

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

Meeting No. 18

DATE: Friday, December 11, 2020

TIME: 9:00 A.M.

Join by Zoom:

<https://us02web.zoom.us/j/89906143546?pwd=aDgyNFVDeVlhT0V4VkpOcGJhdDh1dz09>

Meeting ID: 899 0614 3546

Password: 856697

Join by Phone:

(669) 900-6833

Meeting ID: 899 0614 3546

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

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings telephonically or by other electronic means. Thus, pursuant to Executive Order N-29-20, local and statewide health orders, and the CDC's social distancing guidelines, which discourage large public gatherings, SMCEL-JPA meetings will be conducted via remote conferencing only (no physical location). Members of the public may observe or participate in the meeting remotely via one of the options above.

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, are asked to submit written comments to mguilles@smcgov.org. Spoken public comments will also be accepted during the meeting through Zoom. Please see instructions for written and spoken public comments at the end of this agenda.

- 1.0 CALL TO ORDER/ ROLL CALL
- 2.0 BRIEF OVERVIEW OF TELECONFERENCE MEETING 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.

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. 17 dated November 13, 2020. ACTION p. 1
- 4.2 Accept the Sources and Uses of Funds for the FY21 Period Ending October 31, 2020. ACTION p. 5
- 4.3 Accept the Annual Financial Report for the Fiscal Year Ended June 30, 2020. ACTION p. 7

5.0 REGULAR AGENDA

- 5.1 Review and approval of the 2021 Calendar of SMCEL-JPA Board of Directors Meetings. ACTION p. 26
- 5.2 Receive a presentation on the Equity Study Technical Analysis and the Public Engagement process. INFORMATION p. 27

6.0 REPORTS

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

7.0 WRITTEN COMMUNICATIONS

None

8.0 NEXT REGULAR MEETING

January 15, 2021 (Proposed)

9.0 ADJOURNMENT

PUBLIC NOTICING: All notices of San Mateo County Express Lanes Joint Powers Authority Regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Transit District Office, 1250 San Carlos Ave., San Carlos, CA.

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 location of 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Please note this location is temporarily closed to the public; please contact Mima Guilles at mguilles@smcgov.org to arrange for inspection of public records.

PUBLIC PARTICIPATION: Please refer to the first page of this agenda for instructions on how to participate in the meeting. Persons with disabilities who require auxiliary aids or services in attending and participating in this meeting should contact Mima Guilles at (650) 599-1406, five working days prior to the meeting date.

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

1. Your written comment should be emailed to mguilles@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. The length of the emailed comment should be commensurate with the two minutes customarily allowed for verbal comments, which is approximately 250-300 words.
5. If your emailed comment is received at least 2 hours prior to the meeting, it will be provided to the SMCEL-JPA Board members and read aloud by SMCEL-JPA staff during the meeting. We cannot guarantee that emails received less than 2 hours before the meeting will be read during the meeting, but such emails will be included in the administrative record of the meeting.

Spoken comments will be accepted during the meeting through Zoom. Please read the following instructions carefully:

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” and if you joined the meeting by phone, dial *9 to raise your hand. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak.
5. When called, please limit your remarks to the time allotted.

If you have any questions about this agenda, please contact:

Mima Guilles, Secretary - (650) 599-1406

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

Meeting No. 17
November 13, 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: Don Horsley (Chair), Diane Papan (Vice Chair), Alicia Aguirre, Emily Beach, Maryann Moise Derwin, and Rico Medina

1.0 CALL TO ORDER/ ROLL CALL

Chair Horsley called the meeting to order at 9:02 a.m. Roll call was taken.

Members Present:

C/CAG Members:

Diane Papan, Maryann Moise Derwin, Alicia Aguirre (arrived immediately after roll call)

SMCTA Members:

Don Horsley, Rico Medina, Emily Beach

Members Absent:

None.

Staff Present:

Sandy Wong – Executive Council

Jim Hartnett – Executive Council

Tim Fox – Legal Counsel

Matthew Click – Program/Policy Manager (PPM) for SMCEL JPA, HNTB

Samantha Soules – HNTB

Van Ocampo, Jeff Lacap – C/CAG staff supporting SMCEL JPA

April Chan, Derek Hansel, Joe Hurley, Jessica Epstein – SMCTA staff supporting SMCEL JPA

Other members of staff and the public were in attendance.

2.0 BRIEF OVERVIEW OF TELECONFERENCE MEETING PROCEDURES

Van Ocampo, Transportation Systems Coordinator, covering for Mima Guilles, provided an overview of the teleconference meeting 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.

Van Ocampo reported there was no public comment submitted before the meeting. There was no public comment.

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. 16 dated October 16, 2020. APPROVED

4.2 Accept the Sources and Uses of Funds for the FY21 Period Ending September 30, 2020. APPROVED

Director Medina MOVED approval of items 4.1 and 4.2. Director Papan SECONDED. Roll call was taken. **MOTION CARRIED 6-0-0**

5.0 REGULAR AGENDA

5.1 Receive a presentation on the BAIFA O&M Agreement, the BATA Agreement, Caltrans O&M Agreement, and CHP Agreement. INFORMATION

The Board received a presentation from Samantha Soules, HNTB, on the Operating Agreement & Schedule Update. The presentation provided an overview of the agreements with BAIFA, BATA, Caltrans, and the CHP.

SMCEL-JPA Board members provided the following questions and comments.

- Do we own the tolling equipment? How is liability shared among the parties? What are some of the major terms of the agreements? How does BATA charge for the fee, what is the methodology? Part of negotiations with BAIFA is determining the right term of the contract, and that it would be good to have a renewal option to continue with the negotiated terms.
- Is an agreement with CHP necessary if there is technology that can enforce occupancy violations? If the occupancy enforcement technology is not available now, can we plan for it in the future? How will CHP enforce speed violations in the express lanes? Would it be valuable to bring a CHP representative to talk to the JPA Board regarding enforcement in express lanes?

- How will the Caltrans O&M Agreement divide the responsibility between the express lanes and Caltrans, especially since there are existing ongoing Caltrans maintenance responsibilities? Are there aspects of the future Caltrans O&M Agreement that are unique to San Mateo County? If we are responsible for maintaining existing infrastructure, do we inspect it before assuming responsibility?

Samantha Soules, and other staff, provided verbal responses where possible, and noted which topics would be more fully addressed in future SMCEL-JPA Board meetings.

Van Ocampo stated that there were no public comments for this item.

6.0 REPORTS

- a) Chairperson Report.

None.

- b) Member Communication.

None.

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

Sandy Wong, Executive Council, congratulated the Directors who have been re-elected and also congratulated Jim Hartnett and his team for the successful Measure RR.

Jim Harnett, Executive Council, also congratulated the Directors who have been re-elected and thanks all the Directors for their leadership on the JPA, which is a groundbreaking start-up endeavor.

- d) Policy/Program Manager Report.

Matthew Click reported that on December 11, 2020, the Board meeting will get a presentation and update on the equity program. On Monday there will be the ESAC meeting, on Tuesday general public meeting, and three stakeholder meetings with Team C, East Palo Alto and SSF Friends of the Library.

Chair Horsley requested a list with all Equity Program meetings.

Matthew Click replied that one would be prepared and sent.

