/CAG	
Emily Beach – San Mateo County Transit District	Members of the Public (Remote):
	Mike Swire
Staff Present (Remote):	
Van Ocampo	

Three members were present at the physical location posted on the public agenda. One member (Board Member Romero) was teleconferencing from San Francisco from a teleconference location posted on the public agenda. Because a quorum (of four members) was not physically present in a singular physical location in the jurisdiction, AB 2449 remote member participation was disallowed for all members under Cal. Gov’t Code § 54953(f)(1), so the member requesting remote member participation (Board Member Aguirre) observed the meeting as a member of the public and was not counted toward quorum. Separately, because a quorum was not participating

from locations within the boundaries of the territory over which the JPA exercises jurisdiction, the meeting failed to have a quorum for purposes of permitting the use of traditional teleconferencing under Cal. Gov't Code § 54953(b)(3), and the member participating via traditional teleconferencing (Board Member Romero) was also not counted toward a quorum. On advice of counsel, the members in attendance were limited to informational items and no action was proposed or taken.

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.

Public member Mr. Carlini requested access to data showing the impact of express lanes on overall congestion, stressing that this information is essential for public understanding.

Public member Mr. Swire echoed the call for congestion data. He emphasized that the express lanes were intended to benefit all drivers, not just those who can afford to use them.

Both speakers urged the board to make congestion data available to assess the project's success.

3.0 PRESENTATIONS

- 3.1 Approval of the minutes of Board of Directors regular business meeting No. 57 dated July 19, 2024. NO ACTION TAKEN
- 3.2 Accept the Sources and Uses of Funds for the FY2024 Period Ending June 30, 2024. NO ACTION TAKEN
- 3.3 Acceptance of Statement of Revenues and Expenses for the Period Ending July 31, 2024. NO ACTION TAKEN
- 3.4 Acceptance of Statement of Revenues and Expenses for the Period Ending August 31, 2024. NO ACTION TAKEN
- 3.5 Receive an update on the US 101 Express Lanes Variable Rate Bond. INFORMATION

4.0 REGULAR AGENDA

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

Deputy Director Kaki Cheung introduced the organizational assessment project, which aims to evaluate the best structure for managing express lanes operations.

This project is part of an ongoing commitment to ensure efficient and effective management of the Express Lanes program.

Consultant Eryca Dinsdale from WSP presented five organizational models for consideration. The models ranged from maintaining the current structure, which splits responsibilities between two agencies, to creating a new, dedicated agency specifically for express lane operations. Each model was assessed based on costs, efficiency, and alignment with local values.

A cost analysis revealed that establishing a dedicated agency would be significantly more expensive than other options. Adding a program manager, however, was identified as a middle-ground solution. This role could enhance coordination and reduce redundancies within the existing framework without incurring high costs.

The presentation concluded with a recommendation to consider adding a program manager. This approach would streamline operations while preserving the strengths of the current structure. Board members acknowledged the findings and noted the need for further discussion on the organizational options.

4.2 Review and discuss potential alternative Board meeting schedule.

NO ACTION TAKEN

Executive Director Sean Charpentier suggested revising the board meeting schedule based on Board member feedback. He proposed moving meetings to the first Friday of each month, with the option to reduce frequency to a bimonthly schedule. This change could provide fewer but more focused sessions.

The Board showed interest in considering and the bimonthly meeting schedules on the first Friday of the month, and it was agreed that the topic would be discussed further at the next board meeting.

5.0 **REPORTS**

a) Chairperson Report.

None.

b) Member Communication.

None.

c) Executive Council Report - Executive Council Verbal Report.

None.

d) Policy/Program Manager Report.

Lacy Vong, the Policy/Program Manager, provided updates on current policy

initiatives and program developments for the Express Lanes project.

6.0 **WRITTEN COMMUNICATIONS**

None.

7.0 **NEXT REGULAR MEETING**

November 8, 2024

8.0 **ADJOURNMENT** – 9:59 am

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Acceptance of Statement of Revenues and Expenses for the FY2024 Period Ending June 30, 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 Statement of Revenues and Expenses for the Fiscal Year 2024 (FY24), period ending June 30, 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

Operating Revenues: As of June 2024, total Operating Revenues are \$31.7 million, \$6.3 million (25.0%) favorable to budget. Total Revenues are comprised of the following:

- Toll Revenues, \$28.7 million (\$8.5 million [41.8%] favorable to budget)
- Toll violation, fees and penalties, \$2.0 million (-\$2.1 million [-51.2%] unfavorable to budget)
- Allocated bond funds - Equity program, \$0.3 million (-\$0.3 million [-49.8%] unfavorable to budget)
- Miscellaneous income, \$0.7 million (\$0.7 million [100%] favorable to budget)

Operating Expenses: As of June 2024, total Operating Expenses are \$13.1 million, \$9.3 million (41.4%) favorable to budget. Major expenses include the following:

- Toll operations and maintenance costs, \$4.1 million (\$4.3 million [51.1%] favorable to budget)
- FasTrak customer service costs, \$3.6 million (\$1.6 million [30.5%] favorable to budget)
- Consultant, \$1.3 million (\$0.1 million [42.6%] favorable to budget)
- SMCELJPA bond interest, \$1.0 million (-\$0.02 million [-2.0%] unfavorable to budget)
- Staff support, \$0.7 million (\$0.4 million [36.8%] favorable to budget)
- Insurance, \$0.5 million (-\$0.01 million [-2.7%] unfavorable to budget)
- Equity Program Administration and Costs, \$0.5 million (\$0.1 million [68.0%] favorable to budget)

BACKGROUND

Budget Amendment: There are no budget amendments for the month of June 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. Statement of Revenues and Expenses Fiscal Year 2024 (June 2024)



SAN MATEO COUNTY EXPRESS LANE JOINT POWERS AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
Fiscal Year 2024
As of June 30 2024

Preliminary Unaudited

	YEAR-TO-DATE JULY TO JUNE				ANNUAL
	ADOPTED BUDGET	CURRENT ACTUALS	\$ VARIANCE	% VARIANCE	ADOPTED BUDGET
OPERATING REVENUES					
Toll Revenues	\$ 20,200,000	\$ 28,651,713	\$ 8,451,713	41.8%	\$ 20,200,000
Toll Violation, Fees and Penalties	4,200,000	2,049,709	(2,150,291)	(51.2%)	4,200,000
Allocated Bond Funds - Equity Program	577,550	290,117	(287,433)	(49.8%)	577,550
SMCTA Measure A (ACR TDM) - Equity Program	400,000	-	(400,000)	(100.0%)	400,000
Misc. Income	-	735,303	735,303	100.0%	-
TOTAL REVENUES	\$ 25,377,550	\$ 31,726,842	\$ 6,349,291	25.0%	\$ 25,377,550
OPERATING EXPENSES					
Staff Support	\$ 1,032,871	\$ 653,122	\$ 379,749	36.8%	\$ 1,032,871
Administrative Overhead	117,139	141,763	(24,624)	(21.0%)	117,139
Seminar Training/Business Travel	40,500	6,949	33,551	82.8%	40,500
Audit & Bank Fees	22,636	14,833	7,803	34.5%	22,636
Promotional Advertising	50,000	33,716	16,284	32.6%	50,000
Utilities	50,000	101,048	(51,048)	(102.1%)	50,000
Software Maintenance & License	33,600	29,721	3,879	11.5%	33,600
Legal Services	60,000	13,345	46,655	77.8%	60,000
Insurance	500,000	513,300	(13,300)	(2.7%)	500,000
SMCEL-JPA Bond Related Debt Fees	520,000	146,598	373,402	71.8%	520,000
Miscellaneous	52,090	17,515	34,575	66.4%	52,090
Consultant	2,206,700	1,267,399	939,301	42.6%	2,206,700
Express Lane Maintenance	847,000	38,971	808,029	95.4%	847,000
Toll Operations and Maintenance (BAIFA)	8,350,000	4,079,222	4,270,778	51.1%	8,350,000
FasTrak Customer Service (BATA)	5,200,000	3,615,259	1,584,741	30.5%	5,200,000
Express Lanes Enhanced Enforcement (CHP)	240,000	373,147	(133,147)	(55.5%)	240,000
Equity Program Administration and Costs	1,435,000	459,506	975,494	68.0%	1,435,000
Interest Expense on Operating Advances	269,098	221,758	47,340	17.6%	269,098
Credit Enhancement Fee	400,000	400,000	-	0.0%	400,000
SMCEL-JPA Bond Interest	1,000,000	1,019,754	(19,754)	(2.0%)	1,000,000
TOTAL EXPENSES	\$ 22,426,634	\$ 13,146,926	\$ 9,279,709	41.4%	\$ 22,426,634
SURPLUS/(DEFICIT)	\$ 2,950,916	\$ 18,579,917	\$ 15,629,001	529.6%	\$ 2,950,916

Additional Information:

Loan and interest payable to the City/County Association of Governments of San Mateo County	\$ 2,722,547
Loan and interest payable to the San Mateo County Transportation Authority	\$ 3,204,091

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Acceptance of Statement of Revenues and Expenses for the Period Ending July 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 Statement of Revenues and Expenses for the Fiscal Year 2025, period ending July 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

Operating Revenues: As of July 2024, the total Operating Revenues are \$2.9 million, \$0.3 million (13.0%) favorable to budget. Total Revenues are comprised of the following:

- Toll Revenues, \$2.6 million (\$0.3 million [12.0%] favorable to budget)
- Toll Violation, Fees and Penalties, \$0.2 million (-\$0.005 million [-2.7%] unfavorable to budget)

Operating Expenses: As of July 2024, the Operating Expenses are \$0.8 million, \$1.1 million (57.5%) favorable to budget. Major expenses are in the categories of the following:

- Toll Operations and Maintenance costs, \$0.4 million (\$0.2 million [39.4%] favorable to budget)
- FasTrak Customer Service Costs, \$0.3 million (\$0.05 million [15.9%] favorable to budget)

BACKGROUND

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

The Agency accounts for revenues and expenses on a modified cash basis (only material revenues and expenses are accrued) on the monthly financial statement. As such, the variance between the current year's actual and the budget July show noticeable variances due to the timing of expenses.

ATTACHMENT

1. Statement of Revenues and Expenses Fiscal Year 2025 (July 2024)



SAN MATEO COUNTY EXPRESS LANE JOINT POWERS AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
FISCAL YEAR 2025
AS OF JULY 31, 2024

	YEAR-TO-DATE JULY				ANNUAL
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
OPERATING REVENUES					
Toll Revenues	\$ 2,332,333	\$ 2,611,056	\$ 278,722	12.0%	\$ 27,988,000
Toll Violation, Fees and Penalties	187,750	182,644	(5,106)	(2.7%)	2,253,000
Allocated Bond Funds	-	-	-	0.0%	-
SMCTA Measure A (ACR TDM) - Equity Program	29,508	41,200	11,692	39.6%	354,100
Miscellaneous Revenue (Interest Income)	36,908	87,378	50,469	136.7%	442,900
TOTAL REVENUES	\$ 2,586,500	\$ 2,922,278	\$ 335,777	13.0%	\$ 31,038,000
OPERATING EXPENSES					
Staff Support & Admin Overhead	\$ 99,780	\$ 17,694	\$ 82,086	82.3%	\$ 1,197,358
Seminar/Training & Business Travel	3,375	286	3,089	91.5%	40,500
Audit & Bank Fees	1,830	538	1,292	70.6%	21,965
Promotional Advertising	4,167	-	4,167	100.0%	50,000
Utilities	5,000	-	5,000	100.0%	60,000
Software Maintenance & License	3,167	2,041	1,126	35.6%	38,000
Legal Services	5,000	-	5,000	100.0%	60,000
Insurance	55,792	28,220	27,571	49.4%	669,500
SMCEL-JPA Bond Related Debt Fees	55,833	37,250	18,583	33.3%	670,000
Miscellaneous	4,525	661	3,864	85.4%	54,300
Consultant	137,083	-	137,083	100.0%	1,645,000
Express Lane Maintenance	70,583	-	70,583	100.0%	847,000
Toll Operations and Maintenance (BAIFA)	579,167	351,030	228,136	39.4%	6,950,000
FasTrak Customer Service (BATA)	303,958	255,679	48,280	15.9%	3,647,500
Express Lanes Enhanced Enforcement (CHP)	51,333	-	51,333	100.0%	616,000
Equity Program Administration and Costs	122,587	41,200	81,387	66.4%	1,471,039
Interest Expense on Operating Advances	26,716	21,189	5,527	20.7%	320,587
Credit Enhancement Fee	33,333	33,333	-	0.0%	400,000
SMCEL-JPA Bond Interest	291,667	-	291,667	100.0%	3,500,000
TOTAL EXPENSES	\$ 1,854,896	\$ 789,121	\$ 1,065,774	57.5%	\$ 22,258,749
SURPLUS/(DEFICIT)	\$ 731,604	\$ 2,133,157	\$ 1,401,553	191.6%	\$ 8,779,251

Additional Information:

Loan and interest payable to the City/County Association of Governments of San Mateo County	\$ 2,732,281
Loan and interest payable to the San Mateo County Transportation Authority	\$ 3,215,547

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Acceptance of Statement of Revenues and Expenses for the Period Ending August 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 Statement of Revenues and Expenses for the Fiscal Year 2025, period ending August 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

Operating Revenues: As of August 2024, the total Operating Revenues are \$6.6 million, \$1.4 million (27.8%) favorable to budget. Total Revenues are comprised of the following:

- Toll Revenues, \$6.0 million (\$1.3 million [27.9%] favorable to budget)
- Toll Violation Fees and Penalties, \$0.4 million (\$0.02 million [4.5%] favorable to budget)
- Interest Income, \$0.2 million (\$0.20 million [156.9%] favorable to budget)

Operating Expenses: As of August 2024, the total Operating Expenses are \$2.3 million, \$1.4 million (38.3%) favorable to budget. Major Expenses are in the categories of the following:

- Toll Operations and Maintenance costs, \$1.2 million (no variance)
- FasTrak Customer Service, \$0.6 million (no variance)
- Equity Program Administration and Costs, \$0.2 million (\$0.02 million [8.1%] favorable to budget)

BACKGROUND

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

The Agency accounts for revenues and expenses on a modified cash basis (only material revenues and expenses are accrued) on the monthly financial statement. As such, the variance between the current year's actual and the budget August show noticeable variances due to the timing of expenses.

