



AGENDA

BOARD OF DIRECTORS MEETING

SAN MATEO COUNTY TRANSPORTATION AUTHORITY

Due to COVID-19, this meeting will be conducted via teleconference only (no physical location) pursuant to [Assembly Bill 361](#) (Government Code Section 54953).

Directors, staff and the public may participate remotely via Zoom at <https://samtrans.zoom.us/j/97489736685?pwd=UkN4T0gwU0lwbHFjZkNCTm1Dd0VaZz09> or by entering Webinar ID: **974 8973 6685**, Passcode: **019469** in the Zoom app for audio/visual capability or by calling 1-669-900-9128 (enter webinar ID and press # when prompted for participant ID) for audio only. The video live stream will be available during or after the meeting at <https://www.smcta.com/whats happening/boardofdirectors/video.html>.

Public Comments: Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@smcta.com prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received after an agenda item is heard will be included into the Board's weekly correspondence and posted online at: <https://www.smcta.com/whats happening/boardofdirectors/boardofdirectorscalendar.html>.

Oral public comments will also be accepted during the meeting through Zoom* or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Use the Raise Hand feature to request to speak. For participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise Hand feature for public comment. Each commenter will be recognized to speak and callers should dial *6 to unmute themselves when recognized to speak for two minutes or less. The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

November 4, 2021 – Thursday

5:00 pm

- 1) Call to Order
- 2) Roll Call/Pledge of Allegiance
- 3) Public Comment For Items Not on the Agenda
Public comment by each individual speaker shall be limited two (2) minutes. Items raised that require a response will be deferred for staff reply.
- 4) Report of the Citizens Advisory Committee

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

5) Consent Calendar

Members of the Board may request that an item under the Consent Calendar be considered separately

- a) Adoption of Resolution Making Findings that the Proclaimed State of Emergency for COVID-19 Continues to Impact the Board's and Committees' Ability to Meet Safely in Person RESOLUTION
 - b) Approval of Minutes of the Board of Directors Meeting of October 7, 2021 MOTION
 - c) Acceptance of Statement of Revenues and Expenditures for the Period Ending September 30, 2021 MOTION
 - d) Authorize the Filing of an Application for \$12,858,000 of Regional Transportation Improvement Program Funds for the Design Phase of the SR 92/US 101 Direct Connector Project RESOLUTION
- 6) Report of the Chair
- 7) San Mateo County Transit District Liaison Report
- 8) Joint Powers Board Liaison Report
- 9) Report of the Executive Director
- 10) Program
- a) San Mateo 101 Express Lanes Quarterly Project Update INFORMATIONAL
 - b) 2021 Highway Program Call for Projects Draft Recommendations INFORMATIONAL
- 11) Finance
- a) Acceptance of the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021 MOTION
 - b) Acceptance of Quarterly Investment Report and Fixed Income Market Review and Outlook MOTION
- 12) State and Federal Legislative Update INFORMATIONAL
- 13) Requests from the Authority
- 14) Written Communications to the Authority
- 15) Date/Time of Next Regular Meeting: Thursday, December 2, 2021, 5:00 pm, via Zoom teleconference (additional location, if any, to be determined)
- 16) Report of Legal Counsel
- 17) Adjourn

INFORMATION FOR THE PUBLIC

All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

If you have questions on the agenda, please contact the Authority Secretary at 650-508-6242. Assisted listening devices are available upon request. Agendas are posted on the TA website at <https://www.smcta.com/whats happening/boardofdirectors/boardofdirectorscalendar.html>.

Communications to the Board of Directors can be emailed to board@smcta.com.

Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电1.800.660.4287

Date and Time of Regular and Citizens Advisory Committee Meetings

The Transportation Authority (TA) meets regularly on the first Thursday of the month at 5 p.m. The TA Citizens Advisory Committee (CAC) meets regularly on the Tuesday prior to the TA Board meeting at 4:30 pm. Date, time and location of meetings may be changed as necessary. Meeting schedules for the Board and CAC are available on the TA website.

Location of Meeting

Due to COVID-19, the meeting will only be via teleconference as per the information provided at the top of the agenda. The Public may not attend this meeting in person.

*Should Zoom not be operational, please check online at <https://www.smcta.com/whats happening/boardofdirectors/boardofdirectorscalendar.html> for any updates or further instruction.

Public Comment

Members of the public are encouraged to participate remotely. Public comments may be submitted to publiccomment@smcta.com prior to the meeting's call to order so that they can be sent to the Board as soon as possible, while those received during or after an agenda item is heard will be included into the Board's weekly correspondence and posted online at: <https://www.smcta.com/whats happening/boardofdirectors/boardofdirectorscalendar.html>.