Van Ocampo stated that there are no public comments for this item.

7.0 WRITTEN COMMUNICATIONS

None.

8.0 NEXT REGULAR MEETING

December 11, 2020

9.0 ADJOURNMENT – 9:58 a.m.

San Mateo County Express Lanes Joint Power Authority

Agenda Report

Date: December 11, 2020

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

From: Executive Council

Subject: Accept the Sources and Uses of Funds for the FY21 Period Ending October 31, 2020
(For further information, contact Derek Hansel, CFO, at 650-508-6466)

RECOMMENDATION

That the SMCEL-JPA Board accept and enter into the record the Sources and Uses of Funds for the FY21 Period Ending October 31, 2020.

The statement columns have been designed to provide year to date current actuals for the current fiscal year and the annual budget for the current fiscal year.

BACKGROUND

Year to Date Sources of Funds: As of October year-to-date, the Total Sources of Funds are \$162,863, which represent the loan advances for FY21 under the two operating loan agreements between the SMCEL-JPA, the San Mateo County Transportation Authority, and the City/County Association of Governments.

Year to Date Uses of Funds: As of October year-to-date, the Total Uses of Funds are \$358,871. Major expenses are in Staff Support \$172,429, and Consultant \$159,032.

Budget Amendment:

There are no budget amendments for the month of October 2020.

Other Information:

Loan payables represent loan advance payments received since the formation of the SMCEL-JPA from the San Mateo County Transportation Authority and the City/County Association of Governments. Loan advances will be repaid on a monthly basis and no later than five years after the San Mateo County 101 Express Lanes Project begins operations and receives toll revenues.

ATTACHMENT

1. Sources and Uses of Funds Fiscal Year 2021 (October 2020)

SAN MATEO COUNTY EXPRESS LANE JPA
SOURCES AND USES OF FUNDS
Fiscal Year 2021
October 2020

	ACTUAL		BUDGET	
	As of 10/31/2020		Annual	
SOURCES OF FUNDS:				
Advance from the City/County Association of Governments of San Mateo County	\$	75,472	\$	917,244
1 Advance from the San Mateo County Transportation Authority		87,391		1,270,463
2 TOTAL SOURCES OF FUNDS		162,863		2,187,707
USES OF FUNDS:				
3 Staff Support		172,429		814,700
4 Administrative Overhead		17,805		53,415
5 Business Travel		-		3,000
6 Office Supplies		-		3,000
7 Printing and Information Svcs		-		5,000
8 Legal Services		4,719		60,000
9 Consultant		159,032		1,171,432
10 Insurance		-		-
11 Miscellaneous		4,885		77,160
12 TOTAL USES OF FUNDS		358,871		2,187,707
13 EXCESS (DEFICIT)	\$	(196,008)	\$	-
Additional Information:				
Loan payables to the City/County Association of Governments of San Mateo County	\$	522,641		
Loan payables to the San Mateo County Transportation Authority	\$	533,538	(1)	

(1) \$319,615 was billed on 9/1/20 and paid on 11/5/20.

San Mateo County Express Lanes Joint Power Authority
Agenda Report

Date: December 11, 2020
To: San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors
From: Executive Council
Subject: Accept the Annual Financial Report for the Fiscal Year Ended June 30, 2020
(For further information, contact Derek Hansel, CFO, at 650-508-6466)

RECOMMENDATION

That the SMCEL-JPA Board accept and enter into the record the Annual Financial Report for the Fiscal Year Ended June 30, 2020.

BACKGROUND

The SMCEL-JPA contracts with an independent auditor, Eide Bailly LLP to conduct yearly audits of the Financial Statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

The Annual Financial Report is prepared in accordance with the guidelines set forth by the Government Accounting Standards Board and consists of an Independent Auditor's Report, Basic Financial Statements and Notes to Financial Statements. The Independent Auditor's Report has an unmodified "clean" audit opinion on the Annual Financial Report. The Basic Financial Statements and Notes to Financial Statements provide the detail as well as the perspective with which to assess the SMCEL-JPA's financial condition.

ATTACHMENTS

1. Auditor's Letter dated October 26, 2020
2. Annual Financial Report for the Fiscal Year Ended June 30, 2020



October 26, 2020

The Board of Directors of the
San Mateo County Express Lanes Joint Powers Authority
San Carlos, California

We have audited the financial statements of San Mateo County Express Lanes Joint Powers Authority (JPA) for the year ended June 30, 2020, and have issued our report thereon dated October 26, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards

As communicated in our letter dated April 20, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the JPA solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the JPA is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected misstatements noted.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated October 26, 2020.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the JPA, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the JPA's auditors.

This report is intended solely for the information and use of the governing board, and management of the JPA and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Bailly LLP

San Mateo, California

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

City/County Association of Governments of San Mateo County
San Mateo County Transportation Authority



Annual Financial Report

Fiscal Year Ended June 30, 2020

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SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020

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SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

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SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

MAP OF EXPRESS LANES

JUNE 30, 2020





INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the SMCEL-JPA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SMCEL-JPA, as of June 30, 2020, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management 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 opinion on the basic financial statements is not affected by this missing information.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

San Mateo, California
October 26, 2020

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

STATEMENT OF NET POSITION JUNE 30, 2020

ASSETS

Current Assets

Cash and investments	\$	246,454
Prepaid items		10,767
Total Assets		<u>257,221</u>

LIABILITIES

Current Liabilities

Accounts payable		241,996
Due to SamTrans		251,196
Due to SMCTA		491,055
Total Current Liabilities		<u>984,247</u>

Noncurrent Liabilities

Loans payable		251,570
Total Liabilities		<u>1,235,817</u>

NET POSITION

Investment in capital assets		-
Unrestricted		(978,596)
Total Net Position	\$	<u>(978,596)</u>

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

OPERATING REVENUES

Toll revenue	\$ -
Total operating revenue	<u>-</u>

OPERATING EXPENSES

Operations and maintenance	<u>977,026</u>
Operating Income	<u>(977,026)</u>

NONOPERATING REVENUES (EXPENSES)

Investment expense	<u>(1,570)</u>
Total nonoperating revenues	<u>(1,570)</u>
Change in net position	(978,596)
Net Position - Beginning	<u>-</u>
Net Position - Ending	<u>\$ (978,596)</u>

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to suppliers for goods and services	\$ (3,546)
Cash flows from operating activities	<u>(3,546)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Loan advances	250,000
Net change in cash and cash equivalents	<u>246,454</u>
Cash and Cash Equivalents - Beginning	-
Cash and Cash Equivalents - Ending	<u><u>\$ 246,454</u></u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ (977,026)
Changes in assets and liabilities:	
Increase in prepaid items	(10,767)
Increase in liabilities	984,247
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ (3,546)</u></u>

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – REPORTING ENTITY

The San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) 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 (SMCTA). The Agreement was entered into pursuant to the Government Code of the State of California, commencing with Section 6500. The SMCEL-JPA was formed to plan, design, construct, and administer the San Mateo County 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. When completed, the Project will provide continuous express lanes in San Mateo County in both the northbound and southbound directions of US-101. Resulting toll revenues will fund transportation and transit improvements in the corridor, as well as Project operations and maintenance. Members of the SMCEL-JPA’s Board of Directors are elected officials representing San Mateo County. The Express Lanes are scheduled for a two-phase opening, south segment for late 2021, and the north segment for late 2022.