ATTACHMENT

1. Statement of Revenues and Expenses Fiscal Year 2025 (August 2024)



SAN MATEO COUNTY EXPRESS LANE JOINT POWERS AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
FISCAL YEAR
As of August 31, 2024

	YEAR-TO-DATE JULY-AUGUST				ANNUAL
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
OPERATING REVENUES					
Toll Revenues	\$ 4,664,667	\$ 5,966,042	\$ 1,301,376	27.9%	\$ 27,988,000
Toll Violation, Fees and Penalties	375,500	392,530	17,030	4.5%	2,253,000
Allocated Bond Funds	-	-	-	0.0%	-
SMCTA Measure A (ACR TDM) - Equity Program	41,200	41,200	-	0.0%	354,100
Miscellaneous Revenue (Interest Income)	73,817	189,632	115,815	156.9%	442,900
TOTAL REVENUES	\$ 5,155,183	\$ 6,589,404	\$ 1,434,220	27.8%	\$ 31,038,000
OPERATING EXPENSES					
Staff Support & Admin Overhead	\$ 199,560	\$ 30,571	\$ 168,989	84.7%	\$ 1,197,358
Seminar/Training & Business Travel	6,750	286	6,464	95.8%	40,500
Audit & Bank Fees	3,661	1,094	2,567	70.1%	21,965
Promotional Advertising	8,333	-	8,333	100.0%	50,000
Utilities	10,000	3,196	6,804	68.0%	60,000
Software Maintenance & License	6,333	4,081	2,252	35.6%	38,000
Legal Services	10,000	-	10,000	100.0%	60,000
Insurance	111,583	99,582	12,001	10.8%	669,500
SMCEL-JPA Bond Related Debt Fees	111,667	-	111,667	100.0%	670,000
Miscellaneous	9,050	764	8,286	91.6%	54,300
Consultant	274,167	92,744	181,423	66.2%	1,645,000
Express Lane Maintenance	141,167	-	141,167	100.0%	847,000
Toll Operations and Maintenance (BAIFA)	1,158,333	1,158,333	-	0.0%	6,950,000
FasTrak Customer Service (BATA)	607,917	607,946	(30)	(0.0%)	3,647,500
Express Lanes Enhanced Enforcement (CHP)	102,667	-	102,667	100.0%	616,000
Equity Program Administration and Costs	245,173	225,405	19,768	8.1%	1,471,039
Interest Expense on Operating Advances	53,431	-	53,431	100.0%	320,587
Credit Enhancement Fee	66,667	66,666	1	0.0%	400,000
SMCEL-JPA Bond Interest	583,333	-	583,333	100.0%	3,500,000
TOTAL EXPENSES	\$ 3,709,792	\$ 2,290,668	\$ 1,419,123	38.3%	\$ 22,258,749
SURPLUS/(DEFICIT)	\$ 1,445,392	\$ 4,298,736	\$ 2,853,344	197.4%	\$ 8,779,251

Additional Information:

Loan and interest payable to the City/County Association of Governments of San Mateo County	\$ 2,741,116
Loan and interest payable to the San Mateo County Transportation Authority	\$ 3,225,945

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Acceptance of Statement of Revenues and Expenses for the Period Ending September 30, 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 Statement of Revenues and Expenses for the Fiscal Year 2025, period ending September 30, 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

Operating Revenues: As of September 2024, the total Operating Revenues are \$10.0 million, \$2.2 million (28.7%) favorable to budget. Total Revenues are comprised of the following:

- Toll Revenues, \$8.8 million (\$1.8 million [26.4%] favorable to budget)
- Toll Violation Fees and Penalties, \$0.6 million (\$0.02 million [3.6%] favorable to budget)
- Allocated Bond Funds – Equity Program, \$0.3 million (\$0.3 million [100%] favorable to budget)
- Interest Income \$0.3 million, (\$0.2 million [164.5%] favorable to budget)

Operating Expenses: As of September 2024, the total Operating Expenses are \$2.8 million, \$2.8 million (49.6%) favorable to budget. Major Expenses are in the categories of the following:

- Toll Operations and Maintenance (BAIFA), \$1.2 million (\$0.6 million [33.3%] favorable variance)
- FasTrak Customer Service (BATA), \$0.8 million (\$0.1 million [14.4%] favorable variance)
- Equity Program Administration and Costs, \$0.3 million (\$0.1 million [27.7%] favorable to budget)
- Consultant, \$0.2 million (\$0.2 million [49.3%] favorable to budget)

BACKGROUND

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

The Agency accounts for revenues and expenses on a modified cash basis (only material revenues and expenses are accrued) on the monthly financial statement. As such, the variance between the current year's actual and the budget September show noticeable variances due to the timing of expenses.

ATTACHMENT:

1. Statement of Revenues and Expenses Fiscal Year 2025 (September 2024)



SAN MATEO COUNTY EXPRESS LANE JOINT POWERS AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
FISCAL YEAR
As of September 30, 2024

	YEAR-TO-DATE JULY - SEPTEMBER				ANNUAL
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
OPERATING REVENUES					
Toll Revenues	\$ 6,997,000	\$ 8,844,775	\$ 1,847,775	26.4%	\$ 27,988,000
Toll Violation, Fees and Penalties	563,250	583,655	20,405	3.6%	2,253,000
Allocated Bond Funds - Equity Program	-	266,005	266,005	100.0%	-
SMCTA Measure A (ACR TDM) - Equity Program	88,525	-	(88,525)	(100.0%)	354,100
Miscellaneous Revenue (Interest Income)	110,725	292,912	182,187	164.5%	442,900
TOTAL REVENUES	\$ 7,759,500	\$ 9,987,347	\$ 2,227,847	28.7%	\$ 31,038,000
OPERATING EXPENSES					
Staff Support & Admin Overhead	\$ 299,340	\$ 66,017	\$ 233,323	77.9%	\$ 1,197,358
Seminar/Training & Business Travel	10,125	286	9,839	97.2%	40,500
Audit & Bank Fees	5,491	1,660	3,831	69.8%	21,965
Promotional Advertising	12,500	-	12,500	100.0%	50,000
Utilities	15,000	15,070	(70)	(0.5%)	60,000
Software Maintenance & License	9,500	6,122	3,378	35.6%	38,000
Legal Services	15,000	734	14,266	95.1%	60,000
Insurance	167,375	149,373	18,002	10.8%	669,500
SMCEL-JPA Bond Related Debt Fees	167,500	-	167,500	100.0%	670,000
Miscellaneous	13,575	1,389	12,186	89.8%	54,300
Consultant	411,250	208,384	202,866	49.3%	1,645,000
Express Lane Maintenance	211,750	-	211,750	100.0%	847,000
Toll Operations and Maintenance (BAIFA)	1,737,500	1,158,333	579,167	33.3%	6,950,000
FasTrak Customer Service (BATA)	911,875	780,354	131,521	14.4%	3,647,500
Express Lanes Enhanced Enforcement (CHP)	154,000	-	154,000	100.0%	616,000
Equity Program Administration and Costs	367,760	266,005	101,755	27.7%	1,471,039
Interest Expense on Operating Advances	80,147	59,361	20,786	25.9%	320,587
Credit Enhancement Fee	100,000	99,999	1.00	0.0%	400,000
SMCEL-JPA Bond Interest	875,000	-	875,000	100.0%	3,500,000
TOTAL EXPENSES	\$ 5,564,687	\$ 2,813,087	\$ 2,751,601	49.4%	\$ 22,258,749
SURPLUS/(DEFICIT)	\$ 2,194,813	\$ 7,174,260	\$ 4,979,447	226.9%	\$ 8,779,251

Additional Information:

Operating loan and interest payable to the City/County Association of Governments of San Mateo County	\$ 2,687,074
Operating loan and interest payable to the San Mateo County Transportation Authority	\$ 3,162,344

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

Meeting No. 59
November 8, 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: Rico E. Medina (Chair), Michael Salazar (Vice Chair), Alicia Aguirre, Carlos Romero, Julia Mates and Rich Hedges

1.0 CALL TO ORDER/ ROLL CALL

Chair Rico E. Medina 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		Julia Mates		
SMCTA	Rico E. Medina			

Staff Present (In-Person):	Members of the Public (In-Person):
Sean Charpentier, Executive Council – C/CAG	Giuliano Carlini
April Chan, Executive Council – TA	
Peter Skinner – TA	
Mima Crume – Clerk of the Board	
Kaki Cheung – C/CAG	
Emily Beach – San Mateo County Transit District	Members of the Public (Remote):
Van Ocampo	Eryca Dinsdale
Staff Present (Remote):	
Lacy Vong – Policy Program Manager	

Was in attendance remotely*

Quorum was not met; and as a result, the Board was not able to take action on items.

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 Alicia Aguirre for her years of dedicated service to San Mateo County Express Lanes Joint Powers Authority.

A certificate was presented to Director Alicia Aguirre in recognition of her 19 years of service to Redwood City and her impactful leadership on the JPA Board, including her advocacy for affordable housing, transportation, and equity in city services, as well as her pivotal role in developing the equity element for the 101 Managed Lanes project.

- 3.2 Certificate of Appreciation to Rich Hedges for his dedicated service to San Mateo County Express Lanes Joint Powers Authority.

Director Rich Hedges was recognized for his extensive contributions to the JPA and the community, including 20 years of service on the MTC Policy Advisory Committee, leadership in regional planning and civic engagement, and a steadfast dedication to ethical governance and enhancing the quality of life for county residents.

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. 57 dated July 19, 2024. NO ACTION TAKEN
- 4.2 Approval of the minutes of Board of Directors regular business meeting No. 58 dated October 11, 2024. NO ACTION TAKEN
- 4.3 Acceptance of Statement of Revenues and Expenses for the FY2024 Period Ending June 30, 2024. NO ACTION TAKEN
- 4.4 Acceptance of Statement of Revenues and Expenses for the Period Ending July 31, 2024. NO ACTION TAKEN
- 4.5 Acceptance of Statement of Revenues and Expenses for the Period Ending August 31, 2024. NO ACTION TAKEN
- 4.6 Acceptance of Statement of Revenues and Expenses for the Period Ending September 30, 2024. NO ACTION TAKEN
- 4.7 Receive an update on the US 101 Express Lanes Variable Rate Bond. INFORMATION

5.0 **REGULAR AGENDA**

- 5.1 Approve the selection of a Focused Organizational Model for Express Lane Program Management. **NO ACTION TAKEN**
- 5.2 Review and approval of the 2025 Calendar of SMCEL-JPA Board of Directors Meetings. **NO ACTION TAKEN**

Legal Counsel explained that the Brown Act requires a physical quorum within the jurisdiction for teleconferencing, and AB 2449 allows remote participation only under specific conditions. As these requirements were not met, no action items could be addressed. Revisiting the bylaws was suggested for consideration at a future meeting.

6.0 **REPORTS**

- a) Chairperson Report.

None.

- b) Member Communication.

Discussion on scheduling a special meeting to address pending action items before board transitions.

Director Hedges highlighted Measure T's potential to transform San Mateo, calling for added density at Bay Meadows to complete housing and a Caltrain entrance off El Camino to improve accessibility.

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

Mr. Charpentier, Executive Council, commended Directors Aguirre and Hedges for their leadership in equity-focused express lanes, a model for the Bay Area. He proposed a special December meeting to address key items before onboarding new C/CAG representatives. He clarified the regular meeting listed for December 12th would fall on December 13th, but that meeting is likely to be replaced by a special meeting.

Ms. Chan, Executive Council, thanked Directors Aguirre and Hedges for their impactful contributions to the JPA, highlighting their leadership at local, regional, and statewide levels. She also congratulated Directors Mates, Salazar, Medina, and Romero on their reelection.

She updated the Board on the Executive Steering Committee for Bay Area Express Lanes, focusing on unique equity programs by MTC and the JPA that provide discounts and benefits for eligible users. She emphasized the need to continue these discussions and update the Board.

- d) Policy/Program Manager Report.

Ms. Vong thanked Directors Aguirre and Hedges for their leadership and commitment to equity, recognizing their vital role in the program's success and progress. She expressed appreciation for their contributions and collaboration.

7.0 **WRITTEN COMMUNICATIONS**

None.

8.0 **NEXT REGULAR MEETING**

December 13, 2024

9.0 **ADJOURNMENT** – 9:24 am

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Acceptance of Statement of Revenues and Expenses for the Period Ending October 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 Statement of Revenues and Expenses for the Fiscal Year 2025, period ending October 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

Operating Revenues: As of October 2024, the total Operating Revenues are \$12.9 million, \$2.5 million (24.3%) favorable to budget. Total Revenues are comprised of the following:

- Toll Revenues, \$11.3 million (\$2.0 million [21.0%] favorable to budget)
- Toll Violation Fees and Penalties, \$0.8 million (\$0.02 million [2.6%] favorable to budget)
- Allocated Bond Funds – Equity Program, \$0.3 million (\$0.3 million [100%] favorable to budget)
- SMCTA Measure A (ACR TDM) – Equity Program, \$0.2 million [36.8%] favorable to budget)
- Interest Income \$0.4 million, (\$0.2 million [156.9%] favorable to budget)

Operating Expenses: As of October 2024, the total Operating Expenses are \$4.1 million, \$3.3 million (44.4%) favorable to budget. Major Expenses are in the categories of the following:

- Toll Operations and Maintenance (BAIFA), \$1.4 million (\$1.0 million [41.1%] favorable variance)
- FasTrak Customer Service (BATA), \$1.1 million (\$0.1 million [9.6%] favorable variance)
- Equity Program Administration and Costs, \$0.4 million (\$0.1 million [12.4%] favorable to budget)
- Consultant, \$0.4 million (\$0.2 million [28.7%] favorable to budget)

BACKGROUND

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

The Agency accounts for revenues and expenses on a modified cash basis (only material revenues and expenses are accrued) on the monthly financial statement. As such, the variance between the current year’s actual and the budget show noticeable variances due to the timing of expenses.

