

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

Meeting No. 65

<p>Date: Friday, September 5, 2025</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>Teleconference Location (Alternate Public Access): San Bruno City Hall 570 Linden Ave, San Bruno, CA 94066 Room 138</p>	<p>Join by Webinar: https://us02web.zoom.us/j/81222060585?pwd=nkYZ17slMKocoLBUHAvOP9CzgqtZYT.1</p> <p>Webinar ID: 812 2206 0585</p> <p>Password: 090525</p> <p>Join by Phone: (669) 900-6833</p>
---	---

*****HYBRID MEETING - IN-PERSON AND BY VIDEOCONFERENCE*****

This meeting of the SMCEL-JPA Board of Directors will be held in person and by teleconference pursuant to Government Code Section 54953(e). Members of the public will be able to participate in the meeting remotely via the Zoom platform or in person at the location above. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

Board of Directors: Michael Salazar (Chair), Carlos Romero (Vice Chair), Adam Rak, Julia Mates, Rico E. Medina and Stacy Jimenez

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. 64 dated August 1, 2025. ACTION p. 1
- 3.2 Acceptance of Statement of Revenues and Expenses for the Period Ending July 31, 2025. ACTION p. 5

4.0 REGULAR AGENDA

- 4.1 Review and Approval of Resolution SMCEL 25-11 authorizing the negotiation and execution of up to twenty (20) memorandums of understanding with community-based organization partners to provide program administration services for the new Go Card equity program through June 30, 2028, for a total amount not to exceed \$540,000. ACTION p. 8
- 4.2 Receive a quarterly update on the US 101 Express Lanes operations for the fourth quarter of FY2025, with a year over year comparison. INFORMATION p. 27
- 4.3 Receive an update on the US 101 Express Lanes Variable Rate Bond. INFORMATION p. 56

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

November 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. 64
August 1, 2025

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 were able to participate in the meeting remotely via the Zoom platform or in person.

Board of Directors: Michael Salazar (Chair), Carlos Romero (Vice Chair), Adam Rak, Julia Mates, Rico E. Medina and Stacy Jimenez

1.0 CALL TO ORDER/ ROLL CALL

Chair Salazar 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	Stacy Jimenez			
C/CAG	Adam Rak			
C/CAG	Michael Salazar			
SMCTA	Carlos Romero			
SMCTA		Julia Mates		
SMCTA	Rico E. Medina			

Staff Present (In-Person):	Staff Present (Remote):
Sean Charpentier, Executive Council – C/CAG	
April Chan, Executive Council – TA	Members of the Public (In-Person):
Mima Crume – Clerk of the Board	Emily Beach
Kaki Cheung – C/CAG	
Peter Skinner – TA	Members of the Public (Remote):
Lacy Vong – HNTB	Diana Dorinson – MTC
Sadie Mae Palmatier – HNTB	
Van Ocampo	

2.0 PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Note: Public comments are 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.

No public comments received.

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 the Board of Directors special meeting No. 63, dated June 20, 2025. APPROVED
- 3.2 Accept Statement of Revenues and Expenses for the Period Ending May 31, 2025. APPROVED
- 3.3 Information on Statement of Revenues and Expenses for the Period Ending June 30, 2025. INFORMATION
- 3.4 Review and Approval of Resolution SMCEL 25-10 adopting the San Mateo County Express Lanes Joint Powers Authority Investment Policy. APPROVED
- 3.5 Review and approve Resolution SMCEL 25-08, ratifying the purchase of General Liability Insurance, Public Officials Liability, and Property Insurance policies for a 12-month period for a not-to-exceed amount of \$575,407. APPROVED

Director Medina MOVED to approve the consent agenda items 3.1 to 3.5.
Director Rak SECONDED. **MOTION CARRIED 5-0-0**

4.0 REGULAR AGENDA

- 4.1 Receive a presentation on the Bay Area Infrastructure Financing Authority (BAIFA) Express Lane START Program. INFORMATION

Diana Dorinson of MTC/BAIFA presented an overview of the Express Lane START pilot on I-880, highlighting program goals, performance metrics, key findings from the first two years, and planned program expansion to I-80 and extending the pilot through 2029.

- 4.2 Receive an update on the implementation of the next generation Community Transportation Benefits program. INFORMATION

Sadie Mae Palmatier provided a brief update on the launch of the Go Card program, including program enhancements, implementation milestones, and expanded CBO partnerships.

Board members asked clarifying questions about debit card usage restrictions, income self-certification, CBO enrollment support, user accessibility for seniors, and data tracking. Staff confirmed the card is restricted to eligible transportation-related expenses only and can be issued physically or virtually. Directors expressed appreciation for the program's flexibility and community focus.

- 4.3 Review and Approval of Resolution SMCEL 25-09 authorizing the chair to execute an agreement with STV to provide Policy/Program Management Services for an amount not to exceed \$3,300,000 for a three-year term from August 2025 through August 2028. APPROVED

Staff provided a brief presentation recommending approval of a three-year contract with STV to provide policy/program management services in an amount not to exceed \$3.3 million. The recommendation followed a competitive procurement process, and staff received proposals from four firms. STV was unanimously selected based on qualifications, experience, and team approach. Staff noted the transition from implementation to steady operations, and the JPA will be hiring a new agency program manager.

Board and staff expressed appreciation for the outgoing consultant team, HNTB, and specifically recognized Lacy Vong for her work supporting the program since its inception.

Director Romero MOVED approve Resolution 25-09. Director Medina SECONDED. **MOTION CARRIED 5-0-0**

5.0 REPORTS

- a) Chairperson Report.

The Chair thanked staff for securing cost savings on the insurance policy renewal approved under the consent calendar, noting the positive outcome amid rising insurance rates.

- b) Member Communication.

Director Medina requested a future review of quorum requirements.

Chair Salazar supported reviewing bylaws more broadly for potential cleanup.

Director Rak requested an offline update from staff on the Community Transportation Benefits Program.

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

Sean Charpentier reported that recruitment for the newly approved program director position is underway, with the job posting live across regional platforms. He also thanked HNTB and Lacy Vong for their years of dedicated service, emphasizing that their policy and technical support were foundational to the Express Lanes program's success. He noted their contributions will remain core to the agency's accomplishments as the program transitions to a new consultant team.

April Chan expressed appreciation for HNTB's contributions, particularly Lacy Vong and Samantha Soule, in successfully launching the express lanes program. She also announced that MTC's Clipper Start pilot ended on June 30, 2025, and has now

become a permanent program—doubling the value for eligible Go Card users.

d) Policy/Program Manager Report.

Lacy Vong reported that staff will return next month with agreements for expanded CBO partnerships under the Go Card program. She also delivered a farewell message, expressing gratitude to the Board, Executive Council, and staff for their partnership and commitment to equity. She reflected on the program’s milestones and expressed pride in its impact and growth.

6.0 WRITTEN COMMUNICATIONS

None.

7.0 NEXT REGULAR MEETING

September 5, 2025

8.0 ADJOURNMENT – 9:53 a.m.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 5, 2025

To: San Mateo County Express Lanes Joint Powers Authority Board of Directors

From: Kate Jordan Steiner, Chief Financial Officer

Subject: Accept Statement of Revenues and Expenses for the Period Ending July 31, 2025
(For further information, contact Kate Jordan Steiner, Chief Financial Officer, at 650-647-3504)

RECOMMENDATION

That the San Mateo County Express Lanes Joint Powers Authority Board of Directors accepts and enters into the record the Statement of Revenues and Expenses for the Fiscal Year 2026, period ending July 31, 2025.

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

FISCAL IMPACT

Operating Revenues: As of July 31, 2025, the total operating revenues are \$0.9 million, \$0.3 million (27.2 percent) unfavorable to budget. The major revenues consist of the following:

- Toll Revenues, \$0.7 million (\$0.4 million [34.4 percent] unfavorable to budget)
 - The unfavorable variance is due to the timing of toll revenue collections.
- Miscellaneous Revenue (Interest Income), \$0.1 million (\$0.02 million [18.8 percent] favorable to budget)
 - The favorable variance is due to the higher current interest rate (3.8 percent) than what was budgeted (3.3 percent).

Operating Expenses: As of July 31, 2025, the total operating expenses are \$1.0 million, \$0.3 million (22.9 percent) favorable to budget. The major expenses are:

- Toll Operations and Maintenance (Bay Area Infrastructure Financing Authority), \$0.4 million (\$0.1 million [29.2 percent] favorable to budget)
 - The favorable variance is due to lower than anticipated expenses incurred this period.
- FasTrak Customer Service (Bay Area Transportation Authority), \$0.3 million (\$0.04 million [12.3 percent] favorable to budget)
 - Favorable variance primarily due to the timing of expenses.
- Express Lane Maintenance, \$0.1 million (\$0.1 million [100.0 percent] favorable to budget)
 - Favorable variance reflects the maximum value of the annual contract, \$847K to provide sufficient budget authority. No maintenance expenses were incurred during this period.
- Staff Support & Admin Overhead, \$0.1 million (\$0.05 million [40.6 percent] favorable to budget)
 - The favorable variance is attributed to lower staff hours charged to the agency.

BACKGROUND

Budget Amendment: There are no budget amendments for the month of July 2025.

Other Information: Loan payables represent advance payments received and interests accrued since the formation of the San Mateo County Express Lanes Joint Powers Authority from both the San Mateo County Transportation Authority and the City/County Association of Governments of San Mateo County. The operating loan was fully paid off in Period 1 (July 2025), in the amount of \$5,968,138:

- \$3,226,559 - San Mateo County Transportation Authority
- \$2,741,459 - City/County Association of Governments of San Mateo County

The Agency accounts for revenues and expenses on a modified accrual basis (only material revenues and expenses are accrued) in the monthly financial statement. As a result, current year's actuals and budgeted amounts may show noticeable variances due to the timing of expenses.

ATTACHMENT:

1. Statement of Revenues and Expenses Fiscal Year 2026 (July 2025)



SAN MATEO COUNTY EXPRESS LANE JOINT POWERS AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
FISCAL YEAR

As of July 31, 2025

	YEAR-TO-DATE				ANNUAL
	JULY - JULY				
	BUDGET	ACTUAL	\$ VARIANCE	% VARIANCE	
SOURCES OF FUNDS					
Toll Revenues	1,057,064	693,293	(363,771)	-34.4%	31,297,387
Toll Violations, Fees and Penalties	-	-	-	0.0%	6,118,374
Set Aside Prior Years Balance - Equity Program	73,591	76,125	2,534	3.4%	1,014,594
Revenue Sharing Funds - Equity Program	-	-	-	0.0%	488,406
Miscellaneous Revenue (Interest Income)	117,029	138,986	21,957	18.8%	1,404,353
TOTAL SOURCES OF FUNDS	1,247,684	908,404	(339,280)	-27.2%	40,323,114
USES OF FUNDS					
Toll Operations and Maintenance (BAIFA)	510,475	361,421	149,054	29.2%	6,681,000
FasTrak Customer Service (BATA)	286,633	251,507	35,126	12.3%	3,670,000
Express Lane Maintenance	70,583	-	70,583	100.0%	847,000
Express Lane Enhanced Enforcement (CHP)	35,167	50,000	(14,833)	-42.2%	422,000
Consultant	118,333	118,333	-	0.0%	1,420,000
Insurance	54,167	47,951	6,216	11.5%	650,000
Claims Reserve and Payment	-	-	-	0.0%	50,000
Utilities	12,000	12,000	-	0.0%	144,000
Equity Program Administration and Costs	73,591	76,125	(2,534)	-3.4%	2,103,000
Staff Support & Admin Overhead	134,569	79,938	54,631	40.6%	1,702,200
Board of Directors and Related Costs	-	-	-	0.0%	13,900
Other Administrative Costs	13,785	5,267	8,518	61.8%	227,910
Credit Fee	31,237	31,237	-	0.0%	374,840
SMCEL-JPA Bond Related Debt Fees	-	-	-	0.0%	414,377
SMCEL-JPA Bond Interest	-	-	-	0.0%	3,279,850
TOTAL OPERATING EXPENSES	1,340,540	1,033,779	306,761	22.9%	22,000,077
TOTAL OPERATING SURPLUS/(DEFICIT)	(92,856)	(125,375)	(32,519)	35.0%	18,323,037
Operating Loan Payoff	6,000,000	5,968,138	31,862	0.5%	6,000,000
Capital Reserve	756,667	756,667	-	0.0%	9,080,000
TOTAL USES OF FUNDS	8,097,207	7,758,584	338,623	4.2%	37,080,077
PROJECTED SOURCES OVER USES	(6,849,523)	(6,850,180)	(657)	0.0%	3,243,037

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 5, 2025

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

From: Policy/Program Manager (PPM)

Subject: Review and Approval of Resolution SMCEL 25-11 authorizing the negotiation and execution of up to twenty (20) memoranda of understanding with community-based organization partners to provide program administration services for the new Go Card equity program through June 30, 2028, for a total amount not to exceed \$540,000.

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

RECOMMENDATION

That the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) Board review and approve Resolution SMCEL 25-11 authorizing the negotiation and execution of up to twenty (20) memoranda of understanding (MOUs) with community-based organizations (CBOs) partners to provide program administration services for the new Go Card equity Program through June 30, 2028.

FISCAL IMPACT

The total fiscal impact is \$540,000 and will cover administration services for the distribution of up to 7,500 program benefits each fiscal year, beginning in Fiscal Year (FY) 2026 through FY 2028.

Funding for FY 2026 is included in the adopted budget. Funding for FY 2027 and FY 2028 has not yet been determined, but is assumed to remain the same level for the purposes of the MOU. Funding for subsequent years will be subject to approval through future operating budgets.

SOURCE OF FUNDS

Funding for the equity program and associated costs comes from the San Mateo County Express Lanes toll revenue, specifically an annual set aside of \$600,000. Additional funding may come from net toll revenue. Any unspent Program funds roll over into the next fiscal year.

The sources of funds in the FY 2026 adopted budget include balance from prior years' set aside and an additional allocation of approximately \$488,000 from the FY 2024 revenue sharing funds.