NOTE 2 – MANAGING AGENCY

Under the Joint Exercise of Powers Agreement, the San Mateo County Transit District (as managing agency for the SMCTA) and C/CAG both provide staff support to the JPA. The San Mateo County Transit District’s staff support the JPA’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 SMCEL-JPA’s website). The C/CAG staff provide contracts, procurement and board clerk and support services. All of the SMCEL-JPA’s operating costs are included in the Statement of Revenues, Expenses, and Changes in Net Position.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Accounting

All activities of the SMCEL-JPA 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 SMCEL-JPA’s principal ongoing operations. The principal operating revenue of the SMCEL-JPA is the collection of toll revenue.

The SMCEL-JPA adheres to accounting principles issued by the Governmental Accounting Standards Board (GASB).

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

Revenue Recognition

The SMCEL-JPA recognizes toll revenue at the time the toll lane is used, net of funds for invalid or stolen tags, equipment malfunctions, and violations dismissed in court.

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 SMCEL-JPA has no capital related debt.
- Unrestricted – This category represents net position of the SMCEL-JPA that is not restricted for any project or other purpose.

Cash Equivalent

For purpose of the statement of cash flows, the SMCEL-JPA considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

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.

NOTE 4 – CASH AND INVESTMENTS

The SMCEL-JPA had \$246,454 cash in the bank. The SMCEL-JPA does not have its own investment policy, and it follows the investment policy of the SMCTA, which provides financial management support to the SMCEL-JPA.

Cash held in banks is entirely 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 the SMCEL-JPA, which is a participant in the pool, ahead of general creditors of the institution.

Custodial credit risk is the risk that in the event a financial institution or counterparty fails, the SMCEL-JPA would not be able to recover the value of its deposits and investments. At June 30, 2020, the Federal Depository Insurance Corporation insured the SMCEL-JPA's cash deposits up to \$250,000 and the financial institution's trust department collateralized the remainder in the SMCEL-JPA's name.

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

SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

Fair Value Measurements – The SMCEL-JPA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The SMCEL-JPA does not hold any investments that are subject to the fair value hierarchy.

NOTE 5 – LOANS PAYABLE

Loan payables represent loan advance payments received since the formation of the SMCEL-JPA from the San Mateo County Transportation Authority and the City/County Association of Governments. 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. As of June 30, 2020, the loans payable consists of \$125,785 payable to the City/County Association of Governments, and \$125,785 to the San Mateo County Transportation Authority.

NOTE 6 – RISK MANAGEMENT

As of June 30, 2020, the San Mateo County Express Lanes Joint Powers Authority coverage is generally summarized as follows:

Type of Coverage	Self-Insured Retention	Excess Insurance
Public Officials Liability	\$25,000 self-insured retention	\$3,000,000 per occurrence/aggregate

To date, there have been no significant reductions in any of the SMCEL-JPA’s insurance coverage. Settlements have not exceeded coverages for each of the past three fiscal years.

**San Mateo County Express Lanes Joint Powers Authority
AGENDA REPORT**

Date: December 11, 2020

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

From: Executive Council

Subject: Review and approval of the 2021 Calendar of SMCEL-JPA Board of Directors Meetings
(For further information, contact Mima Guilles mguilles@smcgov.org)

RECOMMENDATION

That the SMCEL-JPA Board of Directors review and approve the 2021 Calendar of SMCEL-JPA Board of Directors Meetings.

FISCAL IMPACT

None.

BACKGROUND

The following schedule for the 2021 Board meeting is proposed. With the exception of January, all meetings are on the 2nd Friday of the month. All meetings start at 9:00 a.m. unless otherwise noted.

January 15th
February 12th
March 12th
April 9th
May 14th
June 11th
July 9th
August 13th
September 10th
October 8th
November 12th
December 10th

ATTACHMENT

None.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: December 11, 2020

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

From: Matthew Click, Policy and Program Manager (PPM)

Subject: Receive a presentation on the Equity Study Technical Analysis and the Public Engagement process.

(For further information please contact Matthew Click at mclick@hntb.com)

RECOMMENDATION

That the SMCEL-JPA Board receive a presentation on the Equity Study Technical Analysis and Public Engagement process.

FISCAL IMPACT

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

SOURCE OF FUNDS

NA

BACKGROUND

One of the fundamental reasons for forming the SMCEL-JPA was to ensure local control over the formulation and implementation of policies/programs as well as operation of the US 101 Express Lanes Project. Central to the desire for local control was to ensure that equity would be a primary consideration and influence how the project would be operated and project revenues would be used. The SMCEL-JPA selected ARUP to perform the equity study under the leadership and direction of the Policy and Program Manager (PPM). The Equity Study was officially kicked-off on May 13, 2020.

At the December 11, 2020 SMCEL-JPA Board Meeting, staff will provide a presentation with an update on the Technical Analysis and the Community Engagement process.

ATTACHMENT

1. PowerPoint presentation on on the Equity Study Technical Analysis and Public Engagement process.

SAN MATEO 101

EXPRESS LANES PROJECT



SMC Express Lanes JPA

JPA Board Meeting

San Mateo 101 Express Lanes Equity Study

December 2020

Agenda

1. Project Timeline
2. Technical Analysis Update & Findings
3. Public Engagement Update
4. Discussion
5. Next Steps

Project Timeline

We are here

Description	Summer 2020	Fall 2020	Winter 2020/2021	Spring 2021	Summer 2021
Baseline Conditions and Needs Assessment					
ESAC facilitation	★	★ ★	★ ★	★	
Literature review					
Define equity metrics					
Demographic and travel analysis					
Public engagement (phase I)					
Publish final needs assessment					
Equity Program Recommendation					
Draft & analyze 3-4 equity program alternatives					
Public engagement (phase II)					
Recommend preferred alternative					
Board review and approval					