Oral public comments will also be accepted during the meeting through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM and each commenter will be automatically notified when they are unmuted to speak for two minutes or less. The Board Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

Accessible Public Meetings/Translation

Upon request, SamTrans will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email titlevi@samtrans.com; or request by phone at 650-622-7864 or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070-1306, at the same time that the public records are distributed or made available to the legislative body.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: Joan Cassman
Legal Counsel

SUBJECT: **ADOPTION OF RESOLUTION MAKING FINDINGS THAT THE PROCLAIMED
STATE OF EMERGENCY FOR COVID-19 CONTINUES TO IMPACT THE BOARD'S
AND COMMITTEES' ABILITY TO MEET SAFELY IN PERSON**

ACTION

Legal Counsel and the Acting Executive Director recommend the Board adopt its second resolution under Assembly Bill 361 (AB 361) (1) making findings that the proclaimed COVID-19 pandemic State of Emergency continues to impact the ability of the San Mateo County Transportation Authority (TA) Board of Directors (Board) and its committees to meet safely in person, and (2) allowing for the TA to use the modified teleconferencing requirements under California Government Code Section 54953 for Board and committee meetings for the next 30 days.

SIGNIFICANCE

On October 7, 2021, the Board adopted its first resolution under AB 361 documenting the findings described above. The Board also was advised to consider similar actions monthly thereafter until conditions change and remote meetings are no longer necessary and appropriate. The proposed action would enable the TA's Board and committees to continue to meet remotely for the next 30 days.

BUDGET IMPACT

There is no impact on the budget.

BACKGROUND

On March 4, 2020, Governor Newsom declared a State of Emergency to exist in California as a result of the COVID-19 pandemic. The Governor issued Executive Order N-29-20 on March 17, 2020 to suspend certain provisions of the Ralph M. Brown Act related to teleconferencing to facilitate legislative bodies' use of remote public meetings to help protect against the spread of COVID-19. On June 11, 2021, the Governor issued Executive Order N-08-21, which specified that Executive Order N-29-20 remained in effect through September 30, 2021, at which point it expired.

On September 16, 2021, Governor Newsom signed AB 361 into law as urgency legislation that went effect immediately. AB 361 amended Government Code Section 54953 to

allow legislative bodies, during proclaimed states of emergency, to meet remotely, without requiring public notice of or accesses to locations where legislative body members would participate in the meetings by teleconference, and without requiring a quorum of the members of the legislative body of the agency to participate from locations within the boundaries of the agency's jurisdiction.

To be allowed to meet remotely pursuant to AB 361, the legislative body must hold a meeting during a proclaimed state of emergency and:

- find that state or local officials have imposed or recommended measures to promote social distancing; or
- by majority vote, determine that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

Local agency determinations to meet using the modified teleconferencing rules under AB 361 can be relied upon for up to 30 days. After that, a local agency can continue to meet remotely pursuant to AB 361 if it reconsiders the circumstances of the state of emergency and finds, by a majority vote, that:

- the state of emergency continues to directly impact the ability of the members to meet in person, or
- state or local officials continue to impose or recommend measures to promote social distancing.

Prepared by: Shayna van Hoffen, Legal Counsel

415-995-5880

RESOLUTION NO. 2021 -

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

**FINDING THAT THE PROCLAIMED STATE OF EMERGENCY FOR THE COVID-19
PANDEMIC CONTINUES TO IMPACT THE ABILITY FOR THE BOARD OF DIRECTORS AND ITS
COMMITTEES TO MEET SAFELY IN PERSON, AND DIRECTING THAT VIRTUAL BOARD AND
COMMITTEE MEETINGS CONTINUE**

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency to exist in California as a result of the threat of the COVID-19 pandemic, which declaration remains in effect; and

WHEREAS, the San Mateo County Board of Supervisors subsequently declared a local emergency related to COVID-19, which declaration also remains in effect; and

WHEREAS, on March 17 and June 11, 2020, the Governor issued Executive Orders N-29-20 and N-08-21, respectively, suspending certain provisions of the Ralph M. Brown Act related to teleconferencing through September 30, 2021 to facilitate legislative bodies conducting public meetings remotely to help protect against the spread of COVID-19 and to protect the health and safety of the public; and

WHEREAS, on September 16, 2021, the Governor signed Assembly Bill (AB) 361 into law amending Government Code Section 54953, effective immediately, to allow legislative bodies to continue to meet remotely under less restrictive requirements during a proclaimed State of Emergency provided that (1) state or local officials have imposed or recommended measures to promote social distancing, or (2) the legislative bodies determine that meeting in person would present imminent risks to the health or safety of attendees, and (3) the legislative bodies make such findings at least every thirty days during the term of the declared state of emergency; and