BACKGROUND

In April 2022, the San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) launched the first express lanes-funded choice-based equity program in the United States, known as the San Mateo 101 Express Lanes Community Transportation Benefits Program (Program). The Program is funded by the SMCEL-JPA and helps cover some transportation costs for qualifying individuals in San

Mateo County. The Program aims to improve mobility, access to opportunity, and agency of choice. The first year of the Program was intended to be treated as a pilot to be evaluated and adapted to best meet community needs.

PROGRAM EVALUATION

In March 2024, the SMCEL-JPA completed a Program Evaluation to analyze Program performance, measure progress towards Program goals, and identify improvements to better serve community needs. In November 2023, the Board approved (by motion) the framework for the Next Generation Program (Next Gen Program) that addressed challenges found during the pilot year, including the benefit and enrollment structure. In May 2024, the Board received an update on the Next Gen Program.

NEXT GENERATION PROGRAM RECOMMENDATIONS

The recommendation for the Next Gen Program included four main programmatic changes:

1. Switch from the choice between a preloaded FaskTrak® toll tag or Clipper card to a preloaded mobility debit card to be used on qualifying transportation-related purposes.
2. Increase the benefit amount from \$100 to \$200.
3. Expand program enrollment options by including an online application.
4. Increase outreach efforts with Community-Based Organizations (CBOs) in underrepresented Equity Priority Communities (EPCs) and develop new marketing collateral to support the launch of the Next Gen CTB program.

CHANGE IN ADMINISTRATIVE SERVICES STRUCTURE

The SMCEL-JPA contracted with Samaritan House to administer the existing Program, compensating them with a 12% fee based on the value of distributed benefits and covering the cost of a third-party personnel to address staff capacity challenges.

Under the contract, Samaritan House serves as fiduciary for the inventory of \$200 preloaded Clipper cards and FasTrak® toll tags. It also acts as point of contact and trainer for the rest of the Core Service Agencies network and provides reporting functions using the County's Clarity database as the Program's system of record.

In recent discussions regarding the transition to the next generation CTB Program, Samaritan House expressed interest in continuing to support the program but decentralizing the contract structure to be an individual partner through the proposed MOU with the SMCEL-JPA. Core Service Agency executive directors were briefed on the program changes and expressed interest in partnering through this new structure.

CBO ENGAGEMENT AND PARTNERSHIP DEVELOPMENT

To facilitate Board direction to increase CBO outreach, staff leveraged existing relationships developed through ongoing work with CBOs in San Mateo County on transportation projects. Staff developed an initial list of 16 organizations selected for engagement due to their geographic (e.g., Coastside) and demographic diversity.

Ultimately, staff engaged eight CBOs in a series of focus group sessions held in June 2025. These organizations demonstrated interest, capacity, and availability within the required timeframe. The focus

group sessions aimed to inform community stakeholders about the program, receive feedback on community member fit, obtain input on program name options (ultimately leading to the selection of the “Go Card” name), and gauge interest in establishing a partnership.

The focus group sessions and subsequent one-on-one engagement revealed a clear community need along with strong interest and capacity among CBOs to support program enrollment. Based on the input received, staff recommends sustaining partnerships with the Core Service Agencies for program administration, while establishing new partnerships with the CBOs identified through these engagement activities.

Staff anticipates initially executing 12-15 MOUs, inclusive of the Core Service Agencies and new CBO partners that demonstrated continued interest and capacity to enroll participants and verify eligibility.

This action authorizes the execution of up to 20 MOUs to allow flexibility should the JPA opt to establish additional CBO relationships in the future. Staff will continue to engage with CBOs and bring in additional partners as capacity shifts and the program matures.

Overall, the shift to an MOU in place with individual partners will enable the establishment of new CBO relationships in addition to the current Core Service Agency network, expanding applicant opportunities for enrollment and benefit accessibility.

OVERVIEW OF PROPOSED MEMORANDUM OF UNDERSTANDING

Staff developed a draft MOU template, incorporating feedback from community partners regarding the agreement terms and scope of work. The scope of work for administering the new Go Card program includes the following:

1. In-person support for program applicants and participants
2. Program eligibility verification using the program management platform
3. Program promotional efforts
4. General coordination and administrative activities (including regular group check-ins, invoicing, and monitoring Go Card distribution)

Under the new structure, CBO partners will be compensated as follows:

- 10% of the value of benefits distributed (e.g., \$20 for each \$200 Go Card distributed)
- \$350 per community outreach event attended, up to 4 each fiscal year

Both compensation items are subject to a cap to align with the allocated budget for each FY. The initial approach allocates the cap of 7,500 benefits per FY evenly across all partners. The compensation model aligns with the existing fee structure used by Samaritan House but reflects a lower percentage due to a more streamlined workflow and removal of the fiduciary responsibilities of holding and managing preloaded Clipper card and FasTrak® assets. Specifically, the new program management platform eliminates reporting and fiduciary requirements, reducing administrative burden for both CBOs and JPA staff.

This updated framework ultimately supports the program’s goals of encouraging choice and enhancing transportation affordability.

Staff has reviewed and received input on the proposed MOU terms with 13 interested CBOs. However, since the MOU template has not been completed, it is recommended that the Executive Council be authorized to make minor revisions prior to execution of the MOU between SMCEL-JPA and each CBO partner, subject to SMCEL-JPA Legal Counsel review.

ATTACHMENTS

1. Resolution SMCEL 25-11
2. Draft Memorandum of Understanding Template for San Mateo 101 Express Lanes Equity Program Administration
3. Presentation on Memorandum of Understanding for Go Card Program Administrative Services

RESOLUTION SMCEL 25-11**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MATEO COUNTY EXPRESS LANES JOINT POWERS AUTHORITY (SMCEL-JPA) AUTHORIZING THE NEGOTIATION AND EXECUTION OF UP TO TWENTY MEMORANDA OF UNDERSTANDING WITH COMMUNITY-BASED ORGANIZATION PARTNERS TO PROVIDE PROGRAM ADMINISTRATION SERVICES FOR THE GO CARD EQUITY PROGRAM THROUGH JUNE 30, 2028, IN A TOTAL AMOUNT NOT TO EXCEED \$540,000**

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

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

WHEREAS, on October 8, 2021, the PPM recommended partnering with Samaritan House for the administration of the initial phase of the Program; and

WHEREAS, the SMCEL-JPA and Samaritan House first entered an Agreement on December 10, 2021, for a one-year term with a budget not to exceed \$108,000. A contract amendment was executed on March 2, 2023, extending the agreement for one additional year and increasing the budget to \$158,000, representing an increase of \$50,000. A second contract amendment was executed on May 30, 2024, further extending the agreement through June 30, 2025, at no additional cost. A third contract amendment was executed on March 7, 2025, extending the agreement through September 30, 2025, and increasing the budget to \$320,000, representing an increase of \$162,000; and

WHEREAS, the SMCEL-JPA Board directed staff to develop and implement a next-generation Community Transportation Benefits Program designed to provide meaningful benefits that address inequities in historically underserved communities, while incorporating flexibility to evolve over time in response to changing community needs; and

WHEREAS, the SMCEL-JPA staff recommends the approval of up to twenty (20) individual memoranda of understanding (MOUs) to retain the Core Service Agencies as implementation partners and to establish relationships with additional community-based organizations for administration of the Go Card, the next-generation Community Transportation Benefits Program. The MOUs will be effective from program launch through June 30, 2028, pursuant to the template provided herewith, with a total expenditure not to exceed \$540,000; and

NOW THEREFORE BE IT RESOLVED, that the SMCEL-JPA Board of Directors authorizes the Executive Council to execute up to twenty (20) memoranda of understanding (MOUs) with community-based organizations for program administration services, for a total amount not to exceed \$540,000 across all agreements, with terms ending June 30, 2028. Be it further authorized that the Executive Council may make revisions to the MOUs prior to execution, subject to approval by the SMCEL-JPA Legal Counsel.

PASSED, APPROVED, AND ADOPTED, THIS 5TH DAY SEPTEMBER 2025.

Michael Salazar, Chair

DRAFT

**MEMORANDUM OF UNDERSTANDING
BETWEEN PROGRAM PARTNER/ SAN MATEO COUNTY EXPRESS LANES JOINT POWERS
AUTHORITY (SMCEL-JPA)
FOR THE ADMINISTRATION OF THE GO CARD PROGRAM**

This **Memorandum of Understanding (“MOU”)** is entered into by and between the San Mateo County Express Lanes Joint Powers Authority (“SMCEL-JPA”) and _____ (“Program Partner”). This MOU is an agreement to perform administration services for the San Mateo 101 Express Lanes Go Card Program (“Program”). It generally defines the Program goals, describes the roles and responsibilities, and explains the relationship between the Program Partner and the SMCEL-JPA.

1. Purpose.

The purpose of this MOU is to establish an independent contractor relationship between the SMCEL-JPA and the Program Partner to support the implementation and administration of the Program, in accordance with the Program’s goals of supporting mobility and agency of choice for San Mateo County residents.

2. Parties.

This MOU is made and entered into by and between _____ (“Program Partner”) and the San Mateo County Express Lanes Joint Powers Authority (“SMCEL-JPA”).

3. Program.

The Go Card Program aims to enhance transportation affordability and accessibility for residents of San Mateo County while prioritizing the user experience through the use of technology. Qualified individuals can receive a virtual or physical \$200 mobility debit card, termed a “Go Card”, for use on transportation-related purchases including transit, tolls, micromobility, and paratransit. Participants may be eligible to renew annually one year from their enrollment date if they still meet the eligibility requirements. To be eligible, individuals must:

- Live in San Mateo County
- Be 18 years of age or older
- Earn an annual income at or below 60% of San Mateo County’s area median income (AMI) (i.e., \$82,260 for an individual or household of 1 in 2025)

DRAFT

The Program consists of the following components which are provided by a vendor under contract with the JPA:

- An online application portal where applicants can submit eligibility information and apply for the Program.
- A case management platform (“Program Management Platform”), that Program Partners will use to view submitted applications, assess eligibility, and process eligible applications by approving the disbursement of Go Card for new participants.
- A mobility debit card processor that will receive information from the Program Management Platform about newly approved Program participants and distribute virtual or physical Go Cards.

The Go Card Program is scheduled to launch in mid-September 2025. Program Partners will use the Program components through the framework described in the MOU to support Program promotional efforts and enrollment.

4. Responsibilities of the Program Partner.

The Program Partner will provide the following services:

Task 1: In-Person Program Applicant and Participant Support

- Assist interested applicants in applying to the Program either by providing in-person assistance with completing the application using the online application portal or referring them to the portal.
- Respond to applicant questions regarding the Program, including but not limited to eligibility requirements, application process, use of the online application portal, required documentation, and activation and use of the mobility debit card. This may include sharing online resources with them such as FAQs and videos.
- Assist newly eligible program participants with creating an account on the debit card platform and activating their Go Card.
- Support eligible applicants in application and recertification for annual renewal of Program benefits.

Task 2: Program Eligibility Verification

- Using the online Program Management Platform and based on the Program’s eligibility criteria, review and approve or deny applications submitted by applicants associated with the Program Partner. The approval of eligible applications will involve initiating the disbursement of new participant’s Go Card and verifying recertification of renewals using the Program Management Platform.
- Notify Program applicants of any issues with their application identified during the eligibility verification process.

DRAFT

Task 3: Promotion of the Program

- Distribute SMCEL-JPA-provided promotional materials by posting them on-site, sharing them with community members during outreach events, and if applicable, promoting the program through virtual channels. Promotional materials may include half- and full-page flyers and a partner toolkit with copy and virtual collateral.
- Host or participate in at least one community outreach event per quarter to promote the Program, with a dedicated staff person available to distribute promotional materials and answer community members' Program-related questions, see Section 8, Compensation for details on reimbursement and reporting for outreach events.

Task 4: Program Administration:

- Complete initial and refresher trainings provided by SMCEL-JPA on Program administration and customer support, and review any how-to materials, such as on the use of the system for eligibility verification and participant management.
- Participate in bi-weekly check-in meetings with SMCEL-JPA during the first three months of Program launch, quarterly check-in meetings thereafter, and a check-in once 80% of the allocated benefits have been distributed.
- Maintain and provide SMCEL-JPA with an up-to-date list of case managers who have access to the Program Management Platform. Notify the SMCEL-JPA to remove access for case managers who no longer require it within 5 business days of the change.
- Ensure that all Program Management Platform users sign and acknowledge the SMCEL-JPA Privacy Policy, attached hereto as Exhibit "A", as part of the required Program Management Platform Access Request Form, attached hereto as Exhibit "B", and adhere to the terms therein.
- Submit monthly invoices to the SMCEL-JPA by the 9th of the following month for mobility debit card benefits distributed and any outreach events conducted, in accordance with Section 8, Compensation.
- Actively engage in monitoring MOU budget availability and the number of benefits distributed using the Program Management Platform.

A total of 7,500 Program benefits have been budgeted for distribution from Program launch through June 30, 2026, across all partnerships. Funding for the 2026-2027 and 2027-2028 Fiscal Years (FYs) has not yet been determined, but assumed to remain the same for the purposes of this MOU. Enrollment of new program participants is contingent on funding availability and may be paused in the event that benefit funds are exhausted.

5. Data Sharing and Confidentiality.

As part of this work, the Program Partner will have access to applicant and participant personally identifiable information (PII) hosted on the Program Management Platform,

DRAFT

including, but not limited to: name, email, phone number, physical address, demographic data, and additional PII in uploaded eligibility verification documents.

The Program Partner agrees to maintain the confidentiality of any shared information regarding Program applicants and participants in accordance with Exhibit “A” – SMCEL-JPA Privacy Policy, and with all applicable laws, regulations, and agreements.

6. Term and Termination.

This MOU will become effective on the date of the last signature and will remain in effect through June 30, 2028, unless extended by mutual written agreement. This MOU may be terminated, without cause, by either party upon 30 days’ written notice to the other party, which will be delivered by email or by certified mail sent to:

San Mateo County Express Lanes Joint Powers Authority
Care of C/CAG
555 County Center, 5th Floor
Redwood City, CA 94063

In the event of termination, the Program Partner will be compensated for services performed prior to the date of termination subject to limitations defined herein.