Technical Analysis Update & Findings

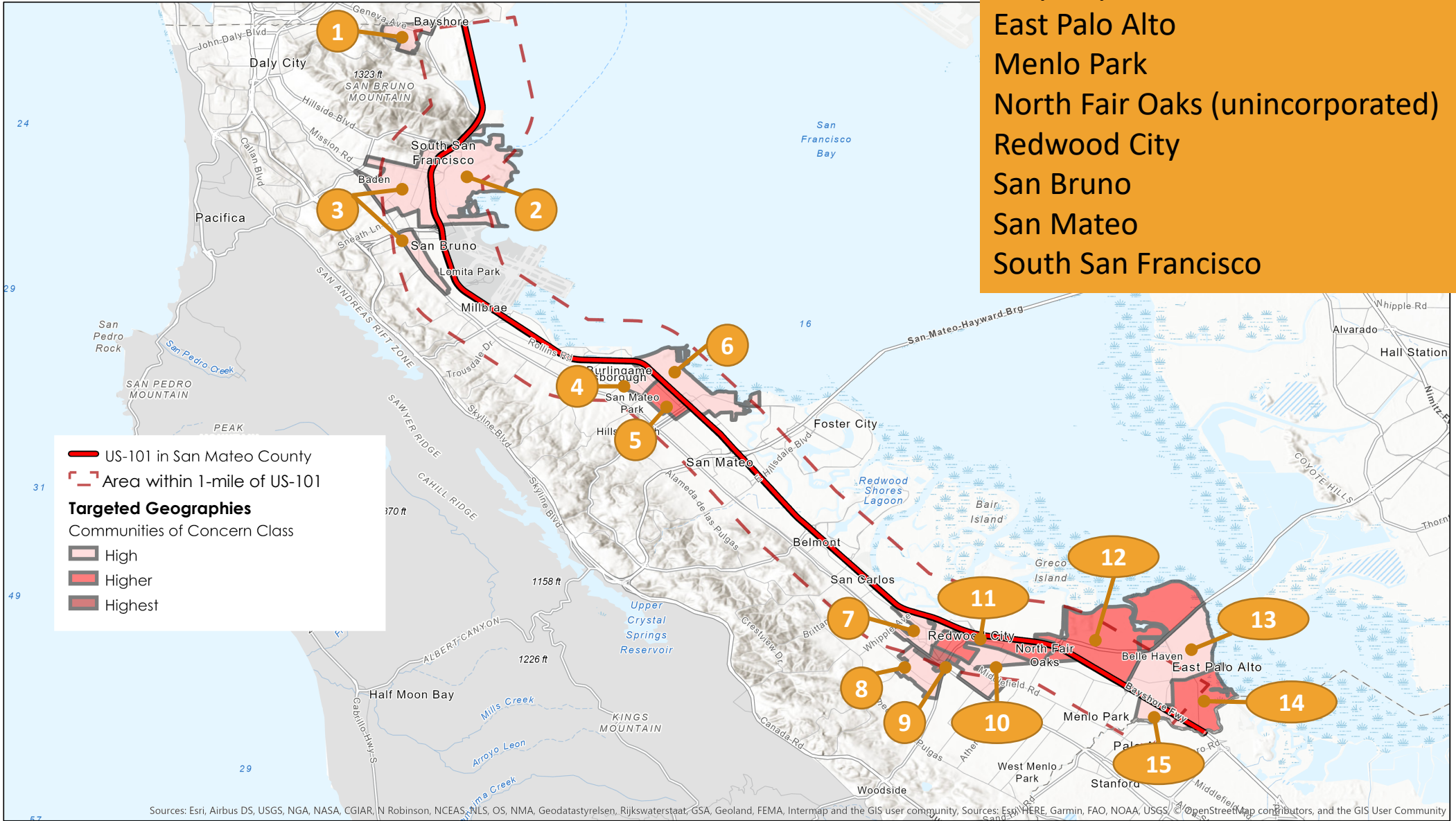
Goal: Understand target populations' demographic characteristics, travel behavior, barriers to travel, and likely use of the express lane

Target Populations for Equity Study Analysis

- Low income households, particularly those which exhibit one or more of the following characteristics:
 - Non-white (Latinx, Black, Southeast Asian or Pacific Islander, Indigenous/Native American, etc.)
 - Limited English proficiency
 - Single female-headed
 - No- or low-vehicle ownership (defined as 1 car per 3 or more working adults)
 - Transit-dependent
 - Older adults
 - Youth (17 and under)
 - Disabled/Paratransit users

15 Targeted Geographies

Includes portions of the following cities:
 Daly City
 East Palo Alto
 Menlo Park
 North Fair Oaks (unincorporated)
 Redwood City
 San Bruno
 San Mateo
 South San Francisco



Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community, Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, OpenStreetMap contributors, and the GIS User Community

Demographics of the 15 Targeted Geographies



All targeted geographies meet and exceed the MTC threshold criteria for low-income households, far above San Mateo County average



All except one meet and exceed the MTC threshold criteria for minority populations



Despite the non-spatial nature of disabled populations, all targeted geographies exceed the average for San Mateo County

○ — Non-spatial — ○

	Primary Factors		Secondary Factors					
	Low-income households	Minority populations	Zero-vehicle households	Rent-burdened households	Single-parent households	Limited-English proficiency	Senior populations	Disabled populations
Targeted Geographies	31%-57%	66%-98%	2%-20%	12%-32%	12%-37%	12%-31%	2%-10%	6%-11%
San Mateo County	18%	62%	2%	38%	21%	18%	17%	5%

Barriers to Travel



Do not own or have access to a car for regular use



Do not have access to a credit card or bank account



Congestion on US-101 limits access to job opportunities



Limited access to the internet and/or a smart phone



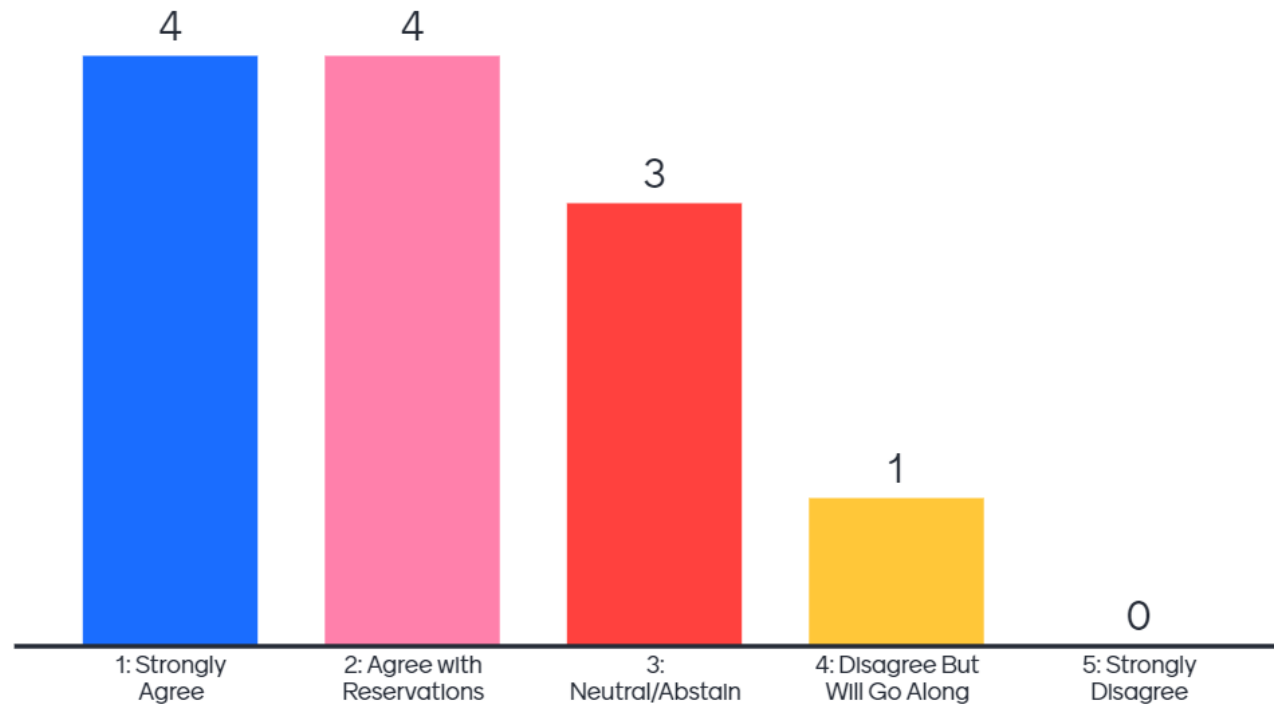
Have a disability that makes traveling by transit difficult or impossible



Feel unsafe walking or biking on streets close to US-101

ESAC Feedback

Question: Do these targeted geographies align with your understanding of where the most vulnerable communities are located in the study area?





