ATTACHMENT:

1. Statement of Revenues and Expenses Fiscal Year 2025 (October 2024)



SAN MATEO COUNTY EXPRESS LANE JOINT POWERS AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
FISCAL YEAR
As of October 31, 2024

	YEAR-TO-DATE JULY - OCTOBER				ANNUAL
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	BUDGET
OPERATING REVENUES					
Toll Revenues	\$ 9,329,333	\$ 11,285,346	\$ 1,956,013	21.0%	\$ 27,988,000
Toll Violation, Fees and Penalties	751,000	770,713	19,713	2.6%	2,253,000
Allocated Bond Funds - Equity Program	-	267,983	267,983	100.0%	-
SMCTA Measure A (ACR TDM) - Equity Program	118,033	161,422	43,389	36.8%	354,100
Miscellaneous Revenue (Interest Income)	147,633	379,329	231,696	156.9%	442,900
TOTAL REVENUES	\$ 10,346,000	\$ 12,864,793	\$ 2,518,793	24.3%	\$ 31,038,000
OPERATING EXPENSES					
Staff Support & Admin Overhead	\$ 399,119	\$ 137,325	\$ 261,794	65.6%	\$ 1,197,358
Seminar/Training & Business Travel	13,500	2,113	11,387	84.3%	40,500
Audit & Bank Fees	7,322	2,200	5,122	70.0%	21,965
Promotional Advertising	16,667	-	16,667	100.0%	50,000
Utilities	20,000	26,400	(6,400)	(32.0%)	60,000
Software Maintenance & License	12,667	8,162	4,505	35.6%	38,000
Legal Services	20,000	1,112	18,888	94.4%	60,000
Insurance	223,167	199,164	24,003	10.8%	669,500
SMCEL-JPA Bond Related Debt Fees	223,333	127,793	95,540	42.8%	670,000
Miscellaneous	18,100	1,479	16,621	91.8%	54,300
Consultant	548,333	390,739	157,594	28.7%	1,645,000
Express Lane Maintenance	282,333	-	282,333	100.0%	847,000
Toll Operations and Maintenance (BAIFA)	2,316,667	1,365,438	951,229	41.1%	6,950,000
FasTrak Customer Service (BATA)	1,215,833	1,099,281	116,552	9.6%	3,647,500
Express Lanes Enhanced Enforcement (CHP)	205,333	141,833	63,500	30.9%	616,000
Equity Program Administration and Costs	490,346	429,405	60,941	12.4%	1,471,039
Interest Expense on Operating Advances	106,862	59,361	47,501	44.5%	320,587
Credit Enhancement Fee	133,333	133,332	1	0.0%	400,000
SMCEL-JPA Bond Interest	1,166,667	-	1,166,667	100.0%	3,500,000
TOTAL EXPENSES	\$ 7,419,583	\$ 4,125,137	\$ 3,294,448	44.4%	\$ 22,258,749
SURPLUS/(DEFICIT)	\$ 2,926,417	\$ 8,739,656	\$ 5,813,239	198.6%	\$ 8,779,251

Additional Information:

Operating loan and interest payable to the City/County Association of Governments of San Mateo County	\$ 2,687,074
Operating loan and interest payable to the San Mateo County Transportation Authority	\$ 3,162,344

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Policy/Program Manager (PPM)

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

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

RECOMMENDATION

Receive update on the US 101 Express Lanes operations from Interstate 380 to the San Mateo /Santa Clara County line (SM 101 Express Lanes) for the first quarter (Q1) of Fiscal Year 2025 (FY25). No Board action is required.

FISCAL IMPACT

There is no fiscal impact related to this informational item.

SOURCE OF FUNDS

N/A

BACKGROUND

US 101 Express Lanes Operations

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

The following are the operational highlights for the 1st quarter of fiscal year 2025 (July 1 – September 30, 2024).

Trips and Revenue

- About 3.76 million express lane trips were taken on the US-101 Express Lanes in San Mateo County over 64 tolling days, which is an increase of 0.1% quarter over quarter and 8.8% from the prior fiscal year's 1st quarter.
- An average of 58,721 daily express lane trips were taken in Q1, which is roughly a 0.1% quarter over quarter and 7.1% increase compared to the prior fiscal year's 1st quarter.

- The following table breaks down the distribution of different trip types taken on the express lanes:

Trip Type	Percent of Total Q1 Trips
Single-occupancy vehicle (SOV) trips utilizing a valid transponder	17.1%
Trips receiving a discounted toll (either HOV2 or CAV)	7.7%
Toll-free trips (HOV3+)	42.8%
Trips captured by license plate (image-based tolls)	24.9%
Violation Trips	7.6%

- Distribution of trip types in the express lanes remained consistent quarter over quarter.
 - Toll-free trips (HOV3+) have been steadily increasing, quarter over quarter, while SOV and HOV2 trips under tolled trips have been steadily decreasing, leading to an overall decline in tolled trips.
- Distribution of trip types in the express lanes has experienced changes from the prior fiscal year's Q1.
 - Toll-free trips (HOV3+) had increased by 6.5% from the same quarter of the prior fiscal year, while SOV and HOV2 under tolled trips have been steadily decreasing.
 - This trend highlights the need to review the accuracy of occupancy declaration and work on enforcement strategies.
- The SMCEL-JPA collected \$9.4 million in toll revenue in Q1.
- The SMCEL-JPA has begun to make debt-related payments, including interest on the \$100 million bond loan and other fees, totaling approximately \$159,000 in FY25.

Speeds

- For the northbound direction, vehicles traveling in the express lanes during the peak hours were on average 10 mph faster than vehicles in the general-purpose lane. Southbound express lane speeds were on average 11 mph faster than the general-purpose lanes during peak hours.
- During peak hours, the speed differential between the express lane and general-purpose lane in both directions decreased by 1 mph compared to Q1 of the previous fiscal year. In addition, slightly extended periods of reduced speeds were observed during PM peak hours on the northbound approach to SR 92 and the southbound segment between Broadway and 3rd Ave. Express Lane speeds continued to stay above the federal speed requirement of 45 mph most of the tolling day.

Tolls

- Northbound and southbound have two distinct peak periods during the AM and PM commutes. Average tolls by direction in Q1 were:

Direction	AM peak (6am-9am)	PM peak (3pm-6pm)
Southbound	\$5.36	\$6.17
Northbound	\$3.63	\$5.26

- Quarterly Comparison
 - The average tolls for southbound traffic increased by 12.1% in the AM peak compared to the prior quarter and there was a 12.6% increase during the PM peak. The average tolls for northbound traffic decreased by 0.5% and decreased by 1.1% during the AM peak and PM peak, respectively.
- Prior Fiscal Year's Q1 Comparison
 - The average tolls for southbound traffic increased by 25.8% in the AM peak compared to the prior year's 1st quarter and there was a 23.9% increase during the PM peak. The average tolls for

northbound traffic increased by 25.6% and 40.6% during the AM peak and PM peak, respectively.

- The average assessed toll in Q1 in the southbound direction for the quarter was \$4.64, which represents a 17.5% increase quarter over quarter and a 30% increase compared to prior fiscal year's Q1, while in the northbound direction, it was \$3.65, representing a 3.1% increase quarter over quarter and a 33.2% increase compared to prior fiscal year's Q1.
- Close to 55% of the tolled trips were less than \$3, and 9.4% of drivers paid a toll in excess of \$12 during Q1.

Enforcement

- CHP made 617 enforcement contacts in Q1, 56.6% which resulted in HOV occupancy citations.
- Enforcement costs were approximately \$126,379, resulting in an average cost per enforcement contact of approximately \$204.83.

Lane Users

- An estimated 625,000 unique vehicles made trips in the SM 101 Express Lanes.
 - 61% (383,961) of the vehicles did so with a FasTrak® toll tag in the vehicle.
 - 39% (241,477) of the vehicles traveled without a FasTrak® toll tag, and were captured by license plates.
 - This figure differs slightly from the previously cited 24.9% Image Based Toll (IBT) and 7.6% Violation Trip figures. The IBT and Violation trips measure total trips while this statistic measures total unique vehicles.

Community Transportation Benefits Program

- The FY25 Q1 data for the Community Transportation Benefits Program was not submitted by the program administrator, Samaritan House, in time for inclusion in this reporting period. Staff anticipate receiving the updated data in time to provide a full report on the Program performance next quarter.

ATTACHMENT

1. US 101 Express Lanes Performance: 1st Quarter FY 2025



San Mateo 101 Express Lanes
Performance
1st Quarter FY2025
(July – September 2024)

Rules of the Road

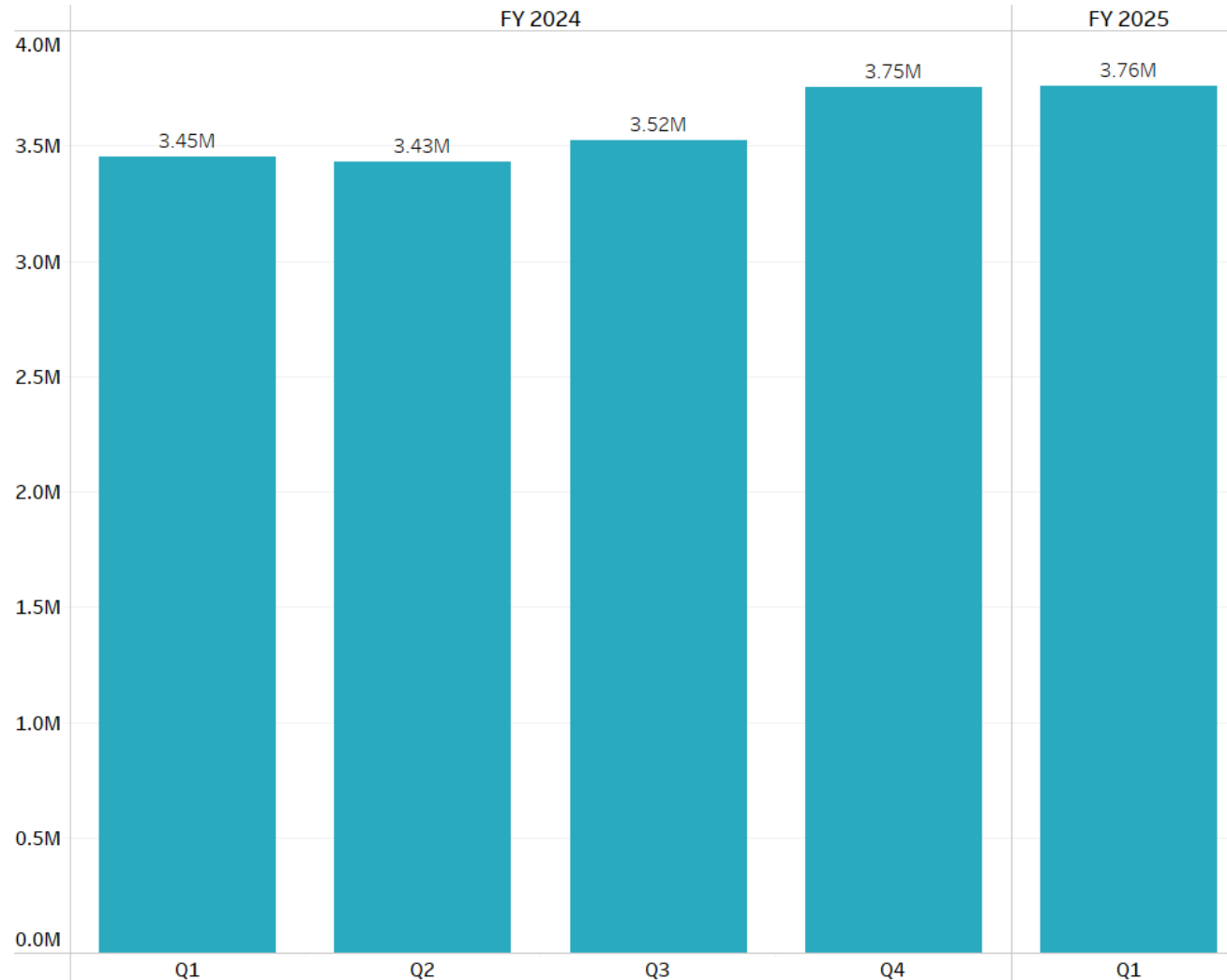
- Hours: 5 a.m. to 8 p.m. Monday – Friday
- FasTrak® required
- Carpools (HOV 3+), buses, and motorcycles travel toll-free with FasTrak® Flex toll tags
- Carpools (HOV 2) pay half-price tolls with FasTrak® Flex toll tags
- Solo drivers in eligible clean-air vehicles pay half-price toll with FasTrak®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



Key Performance Highlights

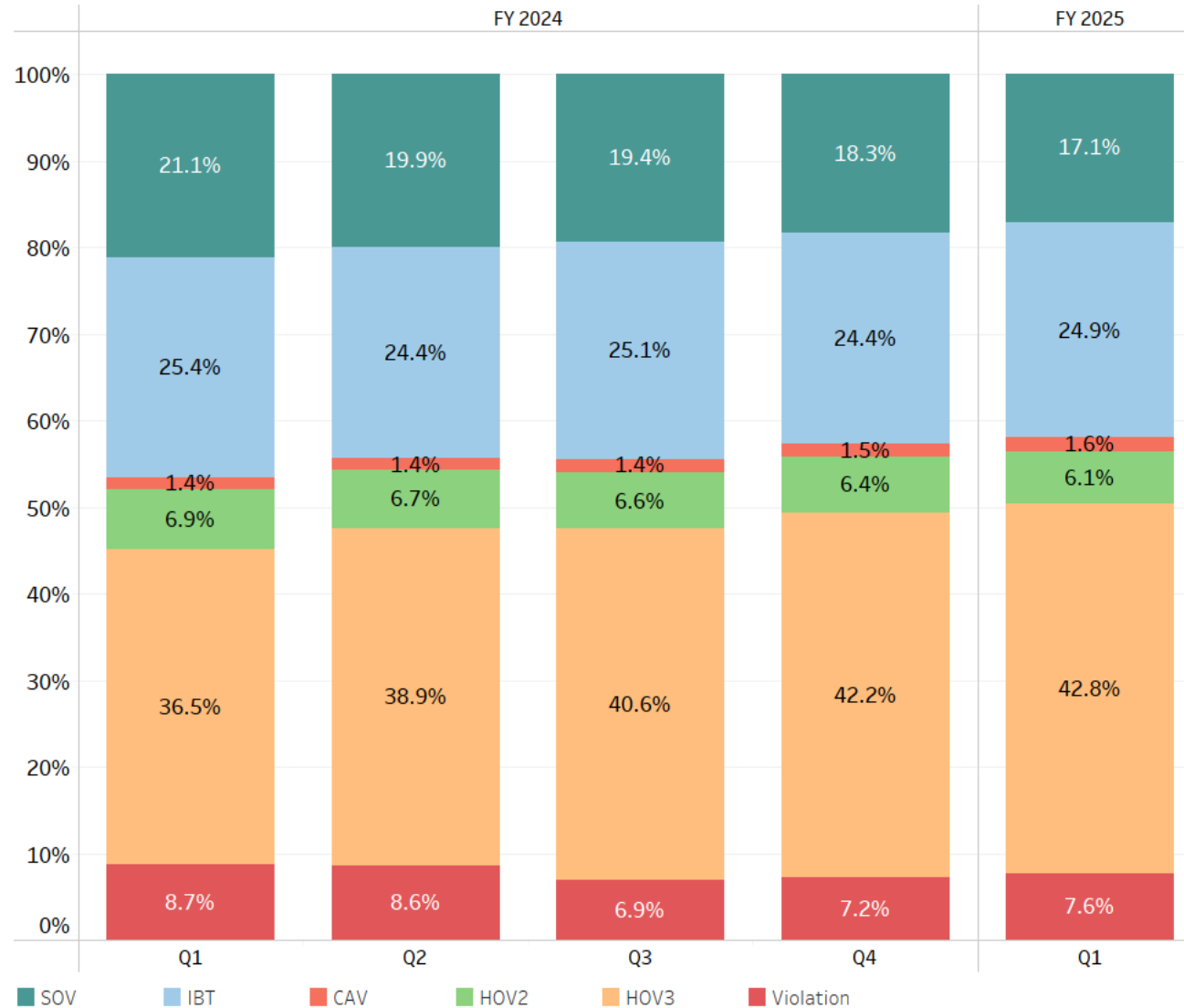
- **Increase in Average Assessed Tolls:** FY25 Q1 saw an increase in average assessed tolls for both the southbound and northbound direction compared to the prior quarter.
- **Steady Express Lane Performance:** Average daily trips for the express lanes were about the same as the prior quarter and up about 7% from the same quarter of the prior fiscal year.
- **Increase in Toll Revenue:** FY 25 Q1 toll revenue increased by about 9%, due to the increase in average assessed tolls in both directions.