7. Change Management.

This MOU may be amended at any time through a written amendment signed by authorized representatives of both parties. Amendments may include changes to the scope, roles, responsibilities, or duration of the MOU. All amendments will be attached to this document as formal addenda.

The number of benefits for distribution allocated to a Program Partner in Section 8, Compensation, may be reallocated across Program Partners with an amendment to best meet community members’ Go Card need and at the discretion of the SMCEL-JPA.

8. Compensation.

The Program Partner will be compensated at a rate of 10% of the total value of Program benefits distributed. A “distributed benefit” refers to the Program Partner’s disbursement of mobility debit card funds for a participant after verifying and approving their eligibility using the Program Management Platform. The number of distributed benefits will be generated within 5 business days of the end of the month using the Program Management Platform and provided to the Program Partner for monthly invoicing. Program mobility debit card benefits are valued at \$200 each.

DRAFT

In addition, the Program Partner will be reimbursed at a rate of \$350 per community outreach event hosted or participated in with a dedicated staff person promoting the Program, with a maximum of four(4) reimbursable events over a fiscal year.¹ The Program Partner will notify SMCEL-JPA staff at least two weeks in advance of any event for which they intend to request reimbursement for, to allow sufficient time for coordination in case SMCEL-JPA staff wish to attend.

The Program Partner will submit a monthly invoice to the SMCEL-JPA for payment by the 9th of the following month. Supporting documentation is required for reimbursement of outreach events, using Exhibit “C” – Outreach Events Reimbursement Form, to detail the event name, date, location, and an approximate number of community members served.

The maximum payment through this MOU is not to exceed \$XX,XXX. This amount assumes a distribution of at 375 Go Cards, and participation in up to four (4) reimbursable community outreach events each fiscal year for up to 3 years. These amounts may be reallocated among the participating organizations covered by this MOU at the Program Partner’s discretion.

The foregoing maximum number of Go Card for distribution is subject to change, pursuant to Section 7, Change Management.

9. Relationship of the Parties.

It is understood that notwithstanding the use of the term “Program Partner” for convenience in this MOU, the Program Partner is an independent contractor, and this MOU is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever other than that of independent contractor. The Program Partner shall be fully responsible for all matters relating to the payment of its employees, including compliance with social security, withholding tax, and all other laws and regulations governing such matters. The Program Partner shall be responsible for its own acts and those of its agents and employees during the term of this MOU.

Program Partner shall indemnify and hold SMCEL-JPA and its constituent members harmless from and against any and all claims, damages, liabilities, costs, and expenses, including reasonable attorneys' fees, arising from its performance of this MOU Program Partner’s MOU, including any alleged infringement of intellectual property rights by Program Partner.

¹ SMCEL-JPA fiscal year is from July 1 through June 30.

DRAFT

10. Points of Contact.

Each MOU Party designates the following person to be the primary point of contact for all MOU and Program-related communications and inquiries:

SMCEL-JPA Point of Contact:

Name: _____
Title: _____
Email: _____

Program Partner Point of Contact:

Name: _____
Title: _____
Email: _____

11. Signatures.

In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU.

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

Name: _____
Title: _____
Signature: _____
Date: _____

[Program Partner Name]

Name: _____
Title: _____
Signature: _____
Date: _____



San Mateo 101 Express Lanes Go Card Program

Memorandum of Understanding for Go Card Program Administration Services

September 5, 2025

Recap Equity Program Timeline

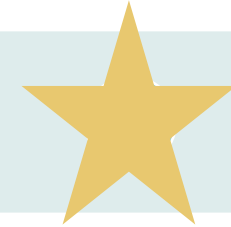
April 2022
Original equity
program launch

November 2023
Board approves
Next Gen equity
program
framework

September 2025
Go Card
Program launch

Summer 2023
Equity program
pilot year
evaluation

July 2024
Original program
benefit amount
increase from
\$100 to \$200



New Go Card Program Benefit

Program participants will be able to use their preloaded \$200 Go Card just like a regular debit card, limited to transportation-related purchases.

This includes public transit, tolls, paratransit, bikeshare, and scooter share.



Community-Based Organization Outreach

- June 2025 focus group sessions:
 - Received community feedback on the program
 - Identified potential program partners (in addition to the Core Service Agency network)
- Community-based organization (CBO) selection criteria:
 - **Existing relationship**
 - **Geographic diversity**
 - **Demographic diversity**
 - **Interest and capacity**

13 Interested Partners Covering 16 Locations



Peninsula Chinese Business Association
美國華聯商會
Leading because we care



Memorandum of Understanding (MOU)

Scope of Work

The scope of work in the Go Card Program Partner MOU consists of:

1. **Support** for program applicants and participants
2. Program **eligibility verification** using the new management platform
3. Program promotional efforts, including **community outreach events**
4. General **coordination and administrative activities**
 - Regular group check-ins, invoicing, & budget monitoring



Staff Recommendation

Authorize the execution of **up to twenty (20) MOUs** with community-based organizations for Go Card program administration, for the **period ending June 30, 2028.**

- **Not to Exceed Amount:** \$540,000 (\$180,000 per fiscal year) across all agreements for program administration*
 - Funding to distribute **7,500 Go Cards per fiscal year** across all CBO partners
- **Compensation:**
 - 10% of the value of distributed benefits
 - \$350 per outreach event capped at 4 events per fiscal year

*Program budget for future fiscal years are subject to SMCEL-JPA Board approval. \$180,000 for fiscal year 2025 represents the approved budget for Program Administration services, exclusive.

San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 5, 2025

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 US 101 Express Lanes operations for the fourth quarter of FY2025, with a year over year comparison.

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

RECOMMENDATION

Receive a quarterly update on the US 101 Express Lanes operations for the fourth quarter (Q4) of Fiscal Year 2025 (FY25), with a year over year comparison. 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.

Annual Observations

With over two years of full operations along the San Mateo 101 Express Lanes corridor, the following highlights compare annual performance between FY25 and FY24:

Trips and Revenue

- In FY25, express lanes recorded a total of 15.1 million trips annually, an increase of 6.4% compared to FY24.

- Of the 15.1 million trips in FY25, 55.6% were tolled trips and 44.4% were toll-free trips.
- In FY25, an average of 59,341 express lane trips were made daily, an increase of 6% compared to FY24 with approximately 3,357 more daily trips.
- The SMCEL-JPA is expected to collect \$34.9M in toll related revenue in FY25, reflecting a 22% increase compared to FY24, mainly as a result in the increase in trip volume.
- The SMCEL-JPA has expended \$9 million in toll operations and maintenance (O&M) costs, marking a 10% increase from FY24 due to factors such as rise in fixed rates and an increased volume of express lane trip transaction processing.

Speed

- In FY25, speed differentials between the express lane and general-purpose lanes remained relatively the same as the previous year at an average of 11-12 mph faster for both the northbound and southbound express lanes during peak hours.
- Express lane speeds consistently exceeded the federal minimum requirement of 45 mph for most of the tolling day.
- In the northbound, the express lane maintained average speeds of 45 mph or greater 99.5% of the time, compared to 92% for the general-purpose lane.
- In the southbound, the express lane maintained average speeds of 45 mph or greater 100% of the time, while the general-purpose lane achieved this 93% of the time.

Tolls

- Average tolls by direction in FY25 across the entire tolling hours were:

Direction	Overall Average Assessed Toll
Southbound	\$4.48
Northbound	\$3.70

- In FY25, the average assessed toll during tolling hours was \$4.48 in the southbound direction, a 25.8% increase compared to FY24. In the northbound direction, the average was \$3.70, representing a 17.1% increase compared FY24. Both increases are primarily attributable to the higher trip volumes.
- In FY25, 56.5% of the tolled trips were charged less than \$3, while 9.1% of drivers paid \$12 or more. Compared to FY24, the most significant changes were an 8.2% point decrease in trips under \$3 and a 2.8% point increase in the tolled trips at or above \$12.

Lane Users

- In FY25, 73% of vehicles utilized FasTrak® toll tags. FasTrak® toll tag adoption remains relatively steady compared to FY24.
- The remaining 27% of the vehicles did not carry toll tags and instead were captured as image-based trips.

Quarterly Report

The following are the operational highlights for the 4th quarter of fiscal year 2025 (April 1 – June 30, 2025).

Trips and Revenue

- About 3.96 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 8.8% quarter over quarter and an increase of 5.4% from the prior fiscal year's 4th quarter.
- An average of 61,846 daily express lane trips were taken in the fourth quarter, which is roughly a 7.1%

increase quarter over quarter and 5.4% increase compared to the prior fiscal year's 4th quarter.

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

Trip Type	Percent of Total Q4 Trips
Single-occupancy vehicle (SOV) trips utilizing a valid transponder	16.3%
Trips receiving a discounted toll (either HOV2 or CAV)	7.8%
Toll-free trips (HOV3+)	46.2%
Trips captured by license plate (image-based tolls)	23.1%
Violation Trips	6.7%

- 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 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 Q4.
 - Toll-free trips (HOV3+) had increased by 4% 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 is expected to collect \$9.7 million in toll-related revenue for Q4.
- The SMCEL-JPA has begun to make debt-related payments, including interest on the \$100 million bond loan and other fees, totaling approximately \$2.5 million 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 12 mph faster than the general-purpose lanes during peak hours.
- During peak hours, the speed differential between the express lane and general-purpose lane remained consistent in the southbound direction when comparing it with Q4 of the previous fiscal year but reduced by 1 mph in the northbound direction. 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 directions have two distinct peak periods during the AM and PM commutes. Average tolls by direction in Q4 were:

Direction	AM peak (6am-10am)	PM peak (3pm-7pm)
Southbound	\$6.58	\$6.07
Northbound	\$3.79	\$6.08

- Quarterly Comparison
 - The average tolls for southbound traffic increased by 3.5% in the AM peak compared to the prior quarter and there was a 38.3% increase during the PM peak. The average tolls for northbound traffic increased by 4.4% and 4.6% during the AM peak and PM peak, respectively.
- Prior Fiscal Year's Q4 Comparison
 - The average tolls for southbound traffic increased by 28.8% in the AM peak compared to the

prior year's 4th quarter, and there was a 18.1% increase during the PM peak. The average tolls for northbound traffic remained the same during the AM peak and increased by 13% during the PM peak. This rise in average tolls is mainly attributed to increased traffic volume.

- Average tolls by direction in Q4 across the entire tolling hours were:

Direction	Overall Average Assessed Toll
Southbound	\$4.81
Northbound	\$3.80

- The average assessed toll across all tolling hours in Q4 in the southbound direction was \$4.81, which represents a 18.2% increase quarter over quarter and a 21.8% increase compared to prior fiscal year's Q4. In the northbound direction, the average assessed toll across all tolling hours was \$3.80, representing a 5.3% increase quarter over quarter and a 7.3% increase compared to prior fiscal year's Q4.
- Over fifty-three percent (53.8%) of the tolled trips were less than \$3, and 9.7% of drivers paid a toll of \$12 or greater during Q4.

Enforcement

- CHP made 1,298 enforcement contacts in Q4, 54% which resulted in HOV occupancy citations.
- Enforcement costs were approximately \$164,120, resulting in an average cost per enforcement contact of approximately \$126.44.

Lane Users

- An estimated 621,000 unique vehicles made trips in the SM 101 Express Lanes.
 - 64% (397,000) of the vehicles did so with a FasTrak® toll tag in the vehicle.
 - 36% (224,000) of the vehicles traveled without a FasTrak® toll tag and were captured by license plates.
 - This figure differs slightly from the previously cited 23.1% Image Based Toll (IBT) and 6.7% Violation Trip figures. The IBT and Violation trips measure total trips while this statistic measures total unique vehicles.

Community Transportation Benefits Program

- In May 2024, the Board approved an increase in the benefit from \$100 to \$200 until the Next Gen Program was launched. In August 2024, the benefit increase for both FasTrak® toll tags and Clipper cards under the current program was implemented.
- In FY25 Q4, the Program partnered with the three San Mateo County Community College District (SMCCCD) SparkPoint Centers on a series of three events to distribute benefits on campus to eligible students.
 - Across the three events, the Program distributed a total of 653 benefits, including 265 Clipper cards and 388 FasTrak® toll tags.
 - Of the 1,930 total benefits issued in FY25 Q4, 34% were issued in partnership with the SparkPoint Centers.
- By the end of FY25 Q4, a total of 10,760 Community Transportation Benefit Program benefits were distributed since program inception:
 - 8,774 (82%) Clipper cards were issued.
 - 5,457 Clipper \$100 benefits

- 3,317 Clipper \$200 benefits
- This represents a 14% growth quarter over quarter.
- 1,986 (18%) FasTrak® Flex toll tags were issued.
 - 841 FasTrak \$100 benefits
 - 1,145 FasTrak \$200 benefits
 - This represents a 19% growth quarter over quarter.