Evaluation Metrics

Purpose of Evaluation Metrics

- Evaluation metrics will be used to:
 - Document baseline travel conditions in target geographies
 - Compare the performance of 3-4 equity program alternatives
- Metrics will also include a comparison between target geographies and the countywide baseline, wherever possible

Linking Study Objectives to Evaluation Metrics

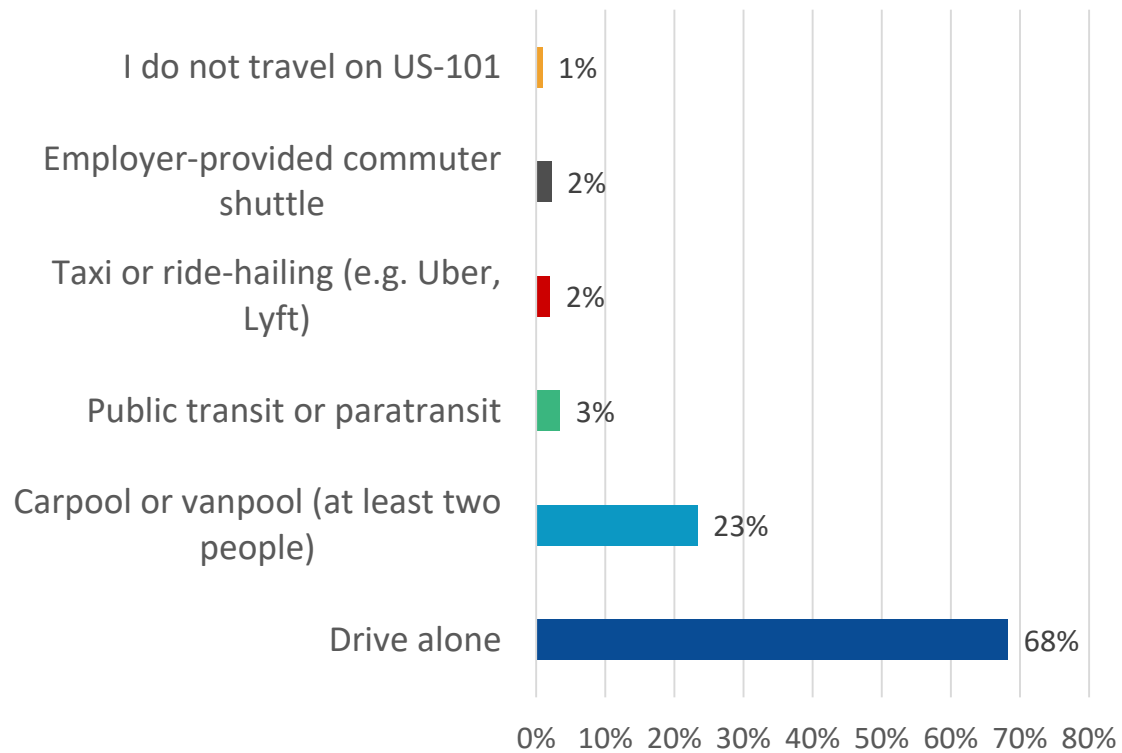
	Mode shift from SOV to HOV	Improving mobility	Improving travel time	Improving reliability	Affordability	Accessibility	Impacts on revenue	Local community improvements
 Auto	Person Throughput by Lane Type 		Average Travel Time by Lane Type 	Average Speed by Lane Type 	Travel Cost 		Toll revenue 	Local Traffic (VMT) 
 Transit	Availability of Private Shuttles 	Stops and Service Frequency 	Travel Time 	Travel Time Reliability 	Travel Cost 	Jobs Accessible within 30 min by Transit 		
 Local Community		Walking & Cycling Environment 				First / Last Mile Access 		Number of Crashes 

Travel Demand Analysis

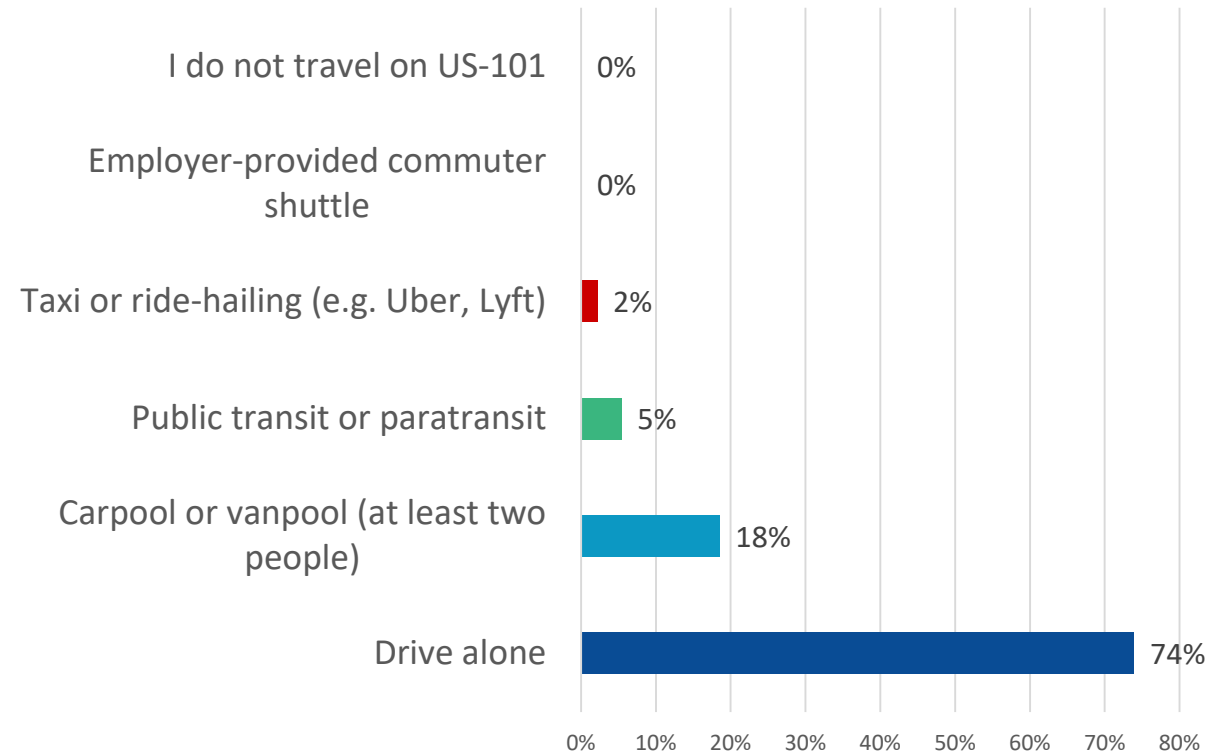
Goal: Understand where our target populations are traveling to/from, how they use the 101 and what impact a potential equity program may have on express lane operations.

