

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

Meeting No. 10
April 10, 2020

In compliance with Governor’s Executive Order N-29-20, and pursuant to the Shelter-in-Place Order issued by the San Mateo County Health Officer, this meeting was conducted via remote conferencing.

Board of Directors: Alicia Aguirre (Chair), Don Horsley (Vice Chair), Emily Beach, Maryann Moise Derwin, Diane Papan, and Rico Medina

1.0 CALL TO ORDER/ ROLL CALL

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

Members Present:

C/CAG Members:

Alicia Aguirre, Maryann Moise Derwin, Diane Papan

SMCTA Members:

Don Horsley, Rico Medina, Emily Beach

Members Absent:

None.

Staff Present:

Sandy Wong – Executive Council

Jim Hartnett – Executive Council

Mima Guilles – Secretary

Tim Fox – Legal Counsel

Matthew Click – Program/Policy Manager for SMCEL JPA

Sean Charpentier, Van Ocampo – C/CAG staff supporting SMCEL JPA

Joe Hurley, April Chan, Derek Hansel – TA staff supporting SMCEL JPA

Peter Shellenberger – PFM Financial, Financial Advisor for SMCEL JPA

Peter Ross, Ross Financial, Advisor for TA

Anna Sarabian, Fieldman, Rolapp & Associates, Inc., Advisor for TA

Other members of the public were in attendance.

2.0 BRIEF OVERVIEW OF TELECONFERENCE MEETING PROCEDURES

Sandy Wong, Executive Director, provided overview of the teleconference procedures.

3.0 PUBLIC COMMENT

Note: Public comment is limited to two minutes per speaker. Public comment permitted on both items on the agenda and items not on the agenda.

In accordance with the agenda for this meeting, persons who wish to address the SMCEL- JPA Board on an item to be considered at this meeting, or on items not on this agenda, were asked to submit comments in writing to mguilles@smcgov.org by 8:00 AM on Friday April 10, 2020. Mima Guilles, Secretary, reported there were no public comments received by the deadline.

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. 9 dated March 13, 2020 APPROVED

Director Medina **MOVED** to approve the Consent Agenda. Director Horsley **SECONDED**. Roll call was taken. **MOTION CARRIED 6-0-0**

5.0 REGULAR AGENDA

- 5.1 Accept the Statement of Revenues and Expenditures for the Period Ending February 29, 2020 APPROVED

Director Beach **MOVED** to approve item 5.1. Director Medina **SECONDED**. Roll call was taken. **MOTION CARRIED 6-0-0**

- 5.2 Review and Approval of Resolution SMCEL 20-06 authorizing the Chair to execute an Agreement with ARUP North America Ltd. (ARUP) to perform an Equity Study for the San Mateo County Express Lanes for an amount not to exceed \$306,680 APPROVED

Sean Charpentier, C/CAG staff, gave a brief presentation on the agreement with ARUP North America Ltd. (ARUP) to perform an Equity Study for the San Mateo County Express Lanes for an amount not to exceed \$306,680. One of the JPA tasks is to create and implement an equity study associated with the express lanes project. The equity study would identify ways to improve equity outcomes in the Highway 101 corridor.

Director Beach commented that there has been a lot of equity studies along the corridor and various capacities, the 101 Mobility plan, Caltrans, SamTrans are doing it. How can we utilize some of that knowledge? Has ARUP done equity studies for any of those transit districts?

Sean Charpentier commented that the scope of work includes a background memo

that includes a literature review available public data. They may utilize existing reports what other jurisdictions are doing.

Matthew Click added that, ARUP was not involved in other equity studies in corridor.

Director Beach wanted to make sure we were using public resources effectively.

Mathew Click said one of the biggest areas will be technical analysis and technical work as we look to develop equity scenarios in discussion with the advisory group and the board, and to make sure we're not inventing the wheel about the data collection. We want to ensure whatever technical work we do as part of this equity work will also serve the purpose of technical analysis of the express lanes if we're ever called upon by Caltrans or the legislature to report out on the operation impact of the express lanes.

April Chan commented and added in terms of leveraging, MTC is convening all the express lanes operators in the region and will do a white paper. Part of this effort will be calling together an advisory group to the study.

Director Horsley commented that it would be good that we all have the same approach as opposed to each of us taking an individual approach and is very interested in seeing the already completed equity studies.

Director Medina commented that he wants to be reassured that we have the one firm.

Matthew Click said that we only received one submittal and to remind everyone that this was even after an extension of the solicitation period. ARUP had a strong project manager. The average score was given because the technical approach wasn't as detailed as we would have liked.

Director Papan added that given the uncertainty, the real trick in equity is how to get the most bang for restricted bucks.

Director Horsley **MOVED** to approve item 5.2. Director Papan **SECONDED**. Roll call was taken. **MOTION CARRIED 6-0-0**

5.3 Informational update on the negotiation of the Express Lane Project loan between the SMCTA and SMCEL-JPA INFORMATION

Peter Shellenberger of PFM Financial Advisor made a presentation on the overview of the Proposed Loan from TA to SMCEL-JPA to fill the funding gap for the express lane project between Santa Clara County line to I-380.

Director Derwin asked if the capital market's perspective is the right viewpoint and structure for the loan? C/CAG and TA are on the hook for project construction.

Director Papan expressed concern about asking taxpayers to pay twice; and noted that it is the TA's mission to fund projects like this.

Executive Council Member Jim Hartnett mentioned that it is not uncommon to add a fee. As an example, MTC imposed 1% fee on stimulus fund swap.

Director Beach mentioned that the Financial Ad Hoc did not talk thru the policy. She and Director Papan struggle with the credit premium. The credit risk is to protect TA projects. JPA controls toll policy that can affect revenue. Not sure what the right number should be, but see reason for reasonable risk.

Director Derwin asked how about if TA grants half of the 0.6% to equity. Director Papan is thinking along the same line.

Vice Chair Horsley said that he thought that the 0.6% is a reasonable amount given the credit risk.

Director Beach said that the Finance Ad Hoc has not decided on the Equity amount. And, there is the 10% at the bottom. The interim loan has less risk.

Director Papan, commented that the C/CAG Board members are very concerned with equity. Chair Aguirre said equity is a commitment. Director Beach mentioned that everyone is committed to equity. Significant and meaningful investment in equity.

6.0 REPORTS

a) Chairperson Report.

None.

b) Member Communication.

None.

c) Executive Council Report.

None.

d) Policy/Program Manager Report.

Mathew Click, Policy/Program Manager for SMCEL-JPA, thanked Sean Charpentier and Van Ocampo for helping with the procurement for the equity study. He also reported that we have been in contact with MTC and they are very interested in what we're doing in equity. We continue to actively work with BAIFA and their consultants WSP on the toll system implementation cooperative agreement. The Board will receive an update at either the May or June meeting.

7.0 WRITTEN COMMUNICATIONS

None.

8.0 NEXT REGULAR MEETING

May 8, 2020

ADJOURNMENT – 10:46 a.m.