ATTACHMENT

1. US 101 Express Lanes Performance Presentation
2. US 101 Express Lanes Performance: 4th Quarter FY 2025



San Mateo 101 Express Lanes
Performance
FY2025
September 5, 2025

Rules of the Road

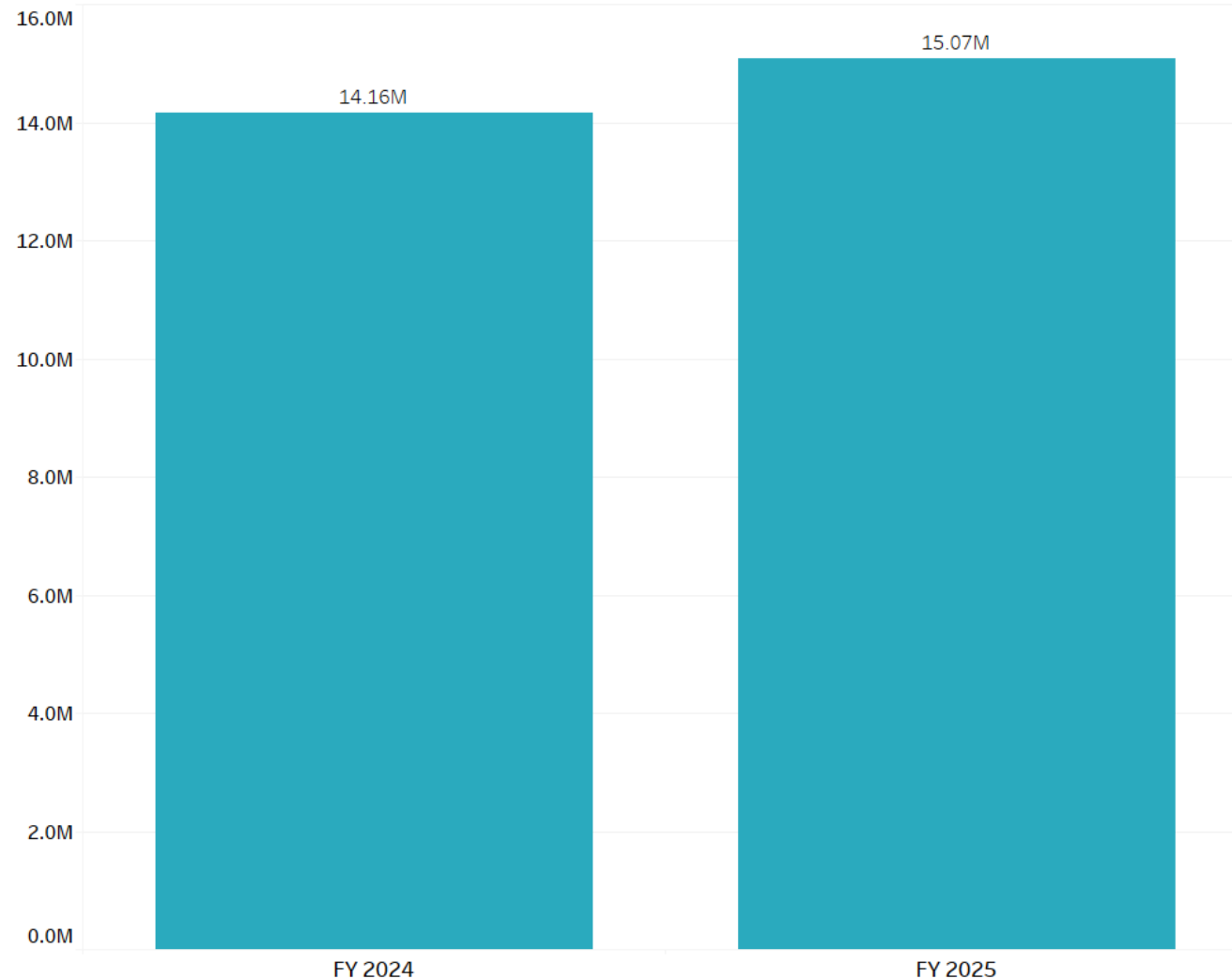
- Hours: 5 a.m. to 8 p.m. Monday – Friday
- FasTrak® required
- Carpools (HOV 3+), buses, and motorcycles travel toll-free with FasTrak® Flex toll tags
- Carpools (HOV 2) pay half-price tolls with FasTrak® Flex toll tags
- Solo drivers in eligible clean-air vehicles pay half-price tolls with FasTrak®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



Key Performance Highlights

- **Express Lane Traffic Performance:** The express lanes continue to experience sustained growth in trip volume over the last year.
 - 6.4% increase compared to FY24.
- **Express Lane Speed Performance:** The average express lane speeds remained relatively consistent compared to FY24.
- **Change in Average Assessed Tolls:** Average assessed tolls increased compared to FY24, primarily driven by the increase in traffic volume.

Express Lane Trips



- In FY25, 15.1M express lane trips have been made annually, which is a 6.4% increase over FY24.
- In FY25, an average of 59,341 express lane trips have been made daily.
- In FY25, there was a 6% increase in average daily trips compared to FY24. This is approximately 3,357 more average daily trips.

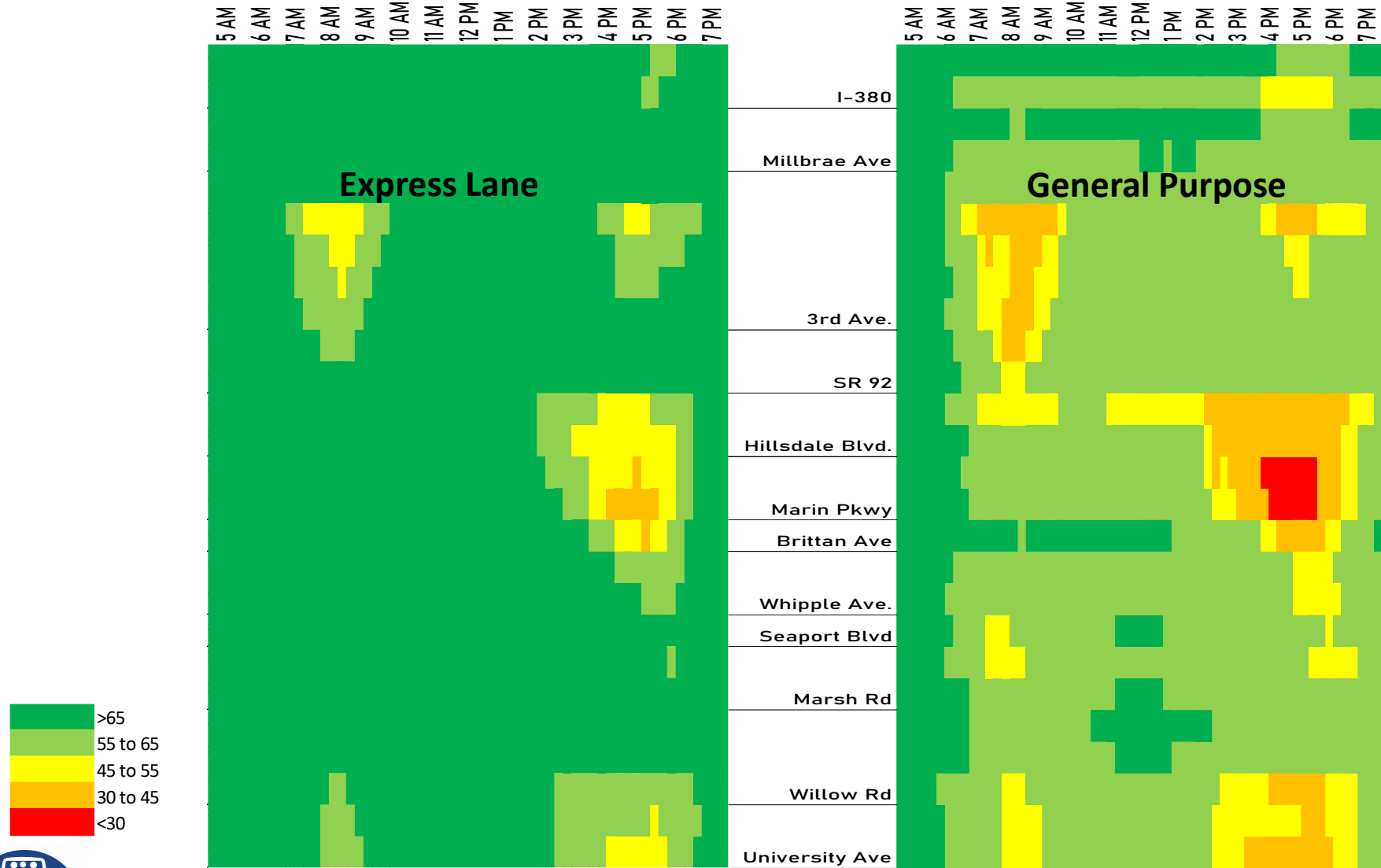
Express Lanes Toll Revenue and Expense



- In FY25, SMCEL-JPA has received \$34.9 million in toll related revenue, reflecting a 22% increase compared to FY24.
- SMCEL-JPA has expended \$9 million in toll operations and maintenance (O&M) costs, marking a 10% increase from FY24.
- Approximately \$2.5M was disbursed toward debt related payments in FY25.

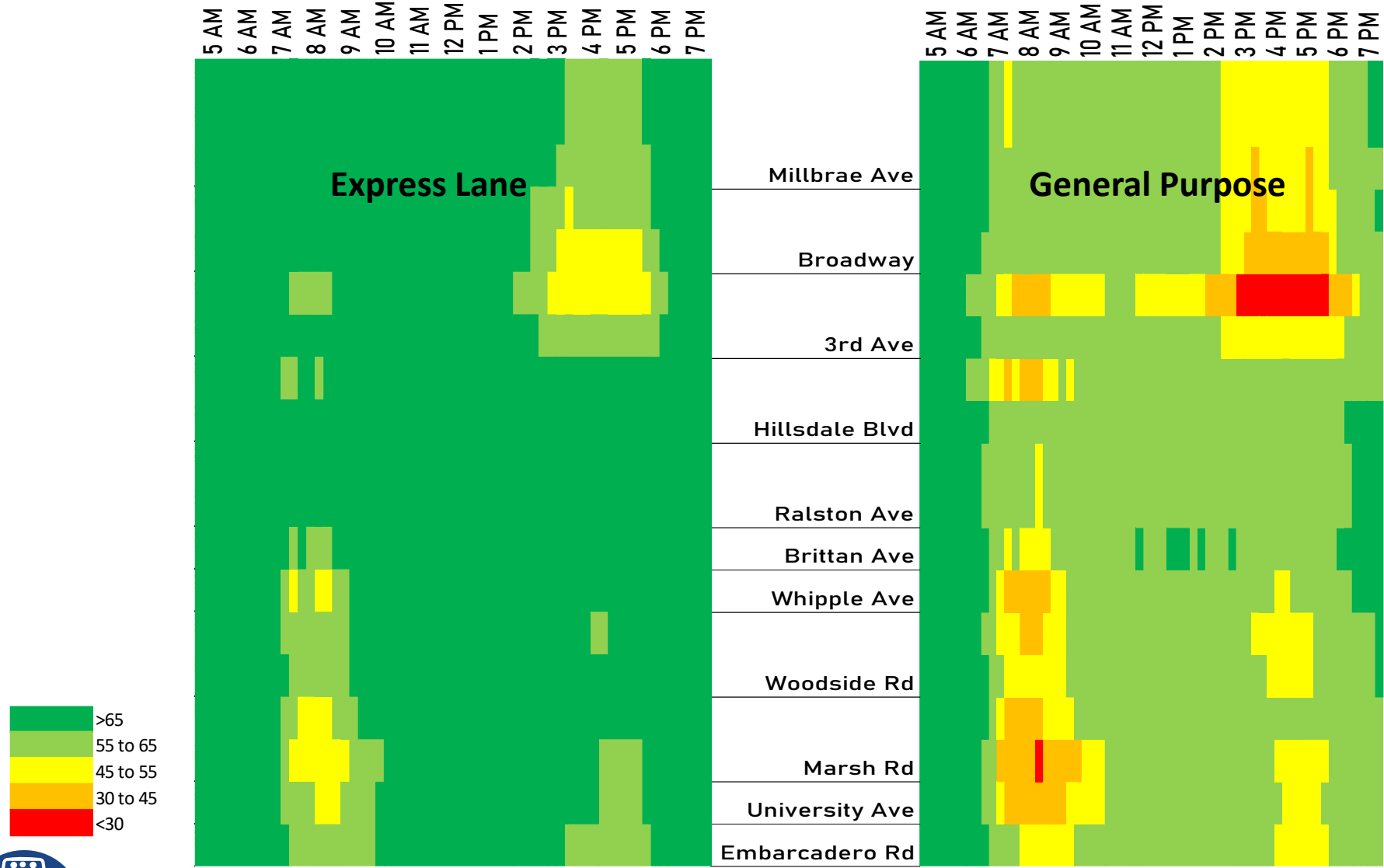
Note: Financial figures are preliminary. These figures are subject to audit and may change.

Northbound Speeds by Location & Time - FY25



- Average northbound Express Lane speeds were 11 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 (3-7pm) approaching SR-92.