US-101 Mode Share

3-County Area



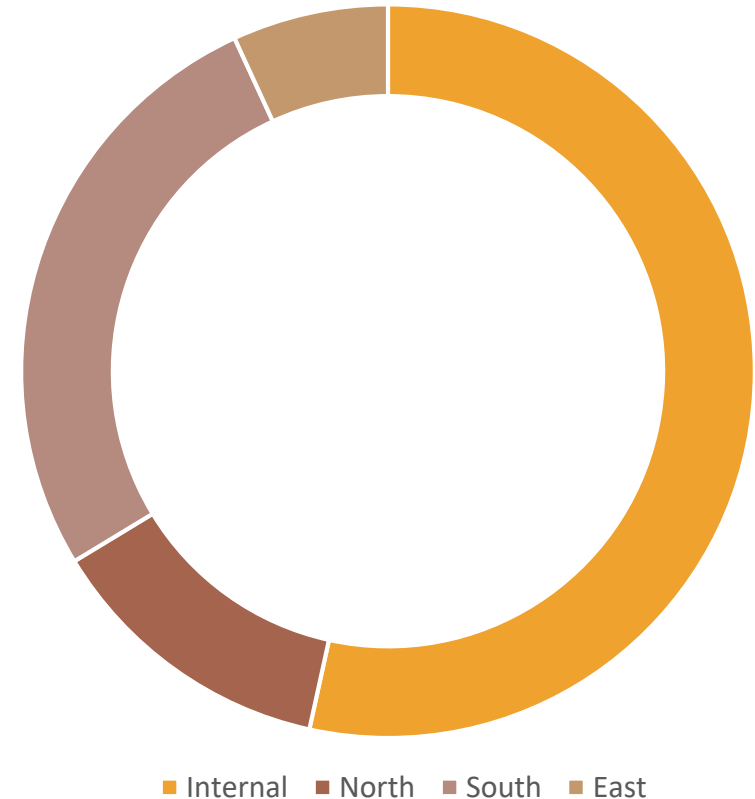
Targeted Geographies



Trip Destinations and 101 use during AM Peak

- Majority of trips that originate in target geographies are internal to San Mateo county
- Most external trips are traveling south, likely to use 101
- Higher than average HOV trips compared to region as a whole