Express Lane Trips



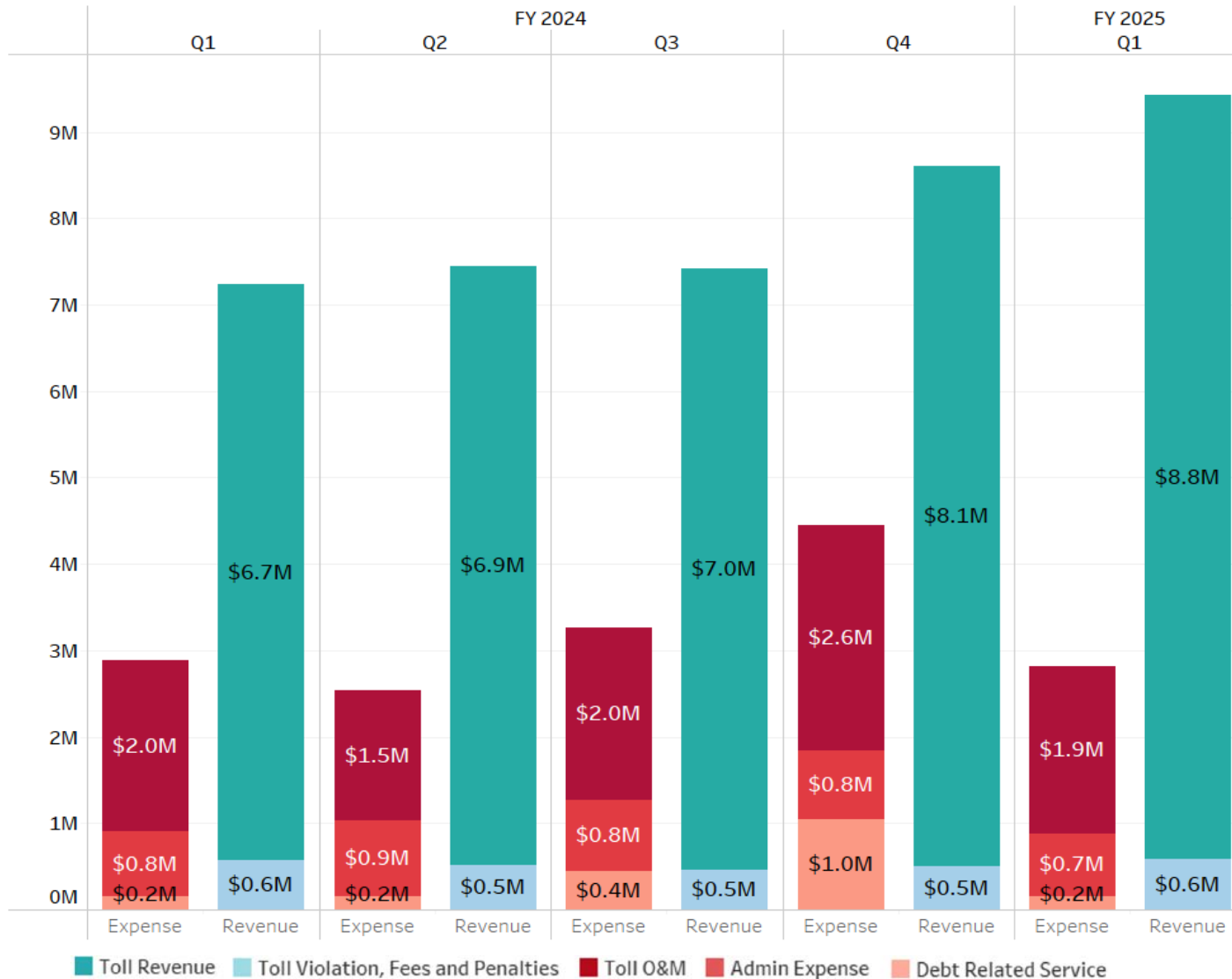
- FY25 Q1 consisted of 64 tolling days.
- In FY25 Q1, an average of 58,721 express lane trips have been made daily, which is a 0.1% increase over FY24 Q4.
- 3,758,144 trips were made in the quarter.
- In FY25 Q1, there was a 7.1% increase in average daily trips compared to the prior fiscal year's Q1. This is approximately 3,900 more daily trips.

Express Lane Trip Types



- Toll-free trips: 42.8%
 - HOV 3+ and Non-Revenue
- Tolloed trips: 49.7%
 - 42% full toll (SOV + IBT)
 - 6.1% discounted toll (HOV 2)
 - 1.6% discounted toll (CAV)
- Violation trips: 7.6%
 - Image-based Toll (IBT) trips with No FasTrak account at the time of the trip
- Tolloed trips have decreased by 5.1% from Q1 of the prior fiscal year.
 - SOV trips had the largest change with a decrease of 4%.

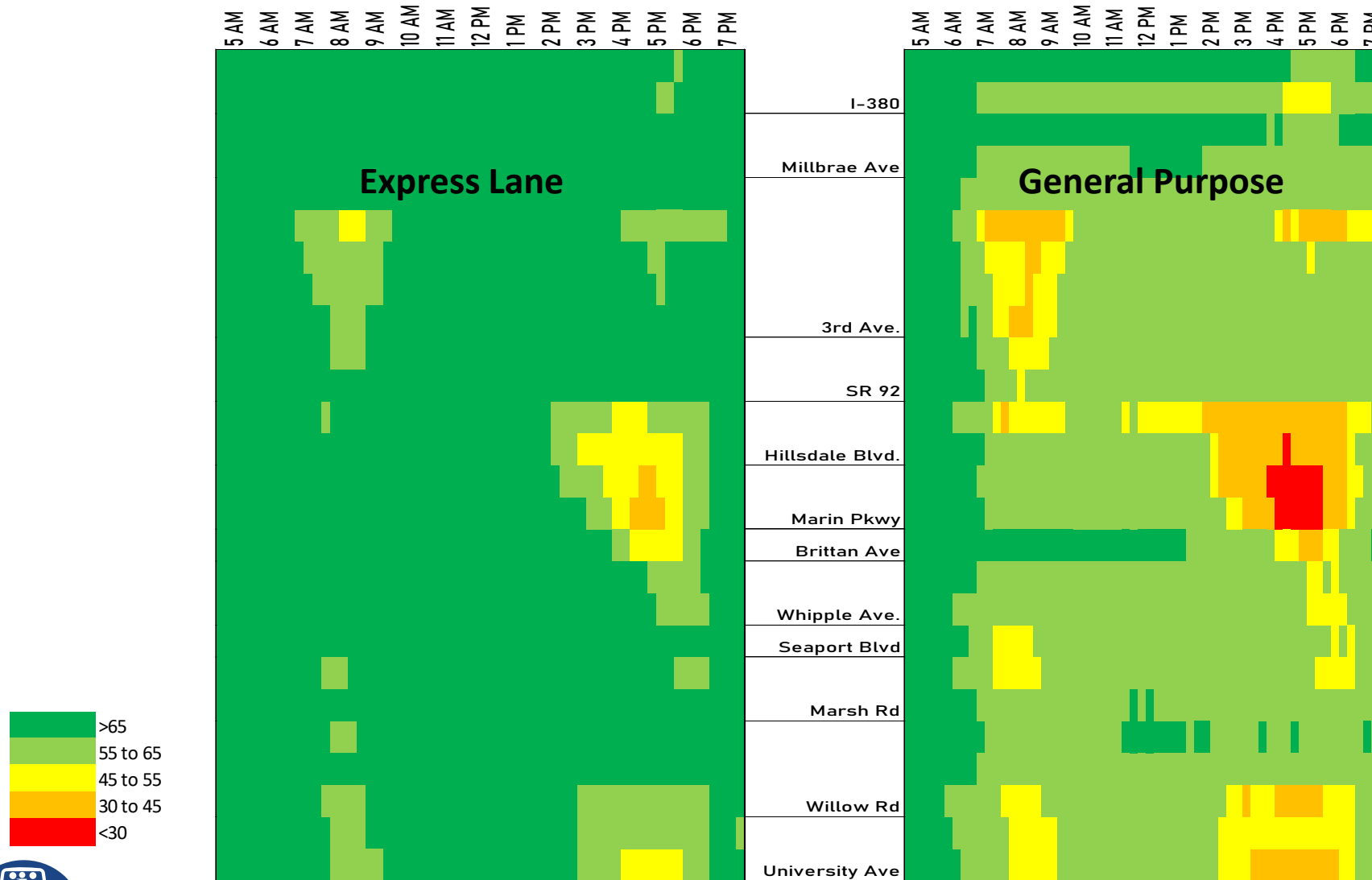
Express Lanes Toll Revenue and Expense



- In Q1, SMCEL-JPA has received \$9.4 million in toll revenue.
- SMCEL-JPA has expended \$1.9 million in toll operations and maintenance (O&M) costs.
- SMCEL-JPA has disbursed approximately \$159k in debt related payments during Q1.

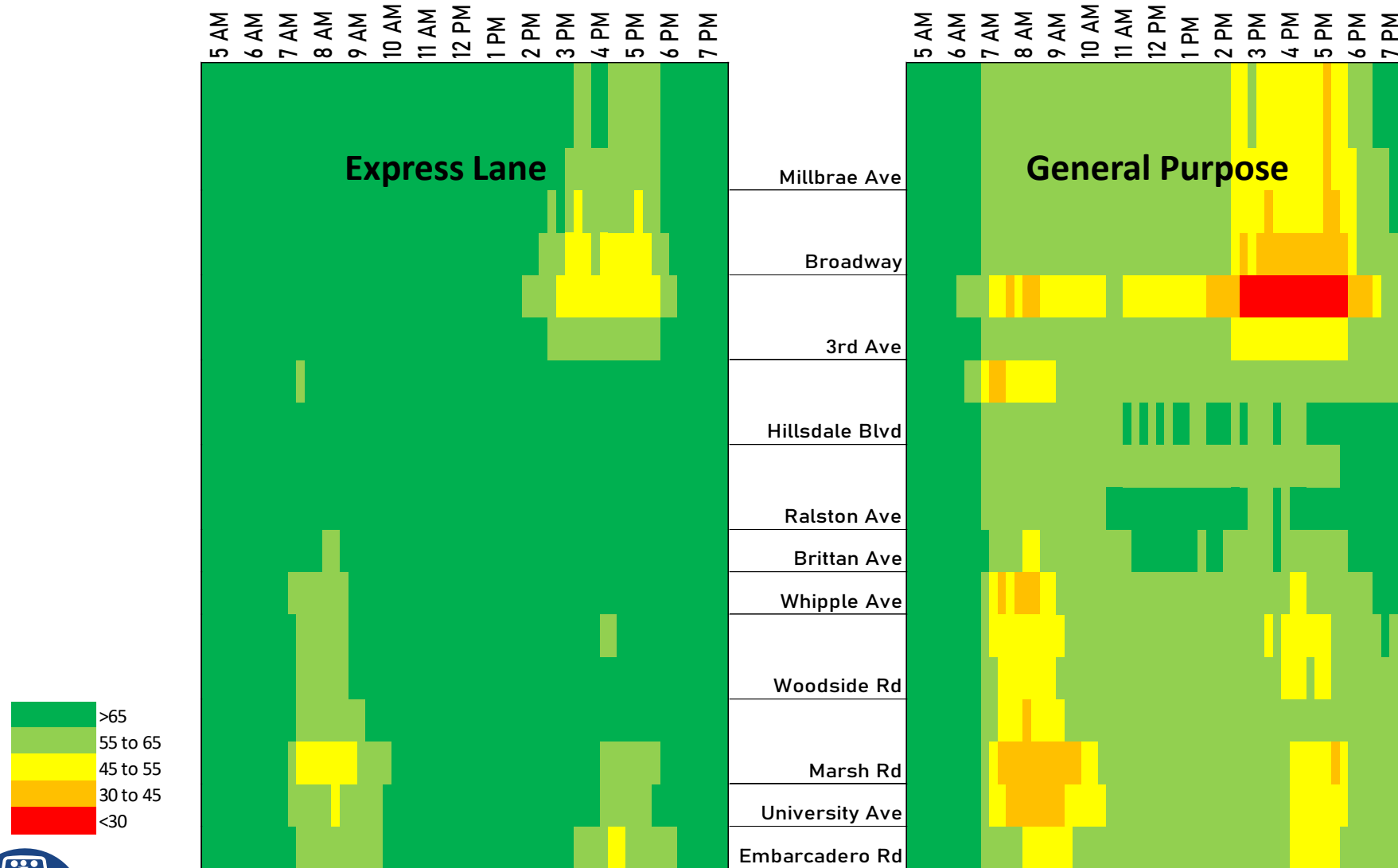
Note: In FY2025, remaining toll revenues are obligated to loan repayments, loan interest expenses, and funding reserve accounts.