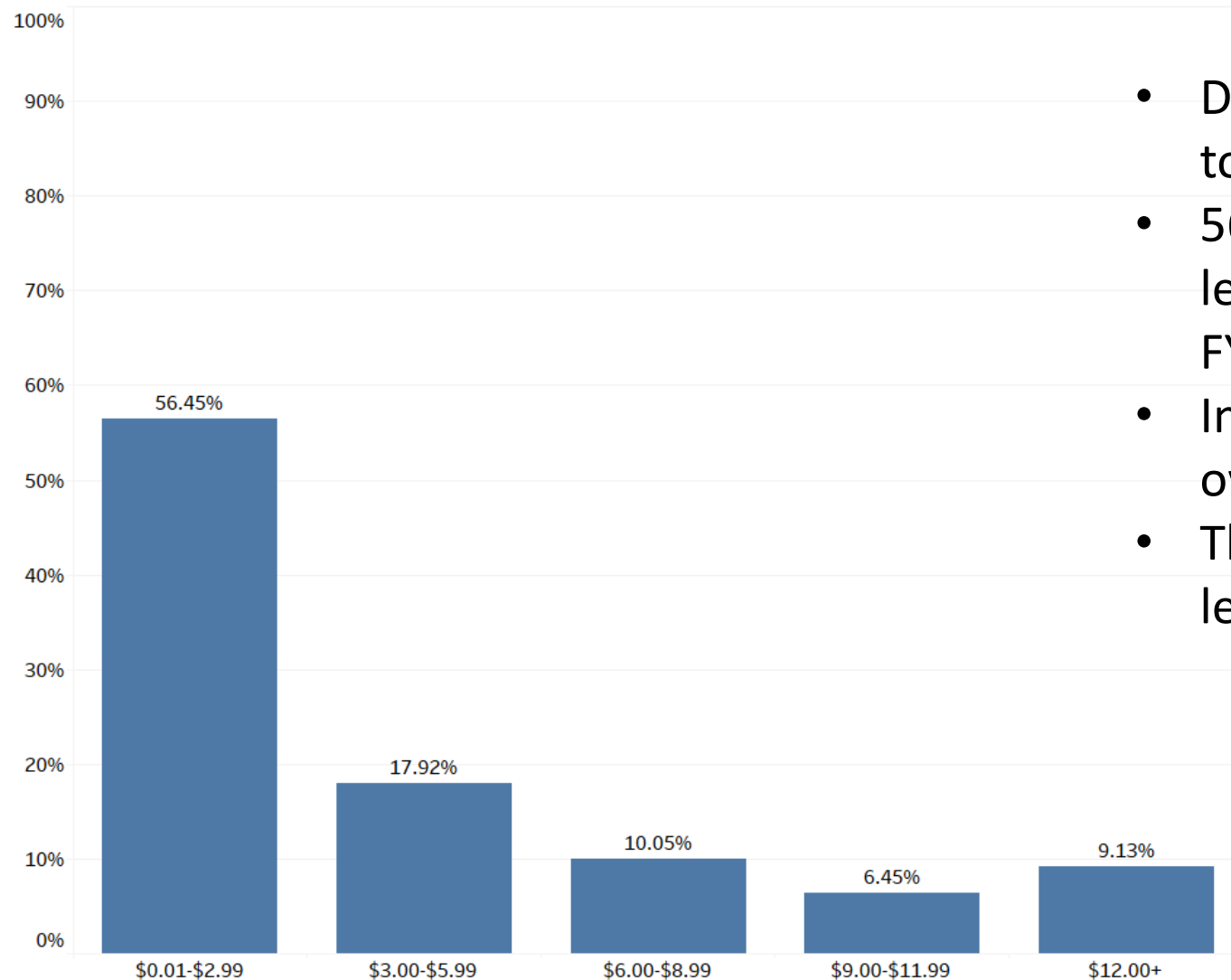
Southbound Speeds by Location & Time – FY25



- Average southbound Express Lane speeds were 12 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 (3-7pm) approaching 3rd Ave.

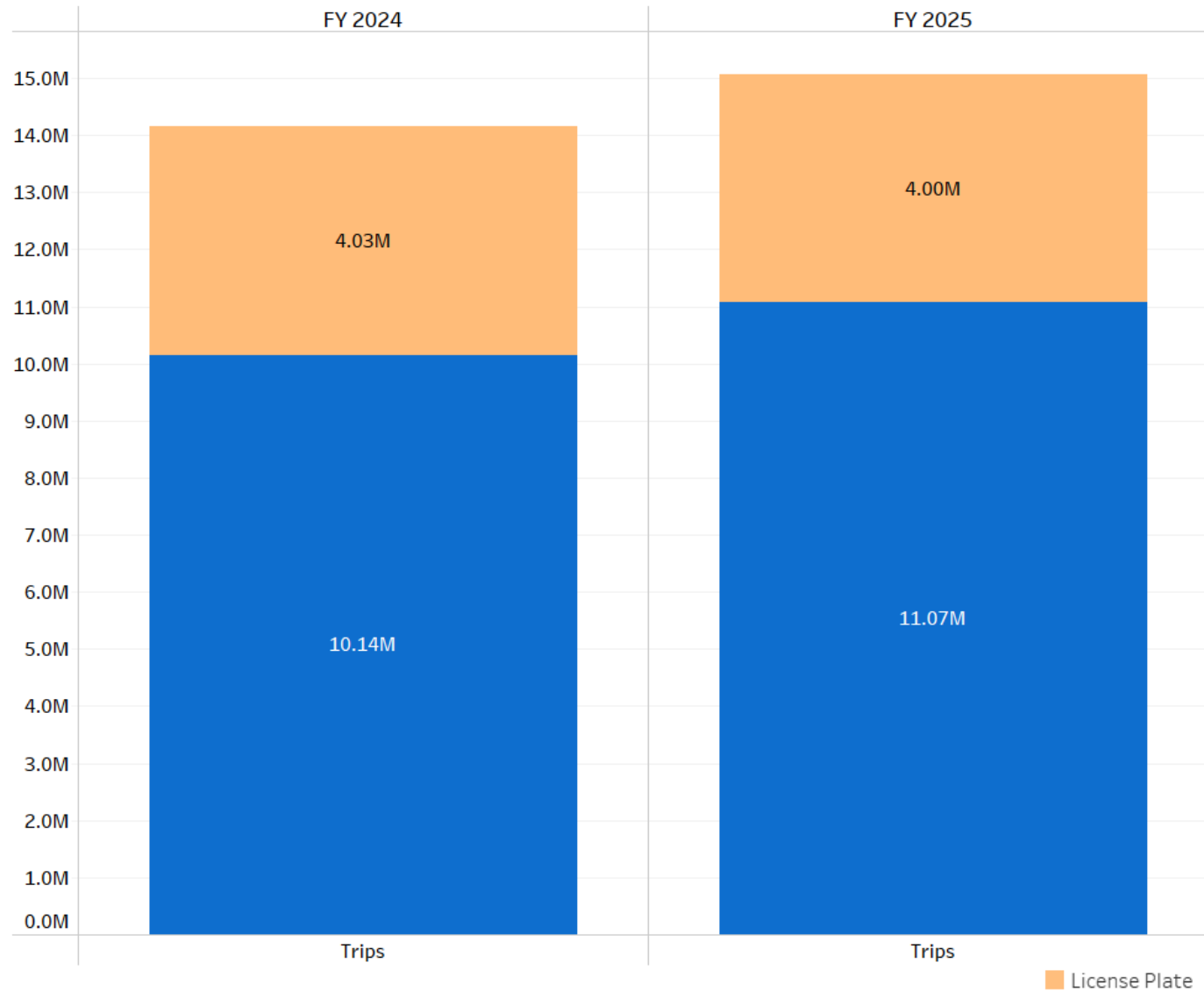


Distribution of Assessed Tolls – FY25



- Drivers made nearly 8.4 million tolled express lane trips in FY25.
- 56.45% of these trips incurred a toll less than \$3, down about 8.2% from FY24.
- In FY25, 9.13% of trips were \$12 and over, up about 2.8% from FY24.
- This includes all tolled trip types and lengths.

How Drivers Use the Lanes



- In FY25 73% of trips utilized FasTrak® toll tags.
- The remaining 27% of the vehicles did not carry toll tags and instead were captured as image-based trips.
- FasTrak® toll tag adoption continues to grow steadily, with a 2% increase in tag-based trips annually compared to FY24.

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





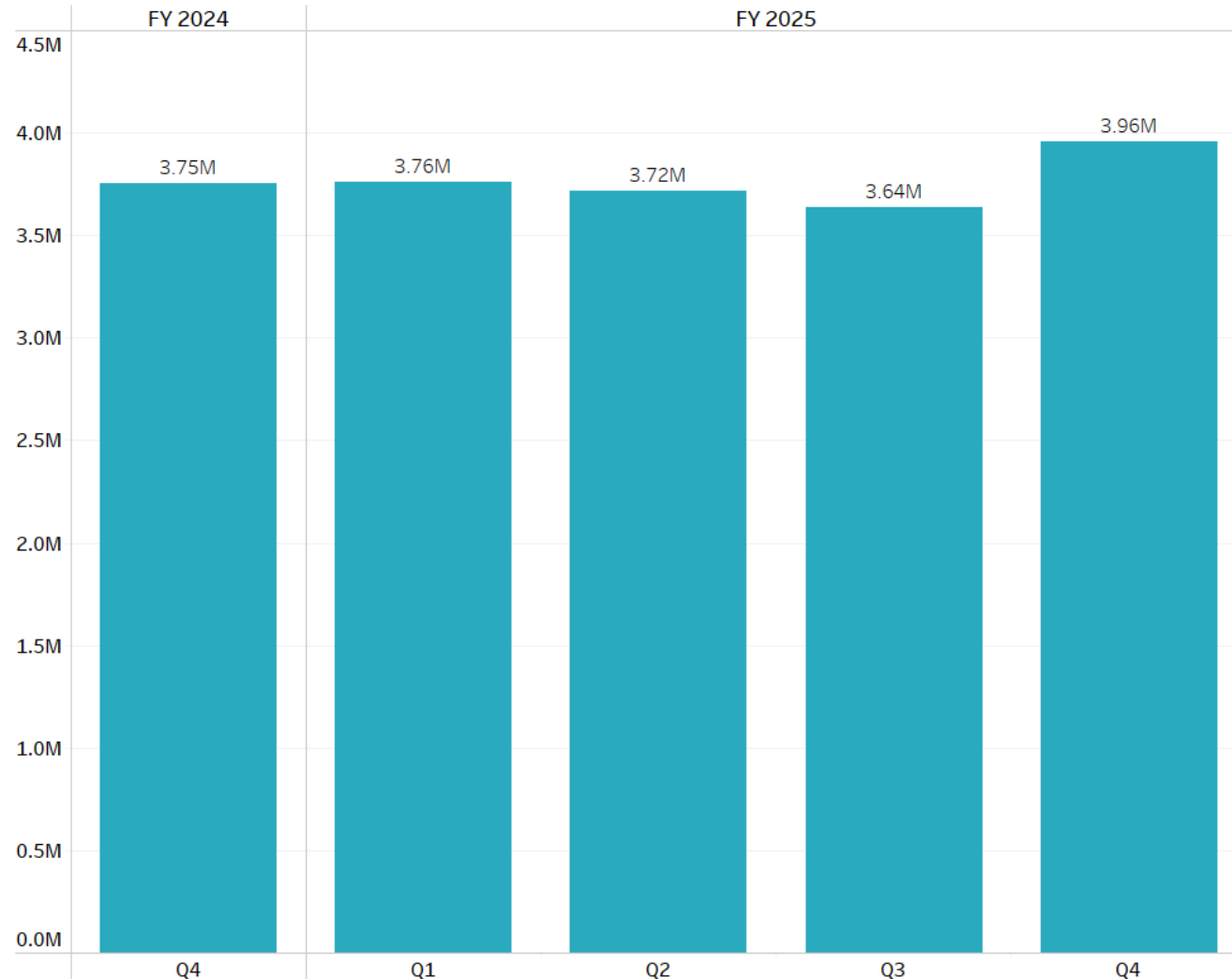
San Mateo 101 Express Lanes
Performance
4th Quarter FY2025
(April – June 2025)

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 tolls with FasTrak® CAV toll tags