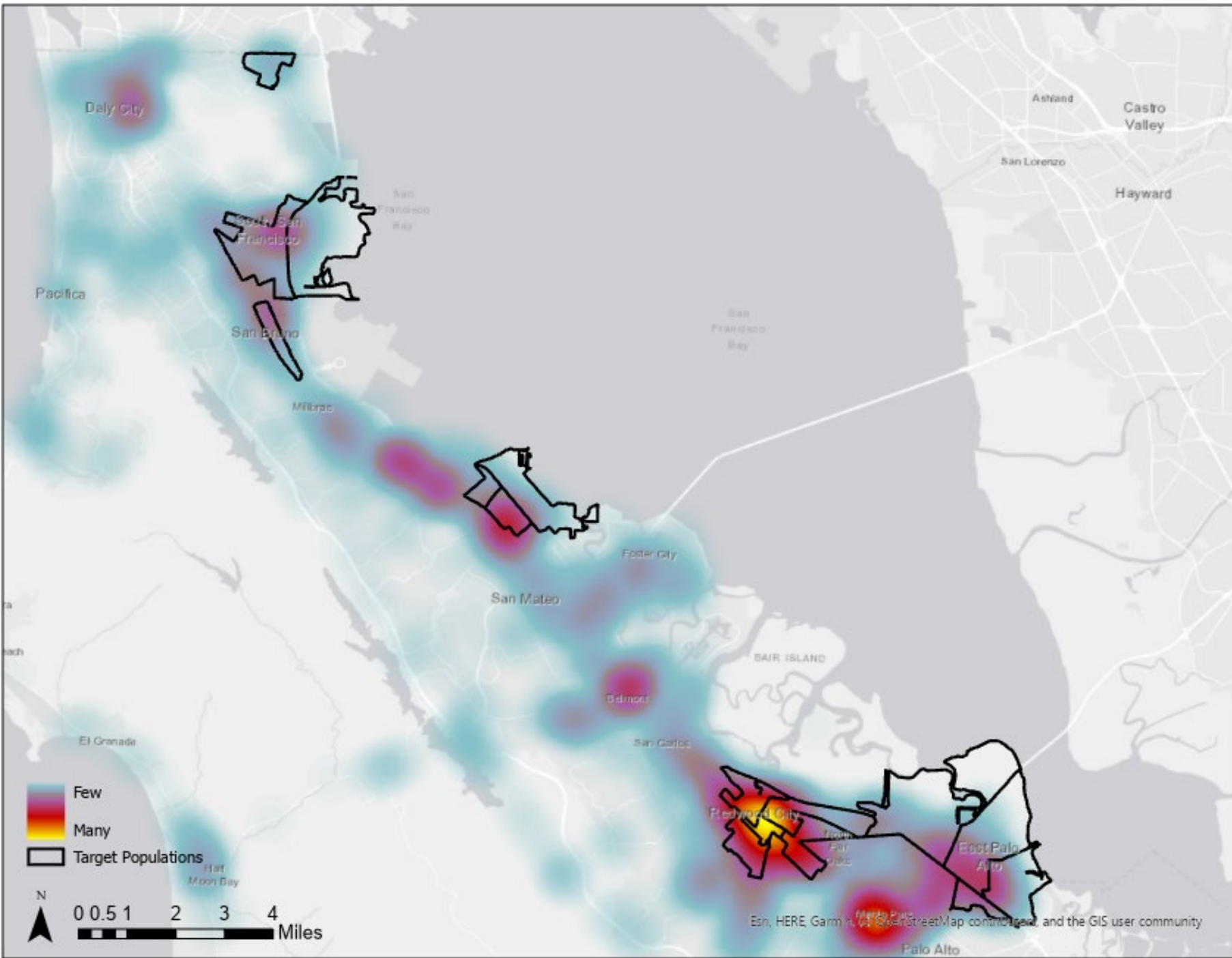
AM Peak Trips from Targeted Geographies



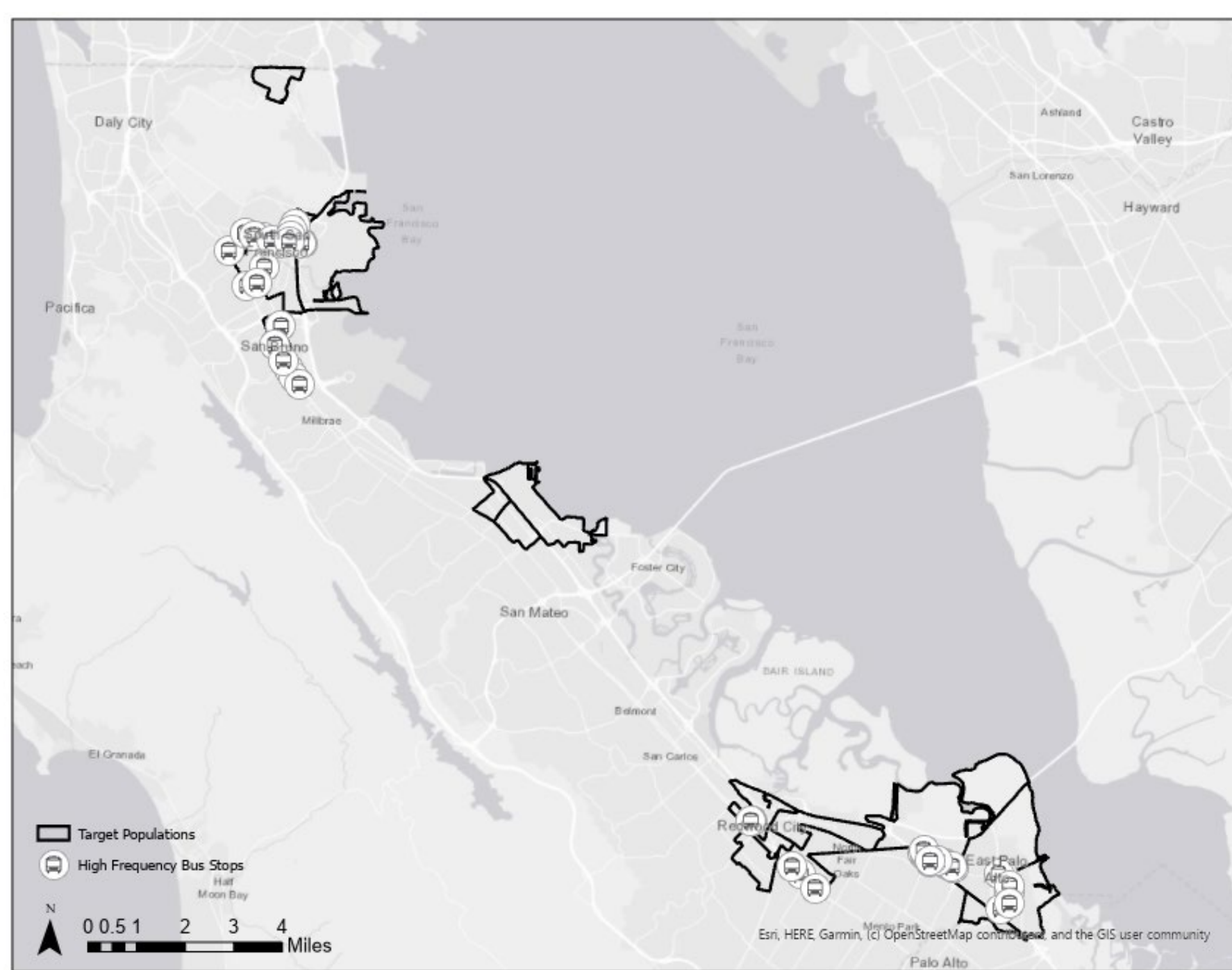


Pedestrian Injuries and Fatalities

Bicyclist Injuries and Fatalities



High Frequency Bus Stops (All Day)

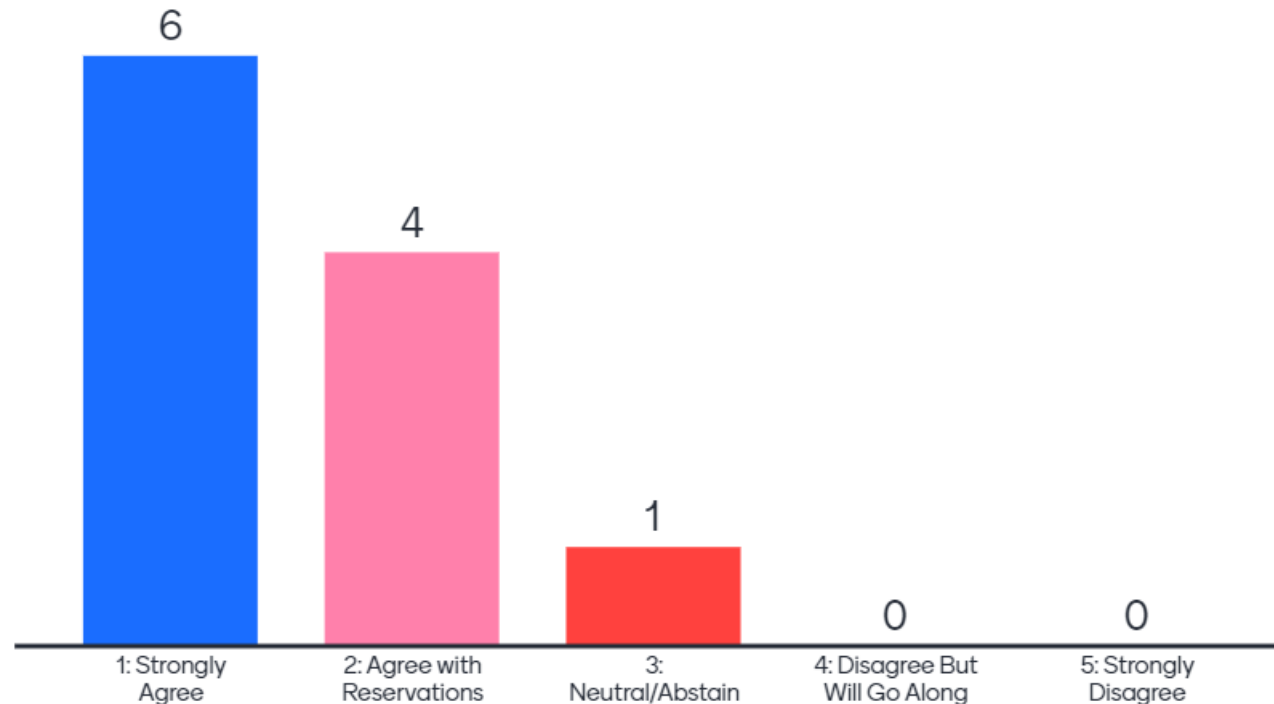


Next Steps for Travel Demand Analysis

- Finalize operations metrics (travel time/travel speed/volumes) for 101 by lane type for baseline scenario
- Calculate baseline condition for all qualitative metrics for each targeted geography
- Summarize baseline travel demand model outputs – origins/destinations for each targeted geography
- Develop a spreadsheet tool to compare equity program alternatives

ESAC Feedback

Question: Do you feel that these evaluation metrics and methods will help us build a complete understanding of transportation needs and outcomes for our target populations?



Public Engagement Update

Goal: Update on Phase I Outreach and results from analysis of existing public survey

Objectives of Phase One Outreach

- 1. Understand where people are trying to go and what barriers they face to getting there**
 - Primary modes of travel
 - Major and minor transportation issues that residents face
 - Perceived impact of Express Lanes Project on daily transportation needs
- 2. Gather data to inform the equity program alternatives**

CBO Approach and Partners

Our approach

- Partner with local Community Based Organizations (CBOs) to leverage their knowledge and community networks
 - Reached out to 39 CBOs who work with targeted populations in San Mateo County
 - Challenges encountered: CBO staff capacity and turnover; short outreach timeframe; limited resources/budget

Partnership with South San Francisco community groups

- South San Francisco Library Foundation
- Historic Old Town Homeowners and Renters Association (HOTHRA) / Friends of Old Town

Engagement Activities



Virtual discussions with community groups (Latino families, parent groups, college students, etc.)