Northbound Speeds by Location & Time - FY25 Q1



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

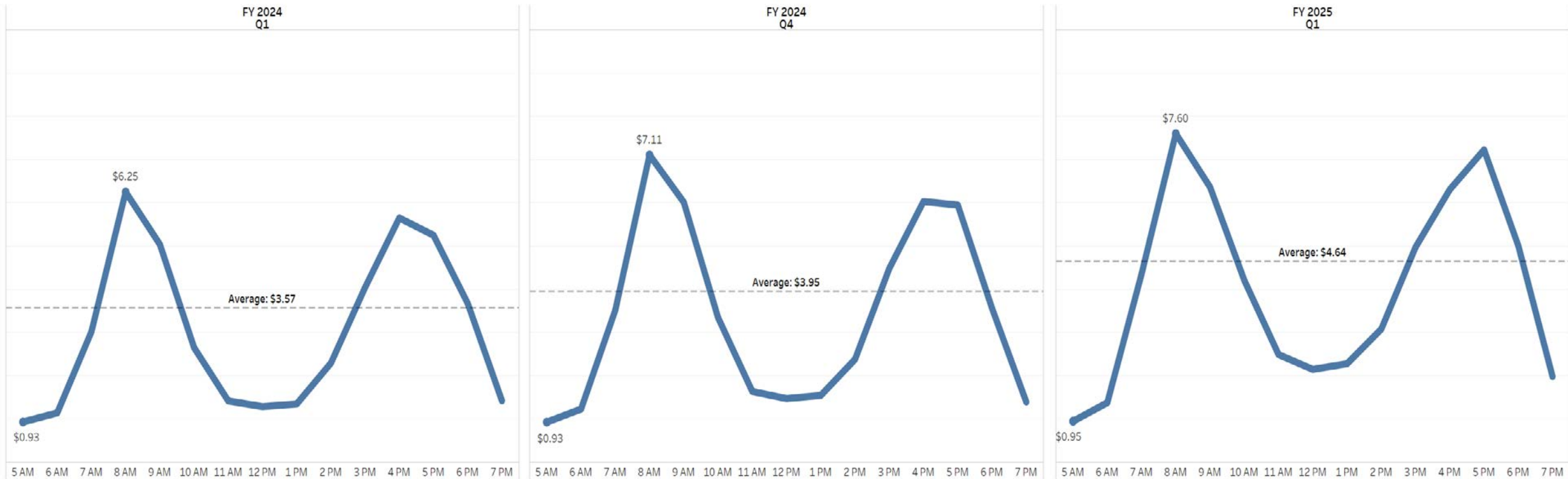
Southbound Speeds by Location & Time – FY25 Q1



- Average southbound Express Lane speeds were 11 mph or greater during tolling hours.
- Average southbound **general purpose** lane speeds were lowest between Broadway and 3rd Ave.
- Slowest times are during PM peak period (3-6pm) approaching 3rd Ave.

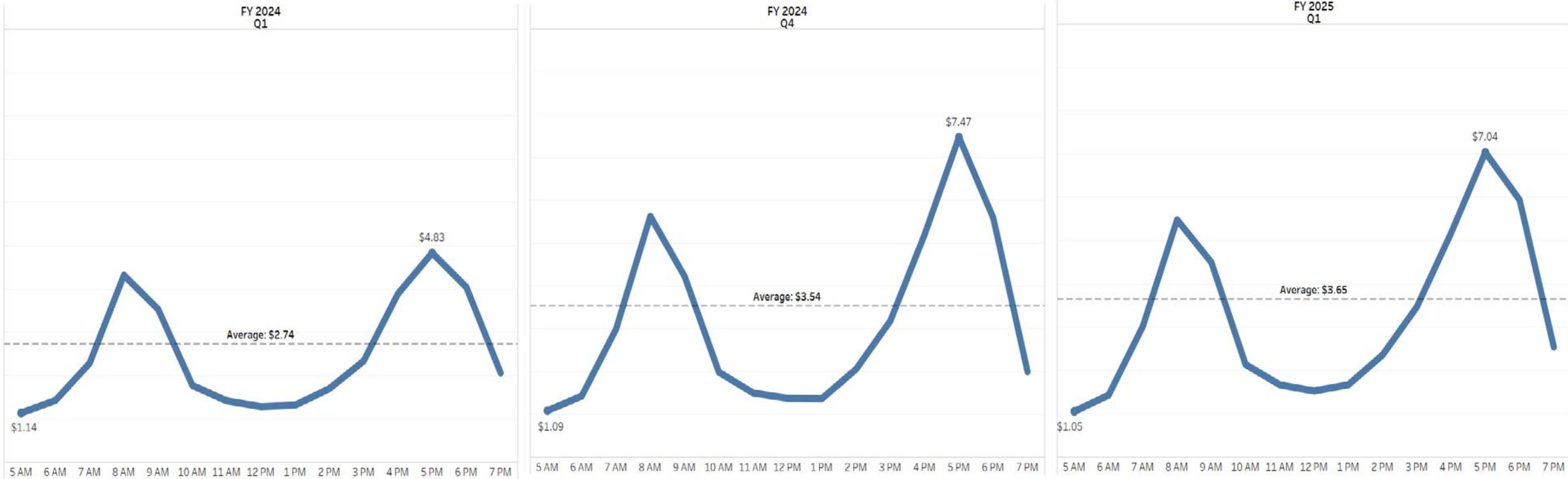
FY25 Southbound Average Assessed Tolls Comparison

The southbound average assessed toll in Q1 was \$4.64.

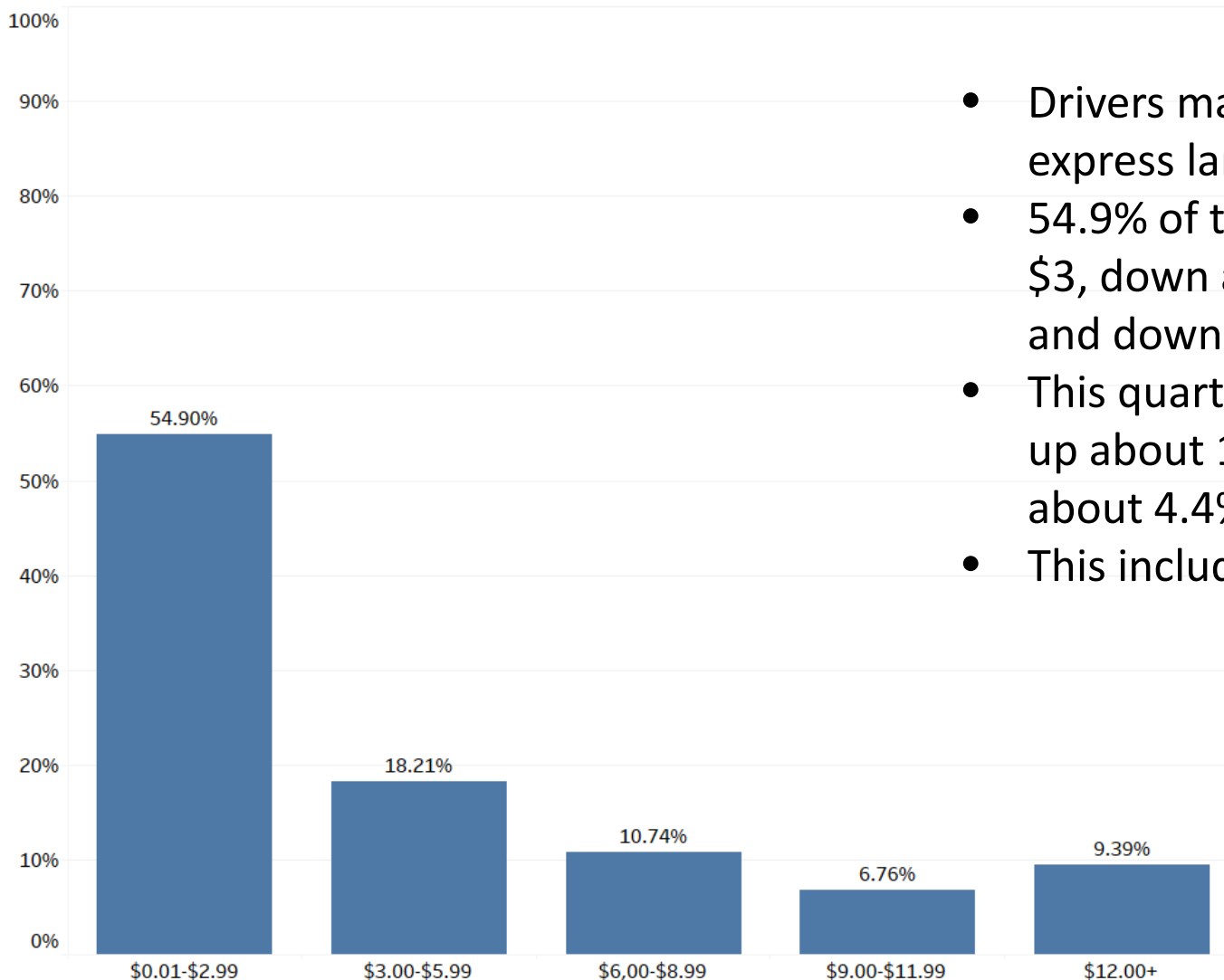


FY25 Northbound Average Assessed Tolls Comparison

The northbound average assessed toll in Q1 was \$3.65.

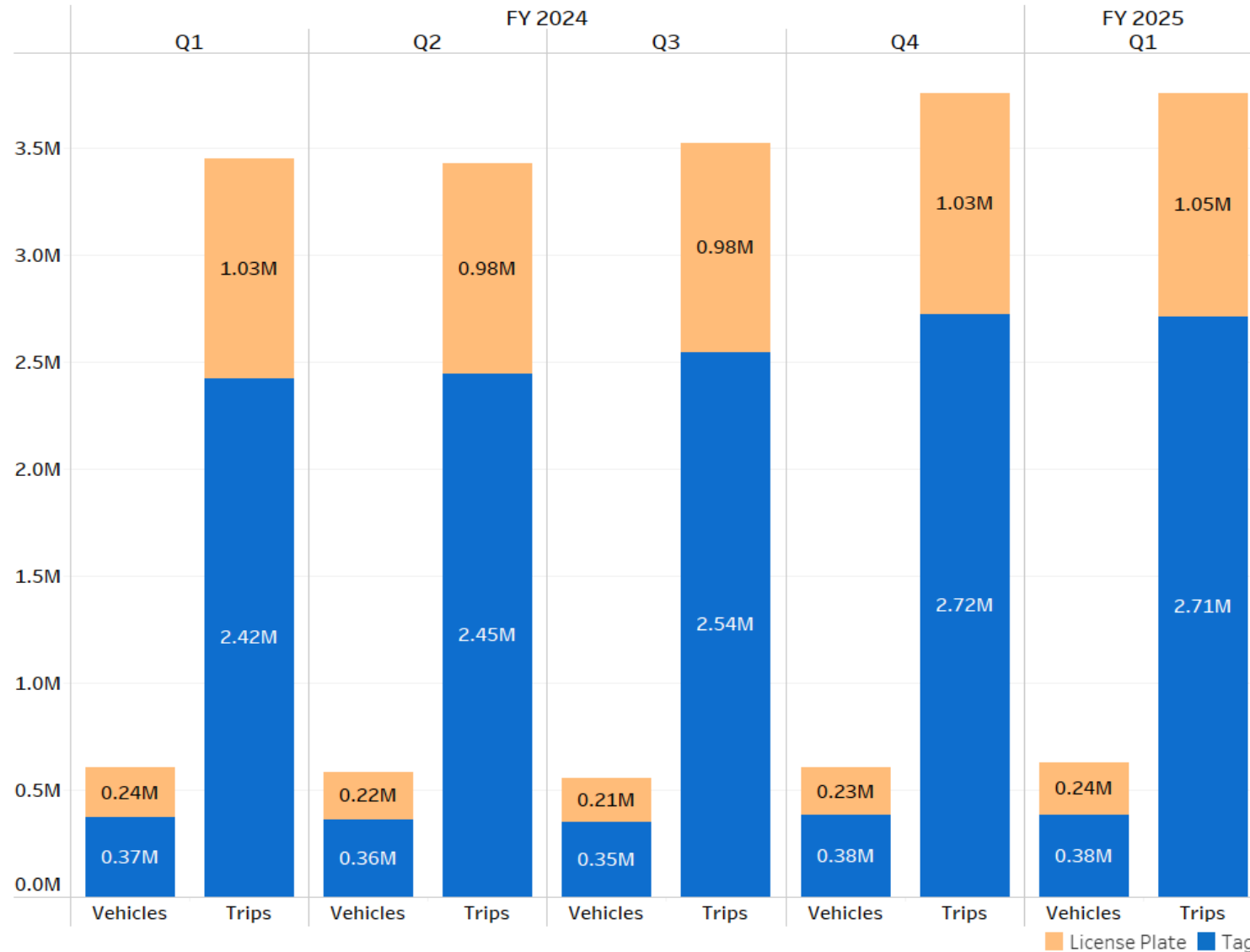


Distribution of Assessed Tolls – FY25 Q1



- Drivers made more than 2 million tolled express lane trips in FY25 Q1.
- 54.9% of these trips incurred a toll less than \$3, down about 5.1% from the prior quarter and down 10.4% from prior fiscal year’s Q1.
- This quarter, 9.4% of trips were \$12 and over, up about 1.7% from the prior quarter, but up about 4.4% prior fiscal year’s Q1.
- This includes all tolled trip types and lengths.

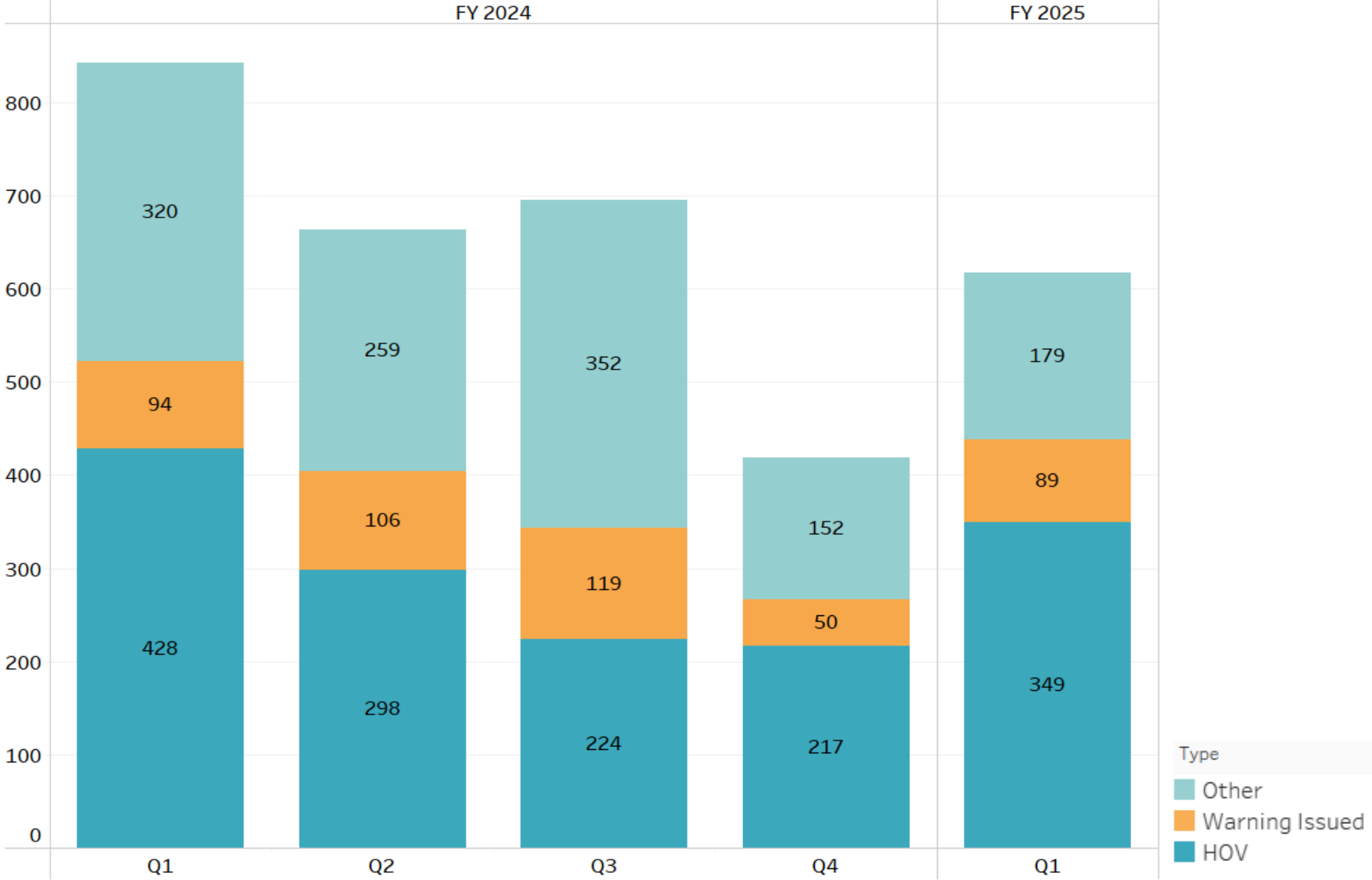
How Drivers Use the Lanes



- In FY25 Q1, about 625,000 unique vehicles made about 3.76 million express lane trips.
- 61% of these vehicles utilized FasTrak® toll tags and made 72% of the total trips.
- The other 39% of these vehicles did not carry toll tags and instead were captured as image-based trips for the remaining 28% of the total trips.