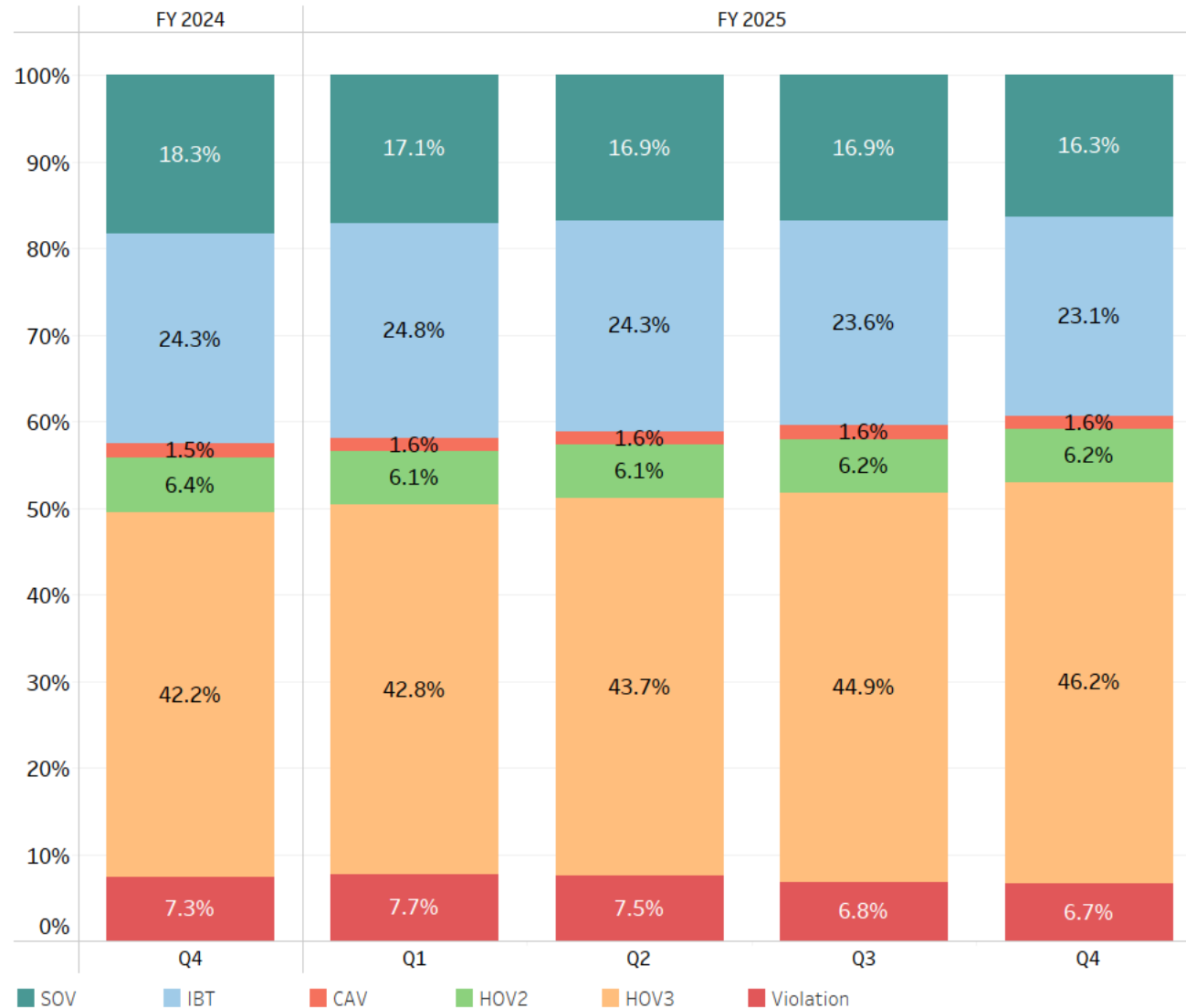


Express Lane Trips



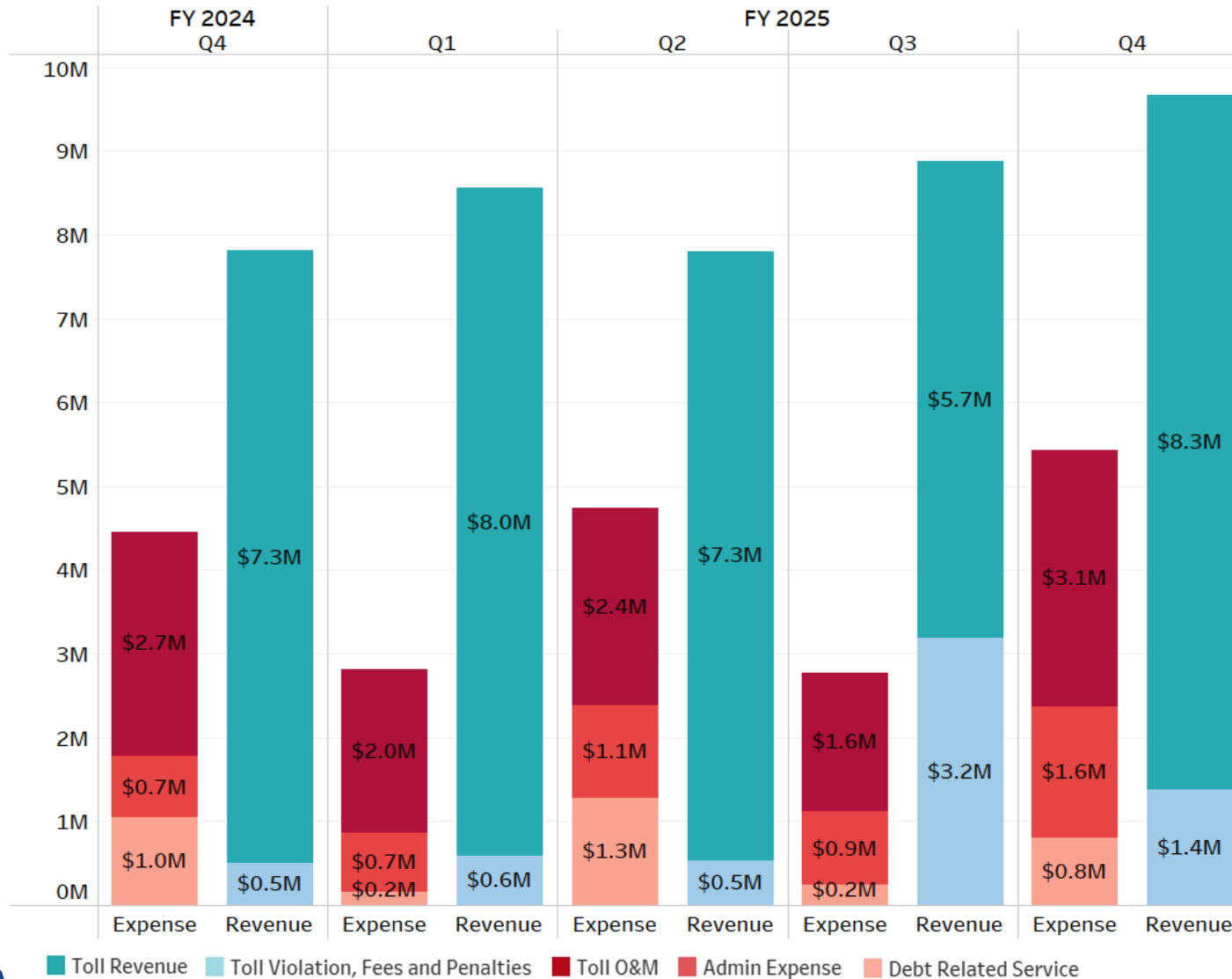
- FY25 Q4 consisted of 64 tolling days.
- In FY25 Q4, an average of 61,846 express lane trips have been made daily, which is a 7.1% increase over FY25 Q3.
- 3.96M trips were made in the quarter.
- In FY25 Q4, there was a 5.4% increase in average daily trips compared to the prior fiscal year's Q4. This is approximately 3,200 more daily trips.

Express Lane Trip Types



- Toll-free trips: 46.2%
 - HOV 3+ and Non-Revenue
- Tolloed trips: 47.2%
 - 39.4% full toll (SOV + IBT)
 - 6.2% discounted toll (HOV 2)
 - 1.6% discounted toll (CAV)
- Violation trips: 6.7%
 - Image-based Toll (IBT) trips with No FasTrak account at the time of the trip
- Tolloed trips have decreased by 4% from Q4 of the prior fiscal year.
 - SOV trips had the largest change with a decrease of 2%.

Express Lanes Toll Revenue and Expense



- In Q4, \$9.7 million in toll related revenue.
- \$3.1 million in toll operations and maintenance (O&M) costs.
- Disbursed approximately \$800K in debt related payments during Q4.

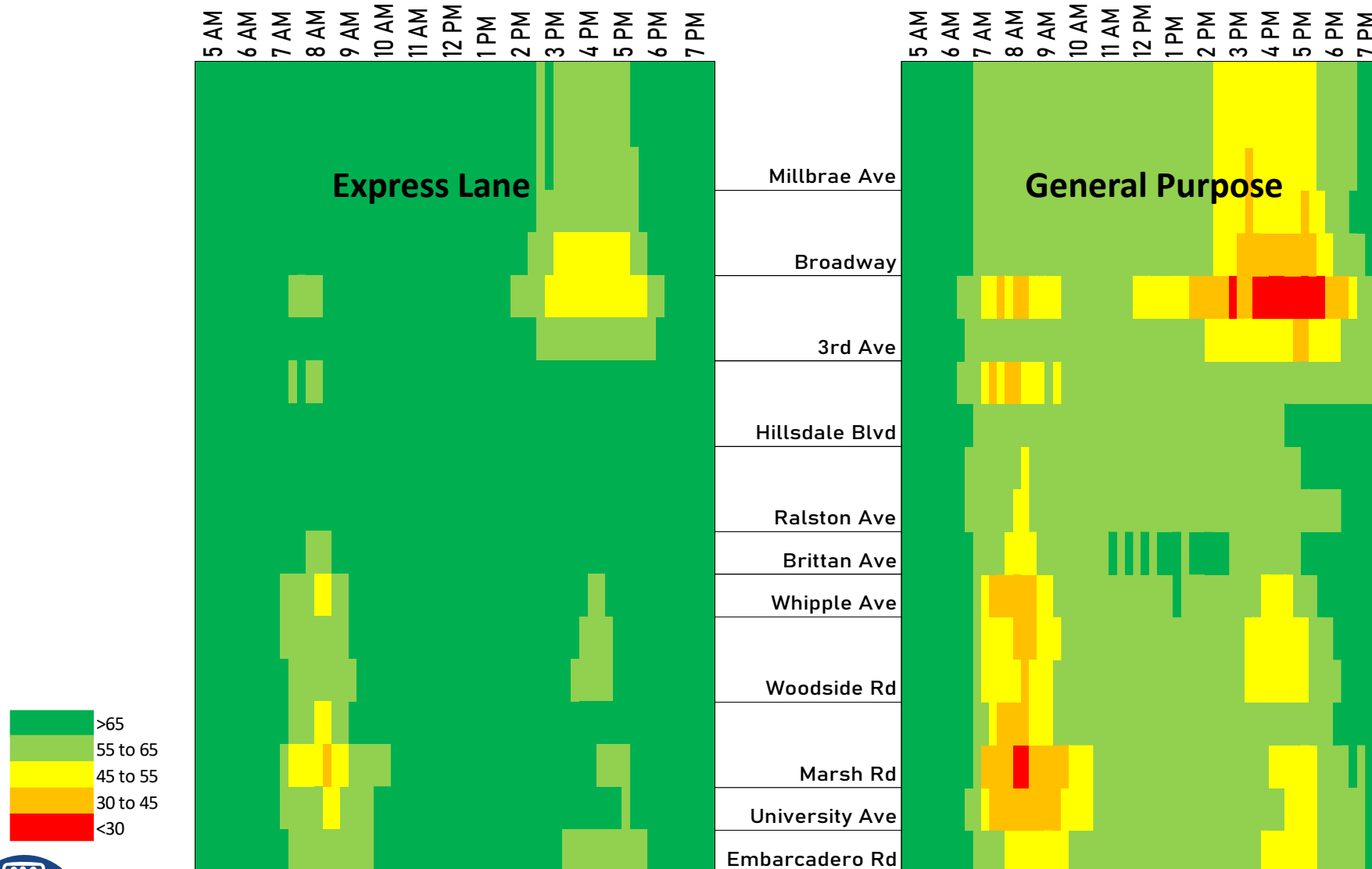
Note: Financial figures are preliminary. These figures are subject to audit and may change.

Northbound Speeds by Location & Time - FY25 Q4



- 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 (3-7pm) approaching SR-92.

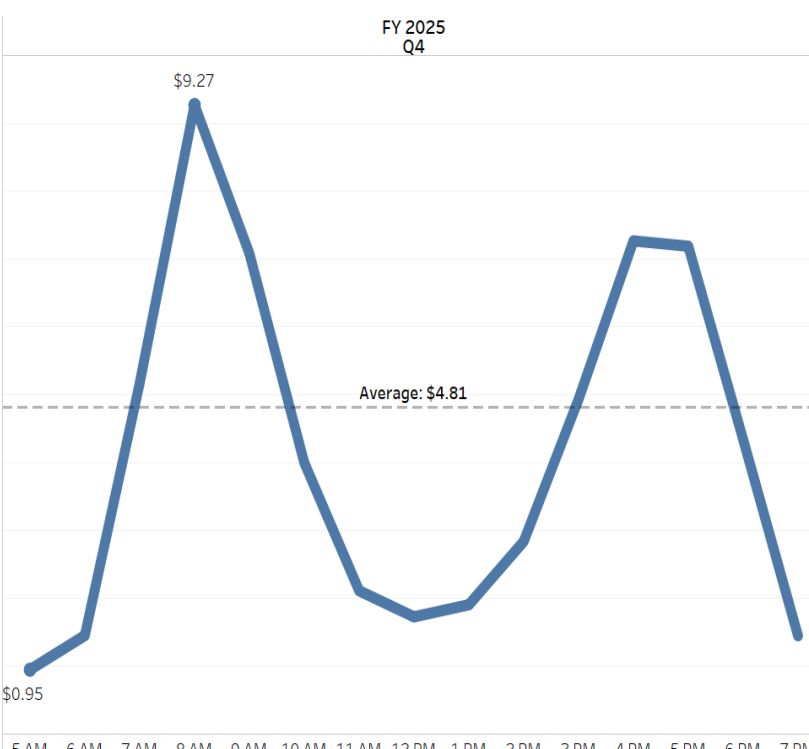
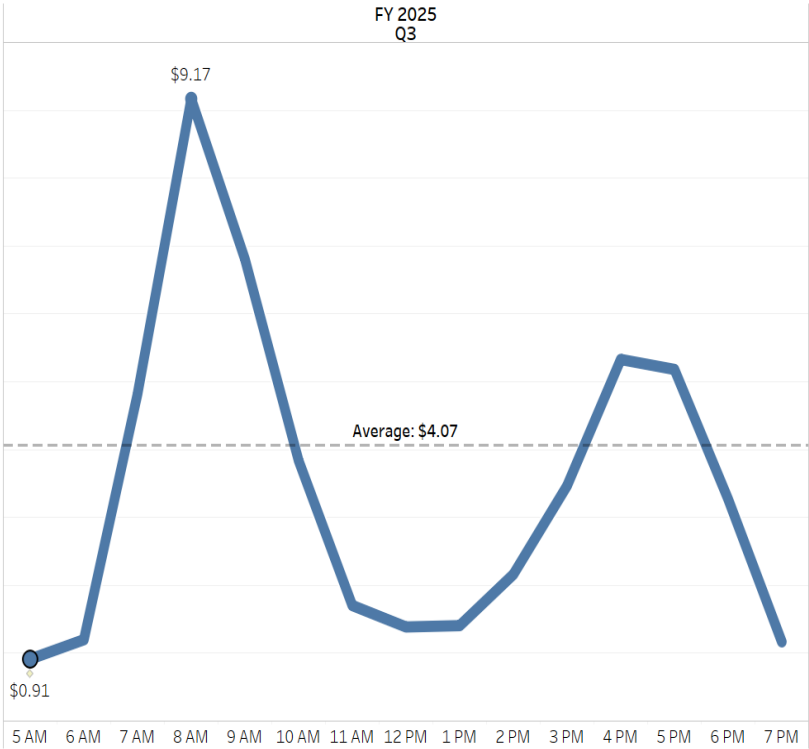
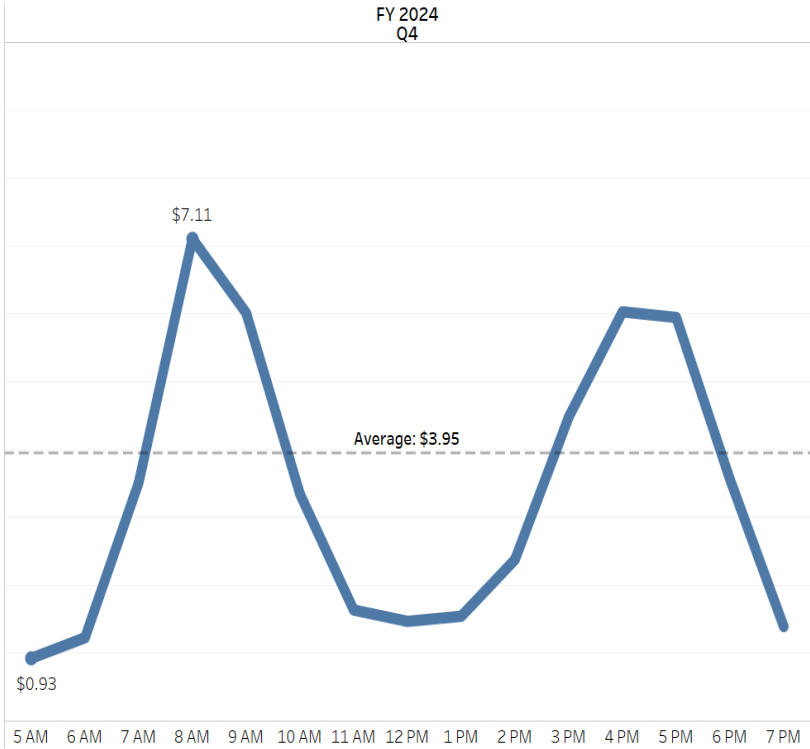
Southbound Speeds by Location & Time – FY25 Q4



- Average southbound Express Lane speeds were 12 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 (3-7pm) approaching 3rd Ave.