WHEREAS, on October 7, 2021, pursuant to Resolution 2021-25, the San Mateo County Transportation Authority Board of Directors (Board) made the requisite findings to allow teleconferencing under AB 361 for 30 days; and

WHEREAS, the Board finds that state and local officials, including the San Mateo County Health Officer, the California Department of Public Health (CDPH), and the Department of Industrial Relations, have maintained or continued to recommend measures to promote social distancing, and current public health data continues to indicate that dominant strains of Covid-19 present ongoing risks of severe illness, even in vaccinated populations; and

WHEREAS, the Board has reviewed the findings made in Resolution 2021-25 and again concludes that there is a continuing threat of COVID-19 to the community, and that Board and committee meetings have characteristics that continue to give rise to risks to health and safety of meeting participants (such as the increased mixing associated with bringing together people from across the community, the need to enable those who are immunocompromised or unvaccinated to be able to safely continue to participate fully in public governmental meetings, and the challenges with fully ascertaining and ensuring compliance with vaccination and other safety recommendations at such meetings); and

WHEREAS, to help protect against the spread of COVID-19 and its variants, and to protect the health and safety of the public, the Board desires to take the actions necessary continue to hold its Board and committee meetings remotely as authorized by AB 361.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority has reconsidered the circumstances of the COVID-19

State of Emergency, and finds that (1) the COVID-19 State of Emergency continues to directly impact the ability of the members to meet safely in person, (2) meeting in person would present imminent risks to the health or safety of meeting attendees, and (3) state or local officials continue to impose or recommend measures to promote social distancing; and

BE IT FURTHER RESOLVED, that in light of these findings, the Board directs the Acting Executive Director and Authority Secretary to continue to agendize public meetings of the Board, and all District committees that are subject to the Brown Act, only as online teleconference meetings; and

BE IT FURTHER RESOLVED, that the TA will comply with the requirements of Government Code Section 54953(e)(2) when holding Board and committee meetings pursuant to this Resolution; and

BE IT FURTHER RESOLVED, that this Resolution will be in effect for the maximum period of time permitted under AB 361 (30 days), and the Board will reconsider the findings in this Resolution each month and may subsequently reaffirm these findings.

Regularly passed and adopted this 4th day of November, 2021 by the following vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
1250 SAN CARLOS AVENUE, SAN CARLOS, CA 94070
MINUTES OF OCTOBER 7, 2021**

MEMBERS PRESENT: E. Beach (Chair), D. Horsley, J. Mates, R. Medina (Vice Chair),
M. Nagales, C. Romero
**Via
Teleconference**

MEMBERS ABSENT: C. Groom

STAFF PRESENT: C. Mau, A. Chan, J. Hurley, J. Cassman, S. van Hoften, D. Hansel,
P. Gilster, P. Skinner, J. Williams, J. Brook, D. Seamans

1. CALL TO ORDER

Chair Emily Beach called the meeting to order at 5:01 pm.

2. ROLL CALL/PLEDGE OF ALLEGIANCE

Ms. Seamans confirmed that a quorum was present.

Chair Beach led the Pledge of Allegiance.

3. ADOPTION OF RESOLUTION MAKING FINDINGS THAT THE PROCLAIMED STATE OF EMERGENCY FOR COVID-19 CONTINUES TO IMPACT THE BOARD'S AND COMMITTEES' ABILITY TO MEET SAFELY IN PERSON – Approved by Resolution No. 2021-25

Joan Cassman, Legal Counsel, summarized the resolution and noted that there were sufficient grounds to facilitate the continued use of remote meetings.

Motion/Second: Medina/Horsley

Ayes: Beach, Horsley, Mates, Medina, Nagales, Romero

Noes: None

Absent: Groom

4. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Ethan Mizzi said he would only support managed lanes if no additional lanes are added.

5. REPORT OF THE CITIZENS ADVISORY COMMITTEE

Chair Beach noted that the report was posted on the website.