CHP Enforcement

- CHP patrolled the express lanes for 904 hours in FY25 Q1.
- CHP made 617 enforcement contacts in FY25 Q1.
- 56.6% of the contacts resulted in HOV occupancy citations.
- FY25 Q1 enforcement costs were approximately \$126,379, resulting in an average cost per enforcement contact of approximately \$204.83.



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



Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Executive Council

Subject: Approve the selection of a Focused Organizational Model for Express Lane Program Management.

(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 approve the selection of a focused organizational model for Express Lane Program management, as outlined in the JPA organization assessment project.

FISCAL IMPACT

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

SOURCE OF FUNDS

The adopted Fiscal Year 2024/2025 Budget includes funding to cover the cost of the organizational assessment.

BACKGROUND

In alignment with the Board's commitment to evaluate an appropriate staffing and organizational structure for managing the San Mateo US 101 Express Lanes, SMCEL-JPA initiated an organizational assessment, as directed in the Joint Exercise of Powers Agreement. WSP USA, Inc. was retained to support this effort with the aim of establishing an operational model that aligns with the Express Lane's mission, vision, and goals while maximizing efficiency and effectiveness.

In prior sessions, the Board reviewed foundational elements, including:

- **April Board Meeting:** Preliminary organizational goals and selection criteria for potential models.
- **July Board Meeting:** Overview of five organizational models (Existing, Existing +Agency Program Manager (Focused Model), C/CAG Managed, TA Managed and a dedicated express lanes organization), accompanied by a summary of each model's attributes, challenges, and opportunities.
- **October Board Meeting:** A detailed cost analysis and qualitative assessment, including alignment with agency strengths, was presented.

Based on the consulting team’s analysis, the focused organizational model (described as “Existing + Agency Program Manager” in the October presentation) with an agency program manager enables the JPA to capitalize on the existing expertise of both C/CAG and the San Mateo Transportation Authority, thereby leveraging each agency’s operational strengths in express lane management. Adding a dedicated program manager to this model streamlines communication between agencies, ensures direct oversight of program milestones, budgets, and deliverables, and maintains continuity and consistency when coordinating with external consultants and stakeholders.

While this model involves adding a new position to the organization, the dedicated program manager effectively reduces the workload currently borne by both agencies, resulting in an overall decrease in effort across all parties. This approach is cost-effective, maintains both agencies’ active involvement, and supports a unified commitment to delivering a high-quality express lane experience. By reducing redundancy, simplifying communication, and enhancing responsiveness to operational needs, it aligns well with the JPA’s goals.

Staff recommends that the Board approve a focused organizational model to enhance operational efficiency and maximize the use of agency strengths. Approval of this model will provide a clear pathway for implementing a cohesive structure to manage the San Mateo US 101 Express Lanes effectively and sustainably.

If approved, staff would collaborate with the consultant team to develop an ideal job profile for the agency program manager, and subsequently initiate the recruitment process. The Board can anticipate adjustments to agency staffing costs in next fiscal year’s budget.

ATTACHMENT:

1. October 11, 2024 Presentation on the Assessment of Organizational Models



Organizational Assessment

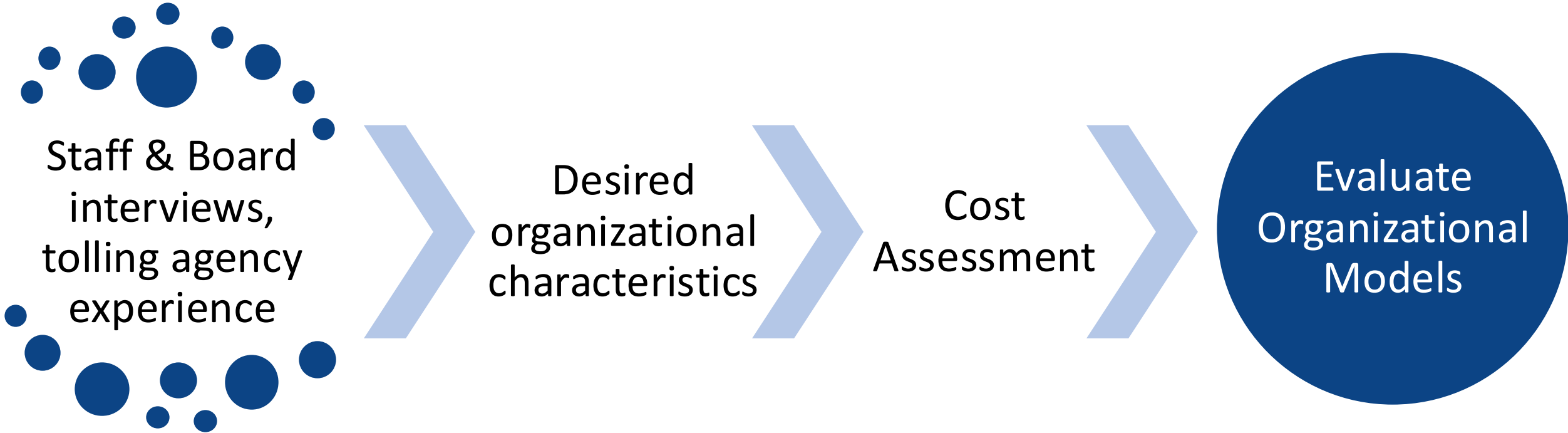
Board Presentation—October 11th, 2024

Project Goals

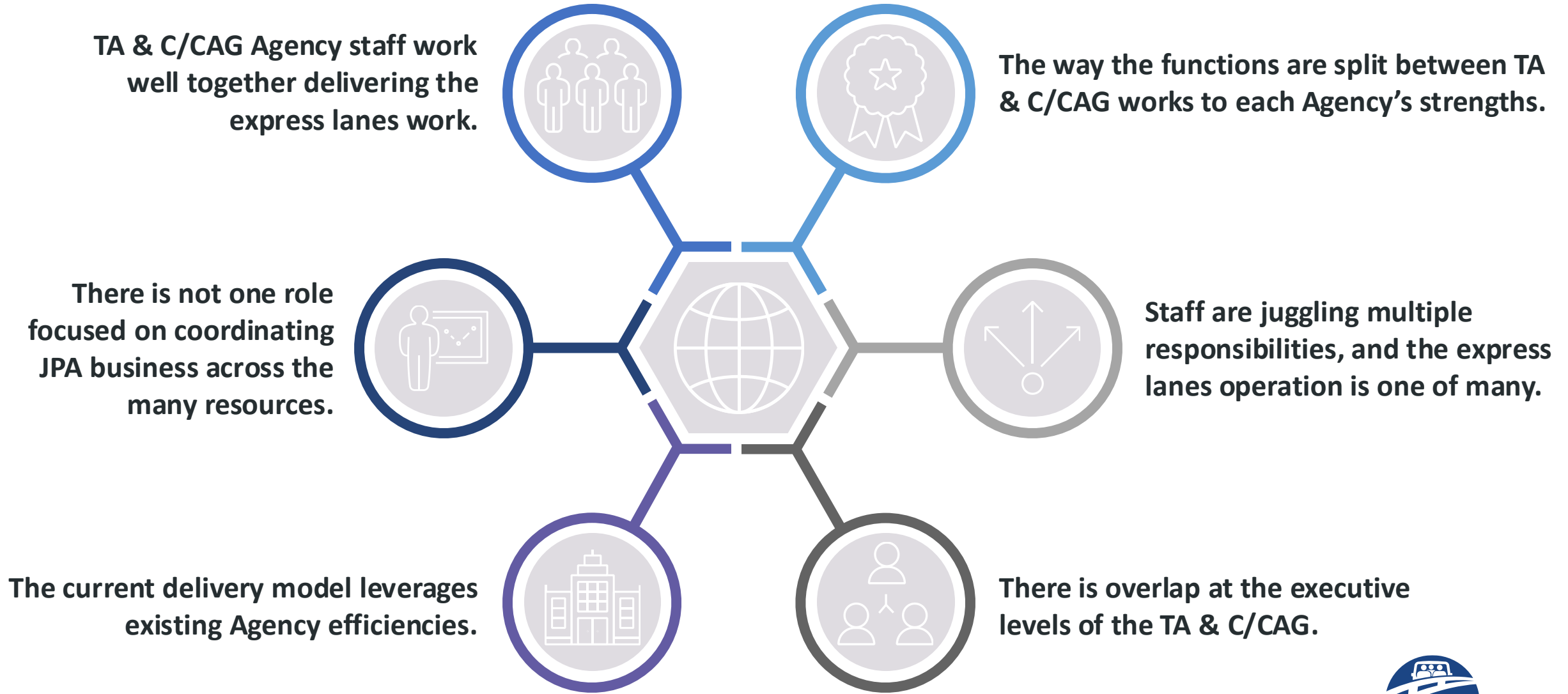
“Appropriate organizational and staffing structure to efficiently and effectively implement the vision, mission, and goals of the Express Lanes Program”

As stated in JEPA

How It All Fits Together



Existing Organization Observations



Organizational Model Summary

JPA Board remains the same

Existing

- **TA & C/CAG** each perform identified functions of the express lanes

Existing + Agency Program Manager

- **Similar** to the existing model
- **Agency Program Manager** added, facilitating program focus & cohesiveness

C/CAG managed express lanes organization

- **All functions** performed by C/CAG
- **Express lanes Agency Program Manager**
- **TA Exec. Director updated** on Board matters

TA managed express lanes organization

- **All functions** performed by TA
- **Express lanes Agency Program Manager**
- **C/CAG Exec. Director updated** on Board matters

Dedicated express lanes organization

- **New agency** established
- **New Executive Director**
- **Express lanes Agency Program Manager**

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

SMCEL Organizational Goals

Remain Efficient and Good Stewards of Public Funds

- Ensure **Fiscal Responsibility**
- Advance **Cost-effectiveness**
- **Minimize Duplication**
- Deliver a **Systemic Management Approach**
- Promote Adoption of **Innovative Policies and Technology**
- Focus on the **Key Program Elements**

Proactively Engage with External Partners

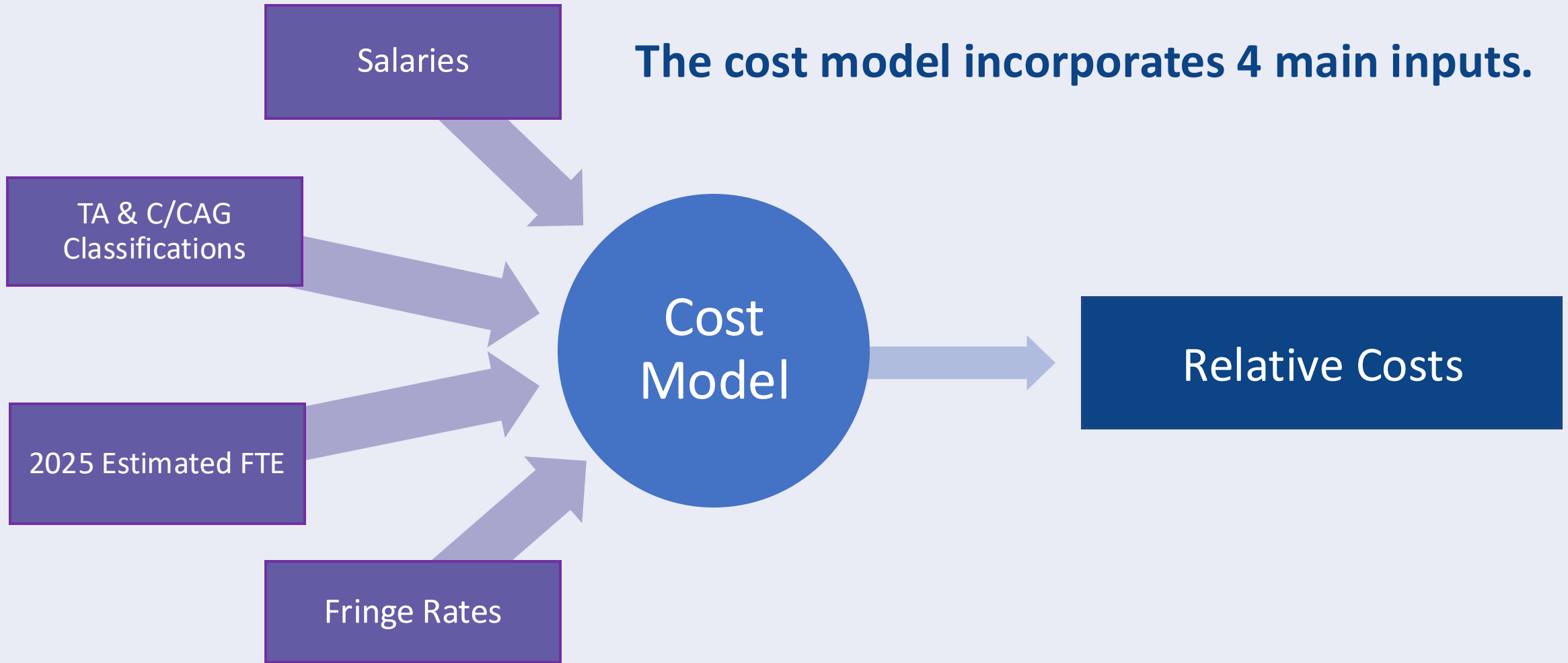
- Advance **Stakeholder Engagement**
- Further Robust **Partner Agency Relationships**
- Encourage **Regional and National Connection**

Invest in San Mateo Area Priorities

- Focus on **Investments in Equity**
- Promote **Mode Shift**
- Support **Local Needs**
- Generate **Sufficient Revenue**
- Factor in Adequate **Maintenance and Improvements**

Cost Model – Assumptions and Methodology

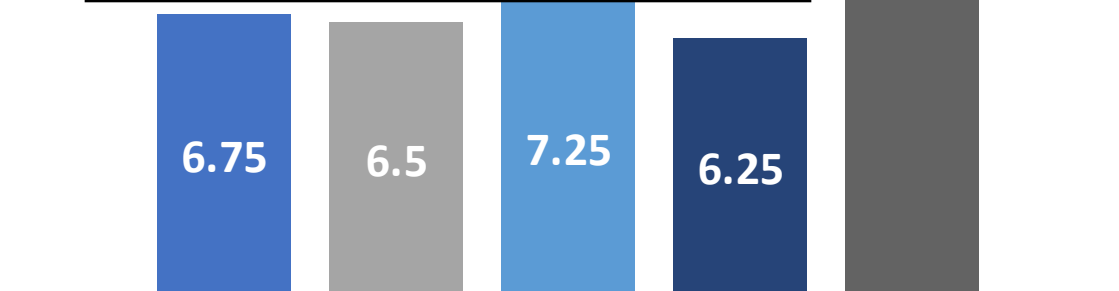
The cost model incorporates 4 main inputs.