Distribute fact sheet and equity survey via social media, email, distribution to local businesses



Host socially-distanced community event to educate residents and get their input via equity survey



Assist SSF residents in completing equity survey at community events (Flu Clinic, food distribution sites, etc.)

Additional Public Outreach Events

Held:

Zoom Public Meeting

East Palo Alto Transportation Committee Meeting

Team C Meeting

Upcoming:

Redwood City Transportation Commission Meeting

Public Outreach Key Takeaways

Based on 170+ survey responses and meetings held to date, key takeaways include:

Mobility challenges facing communities:

- Unreliable public transportation
- Cost of transportation
- Too much traffic

Equity program strategies suggested by the Public (partial list):

- Toll subsidies or other programs to help low-income drivers use the lanes
- More frequent and reliable public transportation
- Improved sidewalk and bicycle infrastructure
- Discounted or free transit passes
- Any program for individual benefits should be relatively easy to access

Public Engagement Timeline

○ Oct – Mid-December 2020

Community partners conduct engagement activities to gather feedback on communities' transportation priorities

○ Mid-December – January 2021

Summary report of community engagement feedback

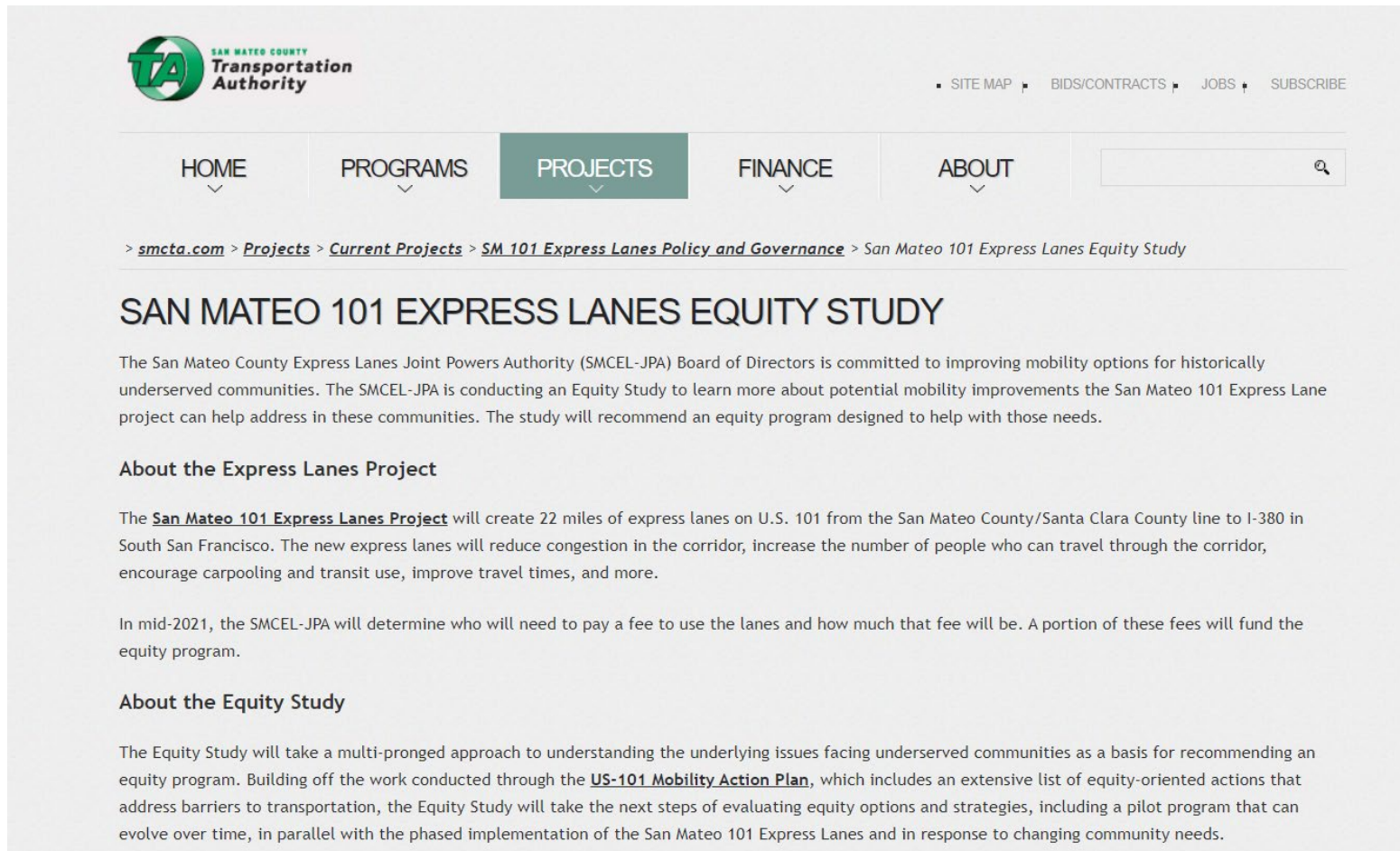
○ January 2021

Create three-four alternatives for pilot equity program

○ February – March 2021

Gather community feedback on pilot program alternatives

Web Engagement - www.smcta.com/101equity



The screenshot shows the website for the San Mateo County Transportation Authority. The navigation menu includes HOME, PROGRAMS, PROJECTS (highlighted), FINANCE, and ABOUT. The breadcrumb trail reads: > [smcta.com](#) > [Projects](#) > [Current Projects](#) > [SM 101 Express Lanes Policy and Governance](#) > [San Mateo 101 Express Lanes Equity Study](#). The main heading is "SAN MATEO 101 EXPRESS LANES EQUITY STUDY".

The San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board of Directors is committed to improving mobility options for historically underserved communities. The SMCEL-JPA is conducting an Equity Study to learn more about potential mobility improvements the San Mateo 101 Express Lane project can help address in these communities. The study will recommend an equity program designed to help with those needs.

About the Express Lanes Project

The [San Mateo 101 Express Lanes Project](#) will create 22 miles of express lanes on U.S. 101 from the San Mateo County/Santa Clara County line to I-380 in South San Francisco. The new express lanes will reduce congestion in the corridor, increase the number of people who can travel through the corridor, encourage carpooling and transit use, improve travel times, and more.

In mid-2021, the SMCEL-JPA will determine who will need to pay a fee to use the lanes and how much that fee will be. A portion of these fees will fund the equity program.

About the Equity Study

The Equity Study will take a multi-pronged approach to understanding the underlying issues facing underserved communities as a basis for recommending an equity program. Building off the work conducted through the [US-101 Mobility Action Plan](#), which includes an extensive list of equity-oriented actions that address barriers to transportation, the Equity Study will take the next steps of evaluating equity options and strategies, including a pilot program that can evolve over time, in parallel with the phased implementation of the San Mateo 101 Express Lanes and in response to changing community needs.

Email us: equity@smcexpresslanes.org

Call us: 1-800-660-4287

Visit 101express.com for more information on the status of the San Mateo 101 Express Lanes construction and how the lanes will work.

You can submit a comment here:

Page 1 of 1

First Name:

Last Name:

Email Address:

Describe Your Feedback:

Questions?