

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

Meeting No. 68
May 1, 2026

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. A quorum was present.

| 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): |
|--|---|
| Kaki Cheung, Executive Council – C/CAG | Van Ocampo – C/CAG |
| April Chan, Executive Council – TA | Jeannie Chen - SMCTD |
| Mima Crume – Clerk of the Board | |
| Tim Fox – Legal Counsel | Members of the Public (In-Person): |
| Jessica Manzi – TA | Drew |
| Kim Comstock – SMCEL-JPA | |
| Claudette Valbuena – SMCTD | Members of the Public (Remote): |
| Ladi Millard-Olmeda – SMCTD | Mary Pryor |
| | Lisa Amini |
| | Mike Swire |
| | Andrew Nelson |

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.

Two public comments were received.

Drew (in person) provided comments regarding maintenance and operational concerns within the express lanes corridor, including non-functioning centerline lighting and inconsistent signage. Drew recommended improved coordination with Caltrans to address lighting issues and suggested a review to ensure signage consistency throughout the corridor.

Mike Swire (via Zoom) provided comments regarding express lanes performance and safety. He expressed concerns about unsafe driving behavior, impacts to adjacent roadways, and potential effects on equity priority communities. He recommended further analysis of safety data, vehicle miles traveled, and environmental impacts prior to expansion of similar projects.

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.

Director Rak MOVED to approve the consent agenda items 3.1 and 3.2 Director Medina SECONDED. **MOTION CARRIED 6-0-0.**

3.1 Approval of the minutes of Board of Directors special business meeting No. 67 dated March 6, 2026. APPROVED

3.2 Accept and enter into the record the Quarterly Investment Report for SMCEL-JPA for the quarter ending March 31, 2026. APPROVED

4.0 REGULAR AGENDA

4.1 Receive a presentation on the Waterfall / Flow of Funds for Fiscal Year 2027 (FY27) and provide direction on key funding priorities. INFORMATION

The Board received a presentation on the FY27 Waterfall / Flow of Funds, including revenue allocation priorities, reserve requirements, capital reserve planning, and equity program funding.

Discussion included:

- Overview of the loan agreement and required allocation hierarchy
- Capital reserve planning based on asset lifecycle analysis
- Estimated \$21 million in available funds to be allocated through the waterfall
- Revenue-sharing structure (85% loan repayment / 15% discretionary use)
- Equity program funding gap of approximately \$1.4 million

Board Direction:

- The Board reached consensus to allocate \$1.4 million from revenue-sharing funds to fully fund the FY27 equity program.
- The Board discussed options for the remaining \$1.4 million, including:
 - o Increasing capital reserves
 - o Additional bond repayment
 - o Future equity program funding
- A majority of Board Members indicated a preference to apply the remaining funds toward additional bond repayment, while also requesting further analysis comparing the benefit of investing approximately \$1.4 million in the capital reserve to earn investment returns versus using those funds to pay down the bond and reduce interest expense. In addition, they expressed interest in receiving more information regarding capital investment needs and vehicle occupancy detection technology.

No formal action was taken.

4.2 Receive a presentation on the Preliminary Fiscal Year 2027 (FY27) SMCEL-JPA Operating Budget. INFORMATION

The Board received a presentation on the preliminary FY27 Operating Budget.

Key highlights included:

- Projected surplus of approximately \$16.1 million
- Continued growth in express lane usage
- Full-year implementation of the equity program
- Integration of capital reserve contributions into the flow of funds framework
- Estimated annual equity program cost of approximately \$2 million
- Identification of funding sources, including prior year set-asides and revenue-sharing funds

Board discussion included:

- Clarification on budget presentation and capital reserve accounting
- Request for additional analysis comparing bond repayment savings versus investment returns
- General support for refining financial assumptions prior to final budget adoption

One public comment was received requesting clarification on budget presentation terminology and labeling of equity funding sources.

No formal action was taken.

5.0 **REPORTS**

a) Chairperson Report

None.

- b) Member Communication.

None.

- c) Executive Council Report.

April Chan, Executive Council – TA, reported that this would be the last SMCEL-JPA Board meeting held in San Carlos and noted that future meetings will be held at a new location in Millbrae.

Kaki Cheung, Acting Executive Director – C/CAG, introduced herself in her role and acknowledged the leadership of the former Executive Director, Sean Charpentier. She also announced that the next Board meeting will be held on Monday, June 15, 2026, outside of the regular meeting schedule.

- d) Program Manager Report.

None.

6.0 **WRITTEN COMMUNICATIONS**

None.

7.0 **NEXT REGULAR MEETING**

June 15, 2026

8.0 **ADJOURNMENT**

The meeting was adjourned at 10:00 a.m.