Cost Model - Outputs

JPA Total FTE for each Model

- ✓ Two models have the same or less FTE than the existing model. (Focused, TA Managed).
- ✓ The C/CAG model has a slightly higher FTE than the existing.
- ✓ The Dedicated Agency model has substantially more FTE.

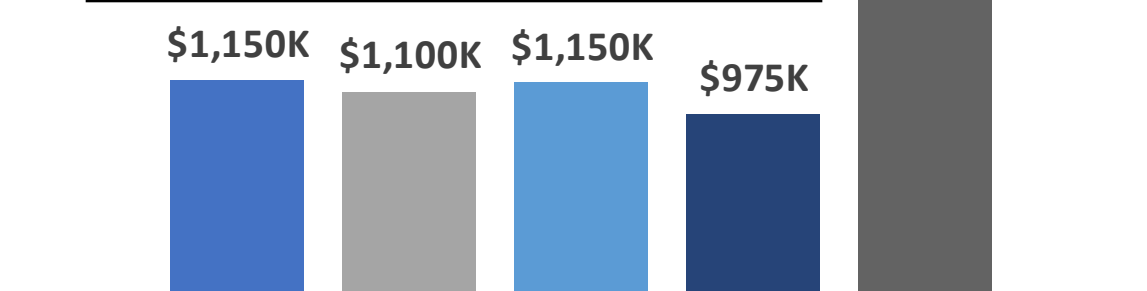


Total FTE

Existing Focused C/CAG Managed TA Managed Dedicated

JPA Total Cost for each model

- ✓ Three models have similar costs (Existing, Focused, C/CAG Managed).
- ✓ The TA model is slightly less.
- ✓ The Dedicated Agency model has a substantially higher cost.



Total Cost

Existing Focused C/CAG Managed TA Managed Dedicated

Cost alone is not a model differentiator (for 4 of them)

Cost Model Observations



Assessment Of The Models

FTE and Cost are similar to other options that have more benefits.



Existing

'Existing + Agency Program Manager' managed express lanes

C/CAG managed express lanes organization

TA managed express lanes organization












FTE and Cost impacts are substantial.



Dedicated express lanes organization

JPA Board remains the same

Assessment Of The Models

	Existing + Agency Program Manager	C/CAG Managed	TA Managed
Takes steps to centralize focus and coordination across express lane resources.			
Leverages the TA's existing robust financial practices.			
Leverages C/CAG's connection to the interests of all the County's jurisdictions.			
Maintains ease of connection with the other Agency (TA or C/CAG) on express lanes topics.			

Assessment Results





Discussion

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Kate Jordan Steiner, CFO

Subject: Acceptance of the Annual Financial Report for the Fiscal Year Ended June 30, 2024
(For further information, contact Kate Jordan Steiner, CFO, at 650-647-3504)

RECOMMENDATION

Accept and enter into the record the Annual Financial Report for the Fiscal Year ended on June 30, 2024.

BACKGROUND

Annually, staff is responsible for the preparation of an annual report on the financial position and results of the SMCEL-JPA. The SMCEL-JPA contracts with an independent auditor, Eide Bailly LLP, to conduct yearly audits of the financial statements. These audits adhere to auditing standards generally accepted in the United States of America, including the standards applicable to financial audits contained in Government Auditing Standards by the Comptroller General of the United States of America. The independent auditor has provided an unmodified, or “clean”, opinion on the Financial Statements.

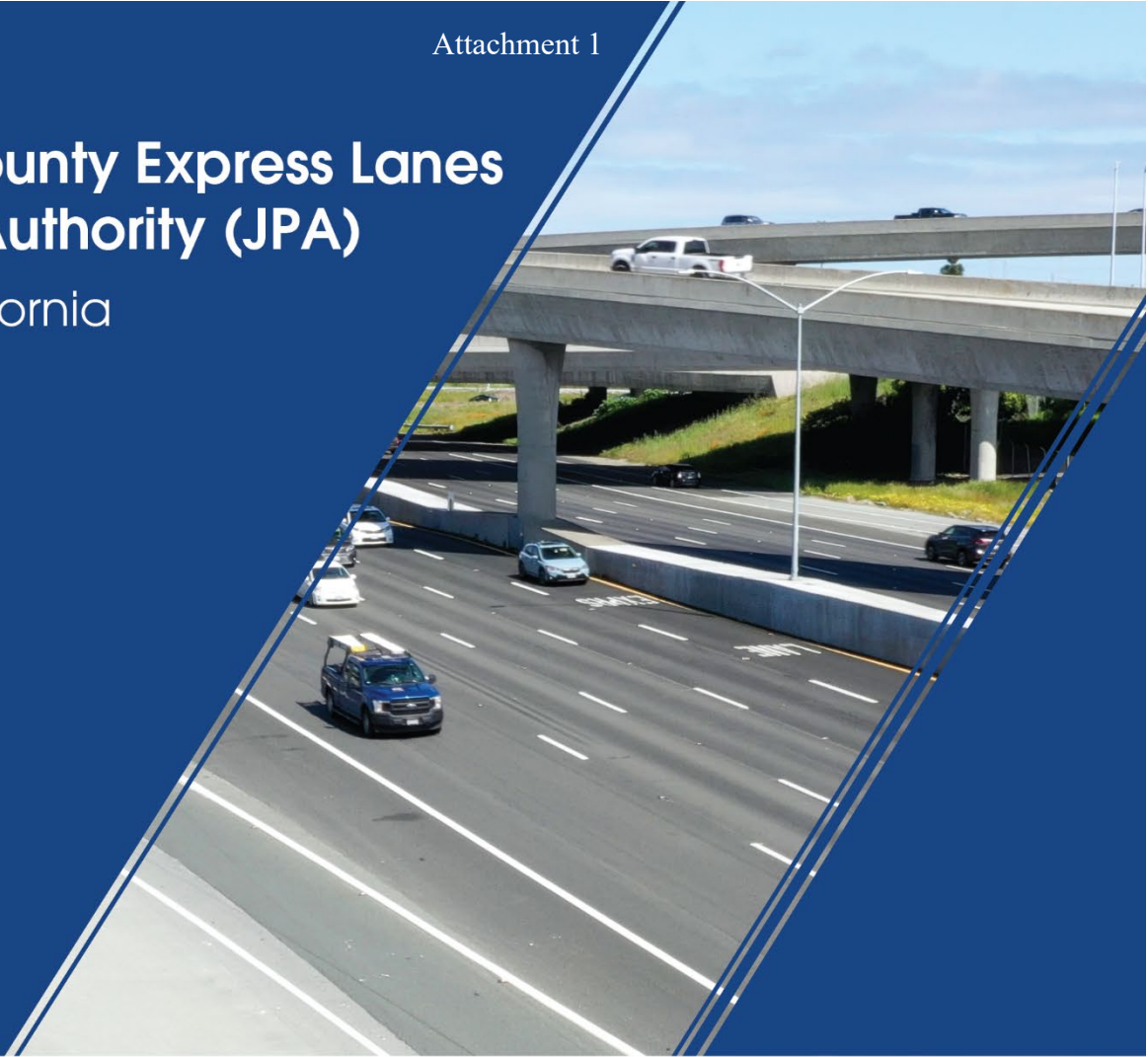
The SMCEL-JPA presents these audited financial statements, along with the auditor’s opinion, in a document called the Annual Financial Report (AFR). The AFR serves as the SMCEL-JPA’s primary source of disclosure to the public and to the financial community regarding the status of the SMCEL-JPA’s financial position.

ATTACHMENT

1. Annual Financial Report for the Fiscal Year Ended June 30, 2024

San Mateo County Express Lanes Joint Powers Authority (JPA)

San Carlos, California



Annual Financial Report

For the Fiscal Years Ended
June 30, 2024 and 2023



San Mateo County Express Lanes Joint Powers Authority

Annual Financial Report

Fiscal Years Ended June 30, 2024 and June 30, 2023

San Mateo County Express Lanes Joint Powers Authority

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San Mateo County Express Lanes Joint Powers Authority
Map of Express Lanes



Independent Auditor's Report

Governing Board
San Mateo County Express Lanes Joint Powers Authority
San Carlos, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of the San Mateo County Express Lanes Joint Powers Authority (SMCELJPA) as of and for the years ended June 30, 2024 and June 30, 2023, and the related notes to the financial statements, which collectively comprise SMCELJPA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of SMCELJPA, as of June 30, 2024 and June 30, 2023, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SMCELJPA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the SMCELJPA ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SMCELJPA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SMCELJPA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by the missing information.

draft

Menlo Park, California

[REPORT DATE]

San Mateo County Express Lanes Joint Powers Authority

Statements of Net Position
June 30, 2024 and June 30, 2023

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 24,581,437	\$ 8,446,256
Project loan proceeds held by the Transportation Authority	7,635,542	9,959,666
Accounts receivable	4,953,638	3,090,926
Prepaid items	-	22,260
Capital Assets, Net of Accumulated Depreciation	59,979,922	30,139,007
Total Assets	97,150,539	51,658,115
Liabilities		
Current Liabilities		
Accounts payable	987,241	73,188
Accrued liabilities	2,014,434	3,115,892
Due to SamTrans	34,193	722,179
Due to Transportation Authority	68,608	-
Total Current Liabilities	3,104,476	3,911,259
Noncurrent Liabilities		
Operating loan payable	6,341,817	6,028,489
Long term project loan payable	100,000,000	100,000,000
Total Noncurrent Liabilities	106,341,817	106,028,489
Total Liabilities	109,446,293	109,939,748
Net Position		
Investment in capital assets	59,979,922	30,139,007
Unrestricted	(72,275,676)	(88,420,640)
Total Net Position	\$ (12,295,754)	\$ (58,281,633)

San Mateo County Express Lanes Joint Powers Authority
 Statements of Revenues, Expenses, and Changes in Net Position
 Years Ended June 30, 2024 and June 30 2023

	2024	2023
Operating revenues		
Toll revenue	\$ 30,590,594	\$ 14,105,732
Total operating revenue	30,590,594	14,105,732
Operating expenses		
Operations and maintenance	11,615,298	8,103,745
Project loan disbursement	2,324,123	3,405,757
Depreciation expense	7,049,662	2,644,029
Total operating expenses	20,989,083	14,153,531
Operating income (loss)	9,601,511	(47,799)
Nonoperating revenues (expenses)		
Interest income	685,303	15,533
Other nonoperating revenue	50,000	47,234
Interest expense	(1,241,512)	(132,281)
Total nonoperating revenues (expenses)	(506,209)	(69,514)
Net income (loss) before capital contributions	9,095,302	(117,313)
Capital contributions	36,890,577	25,203,849
Change in net position	45,985,879	25,086,536
Net Position, beginning	(58,281,633)	(83,368,169)
Net Position, ending	\$ (12,295,754)	\$ (58,281,633)

San Mateo County Express Lanes Joint Powers Authority

Statements of Cash Flows

Years Ended June 30, 2024 and June 30 2023

	2024	2023
Cash flows from operating activities		
Cash receipts from customers	\$ 28,727,882	\$ 11,506,979
Payments to suppliers for goods and services	(14,673,944)	(8,893,256)
Net cash used for operating activities	14,053,938	2,613,723
Cash flows from noncapital financing activities		
Interest paid	(1,241,512)	(132,281)
Loan advances	2,637,452	3,908,428
Net cash provided by noncapital financing activities	1,395,940	3,776,147
Cash flows from investing activities		
Investment income received	685,303	15,533
Net cash provided by (used for) investing activities	685,303	15,533
Net change in cash and cash equivalents	16,135,181	6,405,403
Cash and cash equivalents - Beginning	8,446,256	2,040,853
Cash and cash equivalents - Ending	\$ 24,581,437	\$ 8,446,256
Reconciliation of operating income to Net Cash Used by Operating Activities		
Operating loss	\$ 9,601,511	\$ (47,799)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	7,049,662	2,644,029
Other nonoperating revenue	50,000	47,234
Changes in assets and liabilities:		
(Increase) in receivables	(1,862,712)	(2,598,752)
Decrease (increase) in prepaid items	22,260	65,958
Increase (decrease) in liabilities	(806,783)	2,503,053
Net cash used by operating activities	\$ 14,053,938	\$ 2,613,723
Schedule of Noncash Capital Activities		
Contribution of capital assets	\$ 36,890,577	\$ 25,203,849

See Notes to Financial Statements

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Note 1 - Summary of Significant Accounting Policies

The financial statements of the San Mateo County Express Lanes Joint Powers Authority (SMCELJPA) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. SMCELJPA adheres to accounting and financial reporting principles issued by GASB. The SMCELJPA's significant accounting policies are described below.