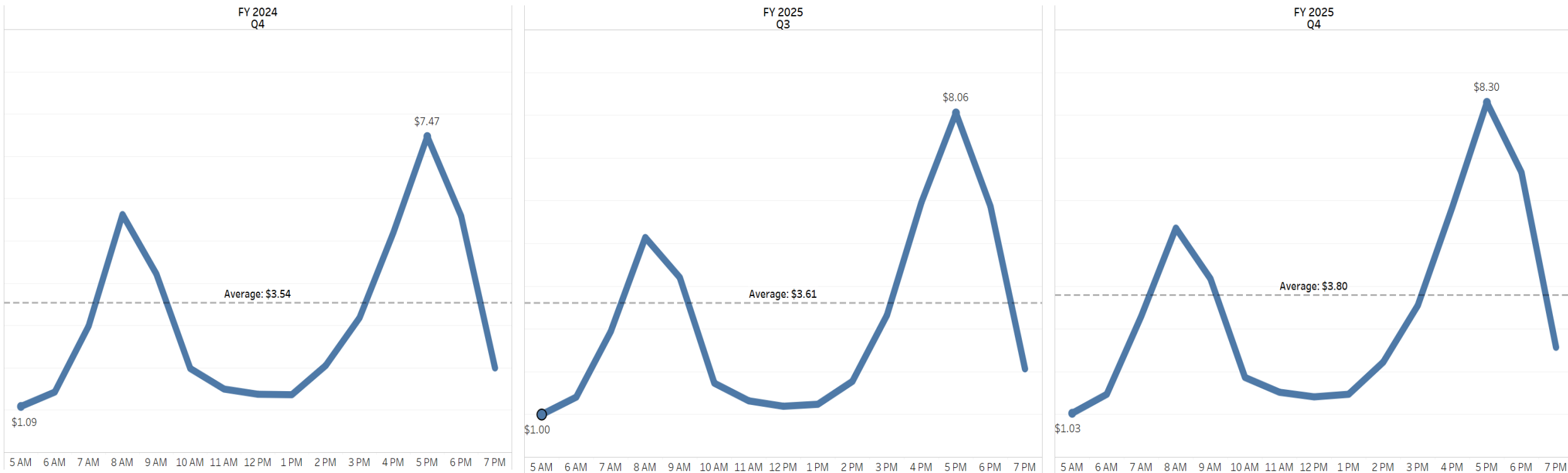
FY25 Southbound Average Assessed Tolls Comparison

The southbound average assessed toll in Q4 was \$4.81.

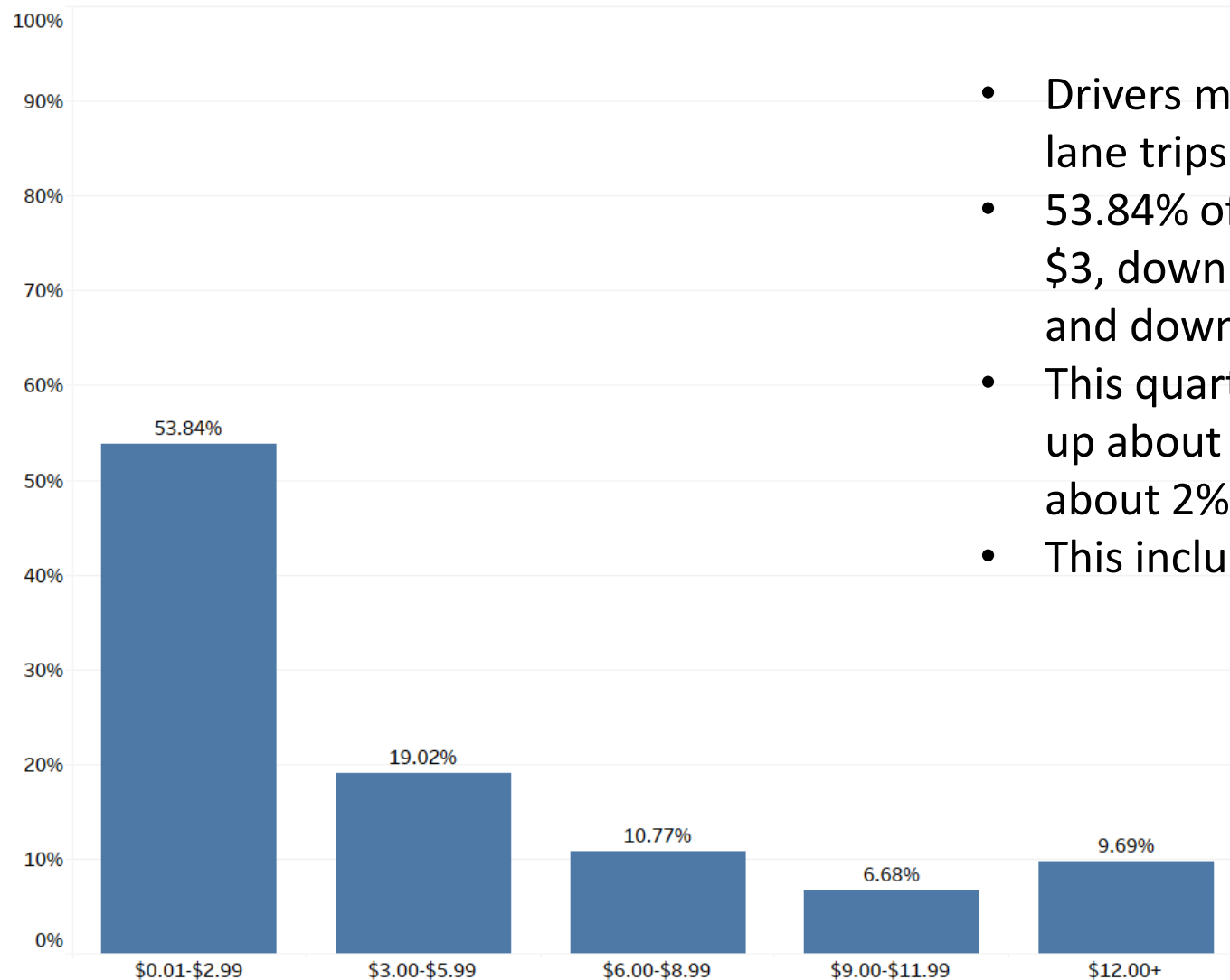


FY25 Northbound Average Assessed Tolls Comparison

The northbound average assessed toll in Q4 was \$3.80.

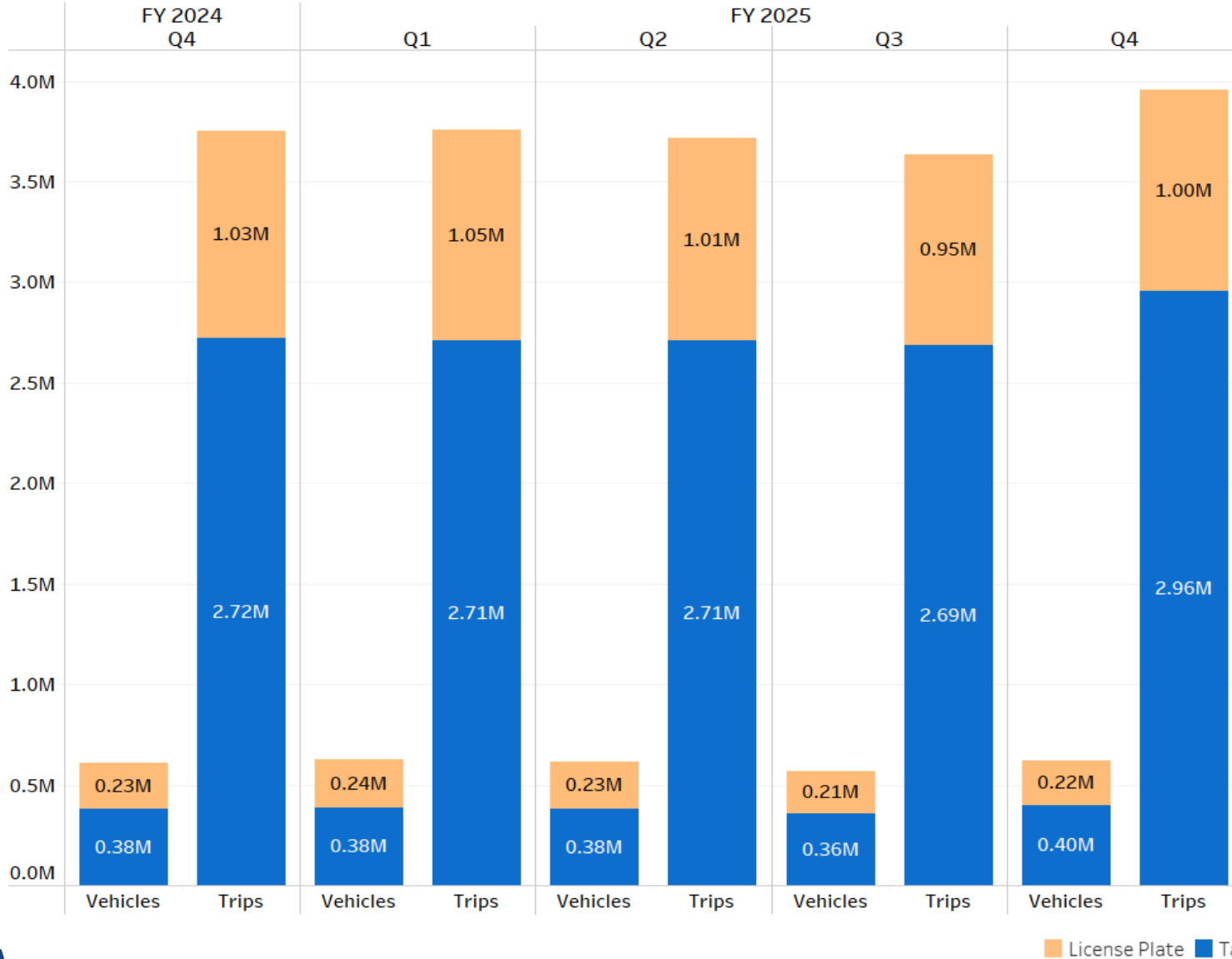


Distribution of Assessed Tolls – FY25 Q4



- Drivers made nearly 2 million tolled express lane trips in FY25 Q4.
- 53.84% of these trips incurred a toll less than \$3, down about 5.9% from the prior quarter and down 6.2% from prior fiscal year’s Q4.
- This quarter, 9.7% of trips were \$12 and over, up about 1.3% from the prior quarter, but up about 2% prior fiscal year’s Q4.
- This includes all tolled trip types and lengths.