Reporting Entity

The SMCELJPA is a joint powers authority, organized in May 2019 pursuant to a Joint Exercise of Powers Agreement (Agreement) between the City/County Association of Governments of San Mateo County (C/CAG) and the San Mateo County Transportation Authority (Transportation Authority). The Agreement was entered into pursuant to the Government Code of the State of California, commencing with Section 6500. The SMCELJPA is governed by a six-member governing body. The governing body is composed of three members from each of the organizing entities. Both Transportation Authority and C/CAG have three members.

The SMCELJPA was formed to own, manage, and operate the San Mateo County U.S. 101 Express Lanes Project ("Project"). The Project includes (i) the conversion of the existing High Occupancy Vehicle ("HOV") lanes into express lanes from the northern terminus of the Santa Clara County express lanes to the Whipple Road Interchange and (ii) the construction of new express lanes from Whipple Road to north of I-380 in San Mateo County. Since full corridors became operational in March 2023, the Project has provided continuous express lanes in San Mateo County in both the northbound and southbound directions of U.S. 101. Resulting toll revenues will fund transportation and transit improvements in the corridor, as well as Project operations and maintenance. Members of the SMCELJPA's Board of Directors are local-elected officials (City Councilmembers and/or County Board of Supervisors) from San Mateo County. The Express Lanes were scheduled for a two-phase opening, south segment opened February 11, 2022, and the north segment was officially opened on March 3, 2023.

Managing Agency

Under the Joint Exercise of Powers Agreement, the San Mateo County Transit District (as managing agency for the Transportation Authority) and C/CAG both provide staff support to the SMCELJPA. The San Mateo County Transit District's staff support the SMCELJPA's financial activities (e.g., budgeting, accounting, audits, and treasury), marketing (including marketing use of the lanes and promoting the broader benefits of the lanes), and communications (including media and community relations, and the SMCELJPA's website). The C/CAG staff provide contracts, procurement and board clerk and support services. All of the SMCELJPA's operating costs are included in the Statement of Revenues, Expenses, and Changes in Net Position.

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Basis of Presentation and Accounting

All activities of the SMCELJPA are reported using the economic resources measurement focus and the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America, as applicable to governmental agencies. With this measurement focus, all assets and liabilities associated with operations are included on the Statement of Net Position. Revenues are reported when earned and expenses are reported when the related liabilities are incurred.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the SMCELJPA's principal ongoing operations. The principal operating revenue of the SMCELJPA is the collection of toll revenue.

Net Position

Net position is reported in the following categories:

- Investment in capital assets – This category includes all capital assets offset by accumulated depreciation. The SMCELJPA has no capital related debt.
- Unrestricted – This category represents net position of the SMCELJPA that is not restricted for any project or other purpose.

Sometimes the SMCELJPA will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the SMCELJPA's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the SMCELJPA considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents include money market and cash in bank accounts.

Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and related disclosures. Accordingly, actual results may differ from those estimates.

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Capital Assets

Capital assets are stated at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation plus ancillary charges, if any. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Toll revenue equipment	3 to 20 years
Infrastructure	5 to 50 years

The cost of normal maintenance and repairs that do not add to the value of the asset, nor materially extend its life is not capitalized. The SMCELJPA's policy is to capitalize all capital assets with a cost greater than \$5,000 and a useful life of more than one year.

The SMCELJPA does not retain ownership of the assets improved when the original assets are owned by other entities.

Operating Revenues and Expenses

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. The principal operating revenues of SMCELJPA are toll revenues to customers. Operating expenses include the cost of sales and services, toll operations and maintenance, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Project Construction

Project construction was substantially complete on March 3, 2024 with the opening of the northern segment of the US 101 Express Lanes (between Interstate-380 and Whipple Avenue).

Repayment of Operating Loans

The SMCELJPA has agreed to repay all loans to the Transportation Authority and C/CAG in accordance with the loan agreements, once the project begins operations. Interest on amounts advanced to SMCELJPA will be compounded monthly on the first business day of every month based on the net earnings rate of the San Mateo County Investment Pool Fund ("Monthly Earnings Rate"), as published by the San Mateo County Treasurer's Office for the applicable month. Amounts due to the Transportation Authority and/or C/CAG as the result of ongoing operations will be presented separately as they are not subject to the same terms.

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Note 2 - Cash and Cash Equivalents

SMCELJPA had \$24,581,437 and \$8,446,256 on June 30, 2024 and 2023 of cash and cash equivalents. As of June 30, 2024, SMCELJPA had \$22,685,103 in money market accounts rated AAA. The remainder of cash and cash equivalents is cash held in banks amounting to \$1,896,334 collateralized by the bank holding the deposit. California laws requires banks and savings and loan institutions to pledge government securities with a market value of 110 percent of the deposit or first trust deed mortgage notes with a value of 150 percent of the deposit as collateral for all municipal deposits (pool). This collateral remains with the institution but is considered to be held in the pool's name and places SMCELJPA, which is a participant in the pool, ahead of general creditors of the institution.

	2024	2023
Cash in bank	\$ 1,896,334	\$ 7,454,894
Money market accounts	22,685,103	991,362
Total Cash and cash equivalents	\$ 24,581,437	\$ 8,446,256

Custodial credit risk is the risk that in the event a financial institution or counterparty fails, SMCELJPA would not be able to recover the value of its deposits and investments. On June 30, 2024 and June 30, 2023, the Federal Depository Insurance Corporation insured SMCELJPA's cash deposits up to \$250,000 and the financial institution's trust department collateralized the remainder in SMCELJPA's name.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the SMCELJPA would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. SMCELJPA's investments are not exposed to custodial credit risk.

Note 3 - Accounts Receivable

Accounts receivables as of June 30 consist of amounts owed by other governmental agencies and miscellaneous receivables as follows:

	2024	2023
Bay Area Transportation Authority	\$ 4,942,675	\$ 3,041,810
Others	10,963	49,116
Total accounts receivable	\$ 4,953,638	\$ 3,090,926

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Note 4 - Capital Assets

Capital asset balance as of June 30, 2024, and activity for the year then ended are as follows:

	<u>July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2024</u>
Capital assets at cost				
Toll revenue equipment	\$ 33,262,731	\$ 366,330	\$ -	\$ 33,629,061
Infrastructure	-	36,524,247	-	36,524,247
Total Capital assets at cost	<u>33,262,731</u>	<u>36,890,577</u>	<u>-</u>	<u>70,153,308</u>
Less accumulated depreciation				
Toll revenue equipment	(3,123,724)	(4,892,166)	-	(8,015,890)
Infrastructure	-	(2,157,496)	-	(2,157,496)
Total accumulated depreciation	<u>(3,123,724)</u>	<u>(7,049,662)</u>	<u>-</u>	<u>(10,173,386)</u>
Net book value	<u>\$ 30,139,007</u>	<u>\$ 29,840,915</u>	<u>\$ -</u>	<u>\$ 59,979,922</u>

Capital asset balance as of June 30, 2023, and activity for the year then ended are as follows:

	<u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2023</u>
Toll revenue equipment	\$ 8,058,882	\$ 25,203,849	\$ -	\$ 33,262,731
Accumulated depreciation	(479,695)	(2,644,029)	-	(3,123,724)
Net book value	<u>\$ 7,579,187</u>	<u>\$ 22,559,820</u>	<u>\$ -</u>	<u>\$ 30,139,007</u>

Note 5 - Loans Payable

Loan payables represent loan advance payments received since the formation of SMCELJPA from the Transportation Authority and the C/CAG. Loan advances will be repaid in accordance with the loan agreements after the San Mateo County U.S. 101 Express Lanes Project begins operations and receives toll revenues. As of June 30, 2024 and 2023, the loans payable consists of \$2,722,547 and \$2,769,314 operating loans payable to the C/CAG, and as of June 30, 2024 and 2023 \$3,204,091 and \$3,259,175 operating loans payable to the Transportation Authority, respectively. Additionally, as of June 30, 2024 and 2023 SMCELJPA's project loan payable to the Transportation Authority was \$100,000,000.

Changes in SMCELJPA's loans payable for the year ended June 30, 2024 are as follows:

	<u>Balance at July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2024</u>
Loans payable				
Operating loan payable to C/CAG	\$ 2,769,314	\$ 101,869	\$ (148,636)	\$ 2,722,547
Operating loan payable to Transportation Authority	3,259,175	119,889	(174,973)	3,204,091
Interest payable on long term loan	-	1,166,353	(751,174)	415,179
Long term project loan payable to Transportation Authority	<u>100,000,000</u>	<u>-</u>	<u>-</u>	<u>100,000,000</u>
Total loans payable	<u>\$ 106,028,489</u>	<u>\$ 1,388,111</u>	<u>\$ (1,074,783)</u>	<u>\$ 106,341,817</u>

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Changes in SMCELJPA’s loans payable for the year ended June 30, 2023 are as follows:

	<u>Balance at July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2023</u>
Loans payable				
Operating loan payable to C/CAG	\$ 2,337,397	\$ 431,917	\$ -	\$ 2,769,314
Operating loan payable to Transportation Authority	3,188,424	70,751	-	3,259,175
Long term project loan payable to Transportation Authority	100,000,000	-	-	100,000,000
Total loans payable	<u>\$ 105,525,821</u>	<u>\$ 502,668</u>	<u>\$ -</u>	<u>\$ 106,028,489</u>

Accrued interest as of June 30, 2024 and June 30, 2023 was \$1,241,512 and \$132,281, respectively.

SMCELJPA shall repay the Transportation Authority and the C/CAG the loan amounts plus accrued interest with toll revenues from the project. The loan payments and accrued interest will be repaid on a monthly basis no later than five years after the project begins operations and receives toll revenue unless otherwise agreed by the parties.

On September 1, 2020, the SMCELJPA entered a non-revolving loan agreement with the Transportation Authority for a loan in the amount of \$100,000,000. The loan proceeds were to be used to finance the costs of construction and improvements to the U.S. 101 Express Lane project, as well as to fund an initial contribution to express lane related equity programs. The long-term project loan payable is to be repaid and secured by a pledge of net toll revenues. Interest is accrued on the bond loan at a rate equal to the interest rate of the Transportation Authority’s 2020 Series A and B Limited Tax Bonds, which have an assumed interest rate as of the fiscal year ended June 30, 2024 of 2.75% for each of the subsequent years, and is reimbursed to the Transportation Authority from SMCELJPA net revenues when paid. The SMCELJPA shall also pay to Transportation Authority the enhancement rate pursuant to terms of project loan agreement. The outstanding project loan payable as of June 30, 2024, is \$100,000,000. The southern segment of the 101 Express Lane was opened in February 2022. The northern segment of the 101 Express Lane became operational on March 3, 2023. In future years the debt service payments as a ratio of pledged toll revenues will be disclosed.

Note 6 - Risk Management

SMCELJPA is exposed to various risks of loss including but not limited to those related to torts; theft of, damage to, and destruction of assets; errors and omissions, and natural disasters. SMCELJPA is self-insured for a portion of its property and liability coverages. As of June 30, 2024 and 2023, coverage for the SMCELJPA can be summarized as follows:

<u>Type of Coverage</u>	<u>Self-Insured Retention</u>	<u>Excess Insurance</u>
Commercial General Liability	\$100,000	\$10,000,000 per occurrence/ aggregate
Public Officials Liability	\$10,000 self-insured retention	\$3,000,000 per occurrence / aggregate
Property	\$50,000	\$5,000,000 per occurrence / \$30,000,000 aggregate
Equipment Breakdown-Property Insurance	\$1,000	\$98,486,631 per occurrence/ aggregate

San Mateo County Express Lanes Joint Powers Authority

Notes to Financial Statements
June 30, 2024 and June 30, 2023

Real Property is insured for total insurable values (TIV) of \$98,486,631. Coverage extends to SMCELJPA's roadway infrastructure and tolling equipment against the perils of damaged equipment due to the fault of others, vandalism, fire, and theft. Equipment Breakdown provides coverage against power surges, electrical shorts and arcing, mechanical breakdowns, and motor burnout. Terrorism coverage extends to Property.

Note 7 - Related Parties and Joint Ventures

Operating Loan Payable

As of June 30, 2024, the SMCELJPA had an operating loan payable of \$3,204,091 and \$2,722,547 to the Transportation Authority and the C/CAG respectively. The total authorized loans to fund operating costs as of June 30, 2024 was \$6,087,887 and \$4,453,744 by the Transportation Authority and the C/CAG respectively.

In Fiscal Year 2023, the Transportation Authority and the C/CAG authorized loans to fund operating costs in the amount of \$2,537,852 and \$1,350,000 respectively from each agency. As of June 30, 2023, the SMCELJPA had an operating loan payable of \$3,259,175 and \$2,769,314 to the Transportation Authority and the C/CAG respectively.

Long-Term Project Loan Payable

On September 1, 2020, the Transportation Authority entered a non-revolving loan agreement with the SMCELJPA. The Transportation Authority will use the proceeds of its 2020 Series A and B Limited Tax Bonds to fund a portion of the U.S. 101 Express Lane Project construction. The SMCELJPA agrees to apply future toll revenues to repay the Transportation Authority in accordance with the terms and provisions of the bond loan agreement. The initial bond loan balance was \$100,000,000 (calculated as the amount of bond proceeds deposited to the funds and accounts under the Bond Indenture plus the underwriters' discount upon initial sale of the Bonds to the underwriters thereof). Interest is accrued on the bond loan at a rate equal to the interest rate of the Transportation Authority's 2020 Series A and B Limited Tax Bonds.

As of June 30, 2024, the Transportation Authority has spent \$92 million bonds proceeds on the U.S. 101 Express Lane Project. The unspent bond proceeds of \$8 million was presented as an asset on the Statement of Net Position.

Note 8 - Commitment and Contingencies

Legal

The SMELJPA operates a public facility and is potentially susceptible to liability claims relating to personal injury and property damage from traffic collisions involving private party motorists using the lanes. Such claims are usually of a nature that their resolution is unlikely to materially affect the ELJPA's financial position. There are no such claims against the JPA at the present time.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 6, 2024

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

From: Sean Charpentier, Executive Council

Subject: Review and approval of the 2025 Calendar of SMCEL-JPA Board of Directors Meetings.

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

RECOMMENDATION

Review and approve the 2025 calendar of regular SMCEL-JPA Board of Directors meetings.

FISCAL IMPACT

None.

BACKGROUND

At the request of Board member and leadership, staff has conducted an analysis of meeting dates for the SMCEL-JPA Board, with the goal of identifying potential new dates that avoid conflicts with other City Council, Countywide, regional, and committee meetings. The Board recommended to move the meeting date to the first Friday of the month. In addition, fewer meetings will take place in the 2025 calendar year as the program moves to steady operation.

The following is the proposed 2025 Board meeting schedule. All meetings will start at 9:00 a.m. unless otherwise noted.

- February 7th
- May 2nd
- June 6th
- August 1st
- September 5th
- November 7th

ATTACHMENT

None.