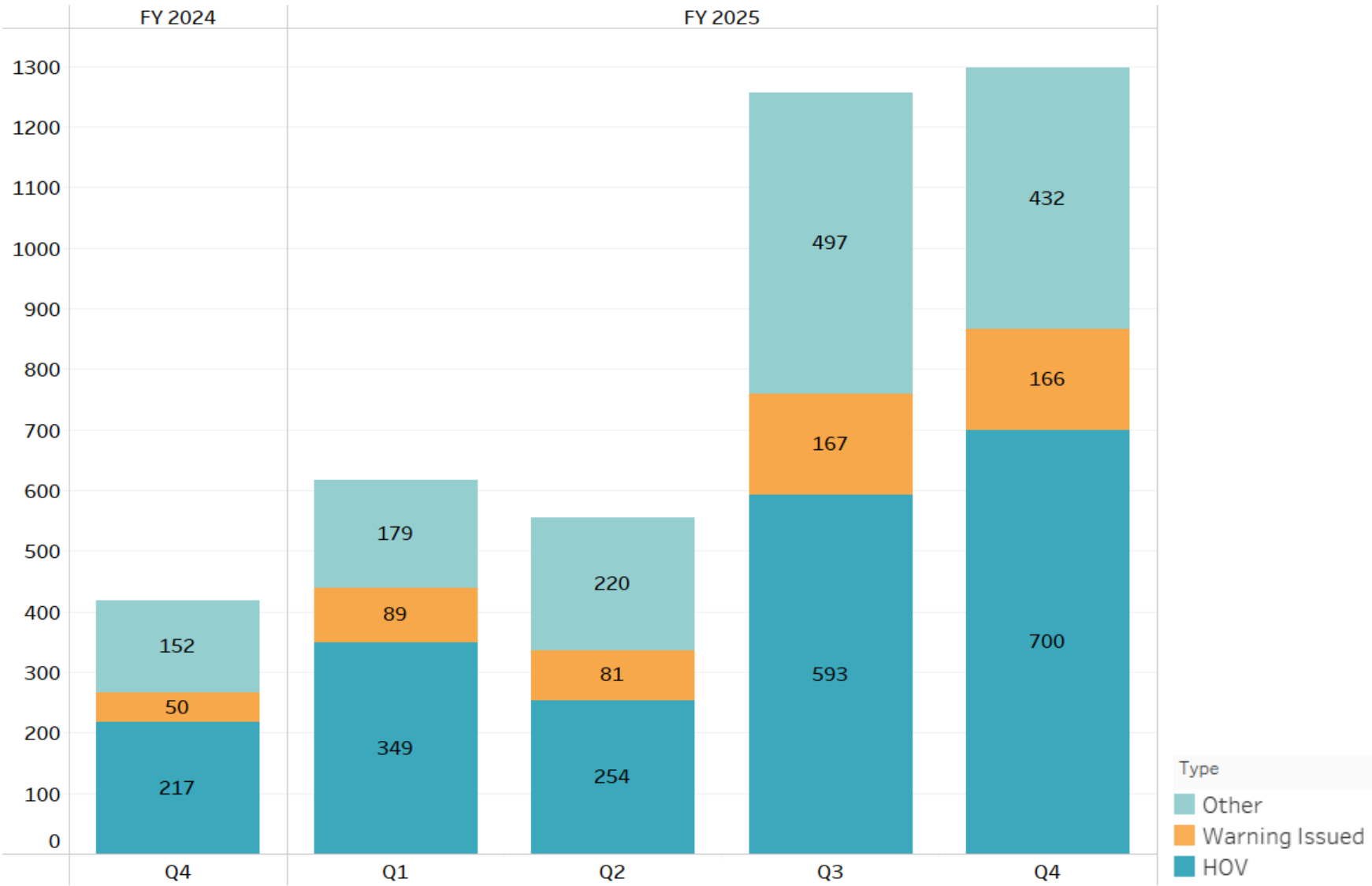
How Drivers Use the Lanes



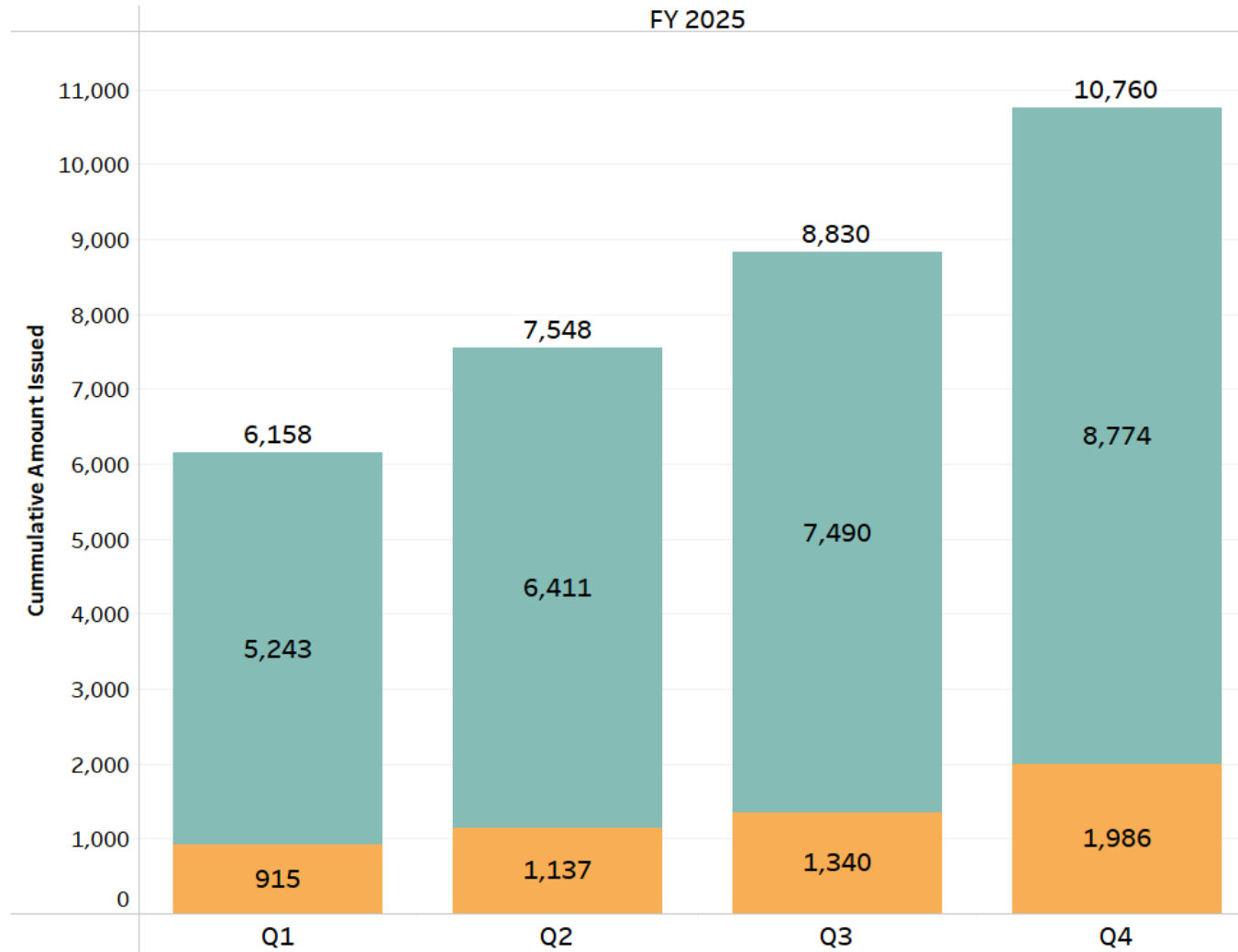
- In FY25 Q4, about 621,000 unique vehicles made about 3.96 million express lane trips.
- 64% of these vehicles utilized FasTrak® toll tags and made 75% of the total trips.
- The other 36% of these vehicles did not carry toll tags and instead were captured as image-based trips for the remaining 25% of the total trips.

CHP Enforcement

- CHP patrolled the express lanes for 1,081 hours in FY25 Q4.
- CHP made 1,298 enforcement contacts in FY25 Q4.
- 54% of the contacts resulted in HOV occupancy citations.
- FY25 Q4 enforcement costs were approximately \$164,120, resulting in an average cost per enforcement contact of approximately \$126.44.



Community Transportation Benefits Program – Cumulative Benefits Issued



- The program issued 1,930 total benefits in FY25 Q4.
- 34% of the benefits issued in FY25 Q4 were distributed in partnership with the San Mateo County Community College District’s SparkPoint Centers.



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



San Mateo County Express Lanes Joint Powers Authority Agenda Report

Date: September 5, 2025

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

From: Kate Jordan Steiner, CFO

Subject: Receive an update on the US 101 Express Lanes Variable Rate Bond.

(For further information please contact Adela Alicic @ alicica@samtrans.com)

RECOMMENDATION

That the SMCEL-JPA Board of Directors receive an update on the US 101 Express Lanes variable rate bond. No Board action is required, as this is only an informational item.

FISCAL IMPACT

There is no budget impact directly related to this item.

SOURCE OF FUNDS

Not applicable.

BACKGROUND

This report provides an update on the performance and status of the outstanding 2020 Variable Rate Demand Obligations (VRDOs), issued by the TA to finance the remaining funds needed to construct the Express Lanes Project. VRDOs is a type of long-term debt security featuring a floating interest rate that is reset at specified intervals (e.g., daily, weekly, or monthly). In September 2020 the TA issued \$50.00 million in 2020 Series A Bonds, and \$50.00 million in Series B Bonds (together the “Bonds”). The Series A Bonds are issued with a weekly interest rate reset; and the Series B Bonds are issued with a daily interest rate reset. Variable rate bonds were selected instead of fixed rate bonds because at the time they provided the lowest cost of financing and allowed for no-cost prepayment flexibility.

Interest Rates

The average combined interest rate for Series A and Series B Bonds during the second half of Fiscal Year 2025 (FY25), from January 2025 to June 2025, is 1.79 percent, a better rate than the average rate of 2.43 percent reported in the first half of FY25, from July 2024 to December 2024. The decline in variable interest rates from the first half of FY25 was driven by:

1. Decline in short-term benchmarks established by the Securities Industry and Financial Markets Association (SIFMA). The SIFMA is a 7-day high-grade market index representing interest

rates of tax-exempt Variable Rate Demand Obligations. Our VRDO rates are directly linked to these benchmarks and any drop in the benchmark leads to a direct decrease in the bond's interest rate.

2. Lower inflation expectations influenced the downward trend in variable interest rates.

The interest rate trends during the second half of the fiscal year were:

Bond Series	Highest Rate	Lowest Rate	Average Rate
Series A Bonds	3.70%	0.93%	1.92%
Series B Bonds	4.00%	0.10%	1.67%

Since issuance, the combined interest rate for Series A and Series B Bonds has averaged 1.39 percent, substantially lower than the 3.50 percent rate associated with a comparable fixed-rate bond. This outcome underscores the prudence of selecting a variable-rate structure, reflecting a well-considered strategy in the context of prevailing market conditions.

Principal Payments

On December 9, 2024, the TA made an early \$6.29 million payment towards the principal, funded by project savings. This payment covered (a) \$5.00 million payment towards the scheduled FY27 principal payment; plus (b) \$1.29 million pre-payment towards the scheduled FY30 principal payment.

As of June 30, 2025, the remaining outstanding principal is \$93.71 million. The next required principal payment of \$8.71 million is scheduled in 2030. This principal payment would have been \$10.00 million; however, it was reduced due to the pre-payments on December 9, 2024, noted above.

Market Outlook

Evolving changes in Federal Reserve (Fed) policies and market conditions can have an impact on interest rates. Staff are tracking proposed legislation, potential regulatory changes, and monitoring Federal Reserve action closely to assess implications on interest rates, inflation, and overall market conditions. Most recently, the Federal Reserve held rates steady at 4.25–4.50 percent in its July 2025 meeting but signaled that rate cuts are likely later in the year. The Fed's dot plot projects two rate cuts by year-end, together totaling 50 basis points. Market indicators currently point to a high probability (90-98%) of a 25 basis points cut at the upcoming September 2025 meeting. In contrast, major financial institutions—including Goldman Sachs, Citigroup, and Wells Fargo—anticipate a more aggressive path, forecasting three evenly sized 25-basis-point cuts in September, October, and December 2025, for a total reduction of 75 basis points.

ATTACHMENT

1. Presentation on the variable rate demand bond update



***US 101 Express Lanes
Update on Variable Rate Bond
Performance***



Overview

- Background
- Interest Rates
- Principal Payments
- Outlook



Background

In 2020 TA issued \$100M variable rate bonds:

- Support JPA's \$581M cost for US 101 Express Lanes (EL)
- Series A \$50M Weekly & Series B \$50M Daily
- Secured by Measures A & W sales tax

Why variable-rate bonds?

- Lowest cost
- Since issuance 0.01% - 4.45%; average 1.39%
- Estimated Fixed Rate issuance in Sep 2020 = 3.50%
- Initial rates: 0.01% - 0.07%
- Prepayment flexibility



Interest Rates

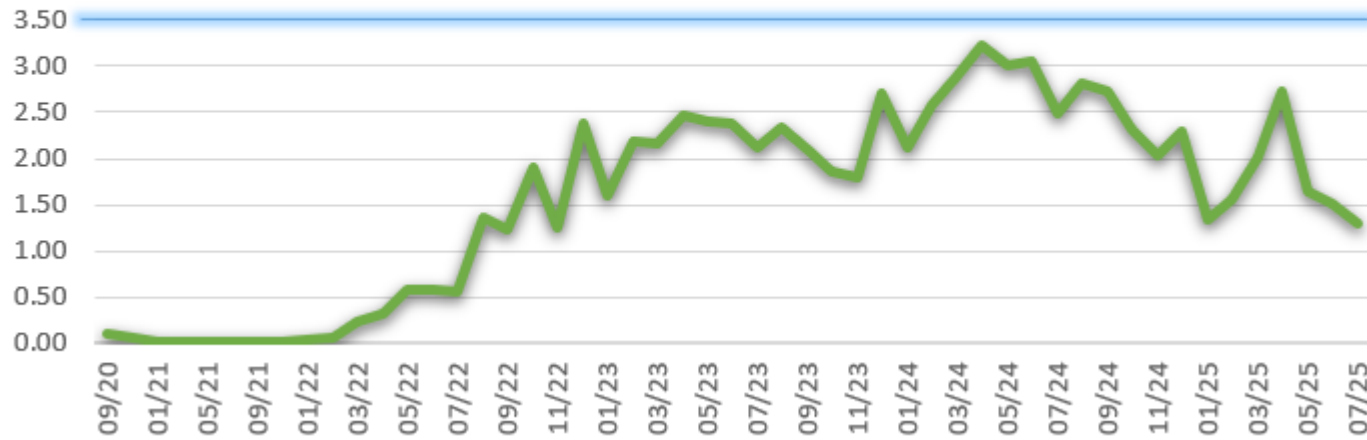
Interest Rate Overview - Since Issuance

Series	Highest Rate	Date	Lowest Rate	Date
A (weekly reset)	3.97%	1/31/2024	0.01%	7/11/2024
B (daily reset)	4.45%	6/28/2024	0.01%	2/6/2024

Interest Rate Overview - Six Months from 1/2025 - 6/2025

Series	Highest Rate	Date	Lowest Rate	Date
A (weekly reset)	3.70%	4/10/2025	0.93%	1/15/2025
B (daily reset)	4.00%	4/11/2025	0.10%	1/9/2025

Average A&B Interest Rate Since Issuance



Category	Rate
Fixed Rate Issuance (Sept 2020)	3.50%
Avg Series A & B (Since Issuance)	1.39%
Avg Series A & B (1/25 - 6/25)	1.79%



Principal Payments

- December 2024 principal payment of \$6.3M from Project savings covered:
 - \$5.0M principal payment for 2027
 - \$1.3M principal reduction for 2030
- Remaining principal: \$93.7M
- Next required principal payment of \$8.7M in 2030



Outlook

- Fed policy and market conditions drive interest rates
- July 2025: Fed held target range at 4.25%-4.50%
- Fed signals two rate cuts by calendar year end (~50 basis points)
- 95% probability of a rate cut in September 2025
- Market: Inflation slowing down. Tariff impact is less significant
- Staff are monitoring legislation and policy changes