6. CONSENT CALENDAR

- a) Approval of Minutes of the Board of Directors Meeting of September 2, 2021**
- b) Acceptance of Statement of Revenues and Expenditures for the Fiscal Year Ended June 30, 2021**
- c) Acceptance of Statement of Revenues and Expenditures for the Period Ending August 31, 2021**

- d) Reaffirm the San Mateo County Transportation Authority Investment Policy and Reauthorize Investment of Monies with the Local Agency Investment Fund –**
Approved by Resolution Nos. 2021-26 & 2021-27
- e) Authorize the Filing of Highway Program Call for Projects Applications and Adopt a Resolution in Support of Three Countywide Significant Projects –** *Approved by Resolution No. 2021-28*
- f) Proclamation Declaring the Month of October as Cybersecurity Awareness Month**
- g) Acceptance of Measure A and Measure W Semiannual Program Status Report**
- h) Approval of the 2022 Board of Directors Calendar**

Chair Beach requested to pull Item #6d for discussion.

The Board approved Items #6a through 6c and Items #6e through 6h in one motion:

Motion/Second: Mates/Horsley

Ayes: Beach, Horsley, Mates, Medina, Nagales, Romero

Noes: None

Absent: Groom

Chair Beach proposed having a future Board presentation on ESG (environment, social, and governance) portfolios, which other Directors supported. Derek Hansel, Chief Financial Officer, said staff would work with the TA's investment advisor to bring additional information regarding the ESG portfolios back to the Board for further discussion. Connie Mobley-Ritter, Director of Treasury, said that the advisors could include ESG in their report at the November Board meeting.

The Board approved Item #6d:

Motion/Second: Beach/Medina

Ayes: Beach, Horsley, Mates, Medina, Nagales, Romero

Noes: None

Absent: Groom

7. REPORT OF THE CHAIR

Chair Beach provided an update on the recent ACR (Alternative Congestion Relief)/TDM (Traffic Demand Management) Ad Hoc Committee meeting on September 15. She also noted that the 25th Avenue Grade Separation ribbon-cutting was on September 17. She announced that there would be a ribbon-cutting for the State Route 1 (SR 1) Safety and Operational Improvement Project in Half Moon Bay on October 13.

8. SAN MATEO COUNTY TRANSIT DISTRICT LIAISON REPORT

Vice Chair Rico Medina said that the report was posted on the website and provided a brief summary of Board actions.

9. JOINT POWERS BOARD LIAISON REPORT

Carter Mau, Acting Executive Director, said the report was posted on the website. He announced that Pranaya Shrestha is the new CalMod Chief Officer. He said there was a lengthy discussion on the MTC (Metropolitan Transportation Commission) fare

integration study. He said the study also outlined an institutional pass that could work for all transit agencies, noting that these are recommendations only and no action is to be taken yet.

10. REPORT OF THE EXECUTIVE DIRECTOR

Mr. Mau said that his report was in the packet. He announced that a joint SamTrans and TA public workshop on autonomous vehicles will be held on November 17.

On a separate note, Director Don Horsley asked if the City of Half Moon Bay would be required to maintain the roadway for the SR 1 Safety and Operational Improvement Project. Joe Hurley, TA Director, said the City would maintain the signals but not the roadway.

11. PROGRAM

a) Program Report: South San Francisco Caltrain Station Project

April Chan, Chief Officer, Planning, Grants/Transportation Authority, summarized the project and introduced Rob Barnard, Deputy Chief, Rail Development, who provided the presentation.

Director Nagales asked what the lessons learned were in terms of Caltrain project delivery for the future. Mr. Barnard highlighted the need for a multi-pronged approach consisting of a focus on rebuilding and strengthening the project team, tools and reporting, organizational development, and delivery tools. Director Nagales asked about additional project delivery risks for the project. Mr. Barnard noted that there is a risk with getting power to the signal from PG&E (Pacific Gas and Electric), but that it would not prevent opening of the station.

Director Romero asked if there had been a proportional split of what each partner contributed for the cost overruns. Mr. Barnard said the project had stipulated that money from the City of South San Francisco would be the last in and would be only used if needed.

b) Program Report: Pedestrian and Bicycle Program

Patrick Gilster, Manager, Programming and Monitoring, provided the presentation.

Chair Beach asked about the funds accrued so far for Measure W. Mr. Gilster responded that \$9.8 million had already accrued between Measure A and Measure W and will probably have a million or two dollars on top of that by the time the TA releases next year's call for projects.

c) Program Report: Safe Routes to School

Mr. Gilster introduced Theresa Vallez-Kelly, Safe Routes to School Program Coordinator, who provided the presentation.

Director Mates commended Ms. Vallez-Kelly's presentation and said she had recently heard from constituents asking for sidewalk and road improvements so that their children could safely walk or bike to school.

Director Romero asked what the sample size was in the survey; Ms. Vallez-Kelly said approximately 1,500. Director Romero said that the neighborhood schools are

becoming more like magnet or charter schools in that they are located increasingly farther away from people's homes, thus reducing the walking rates.

Chair Beach asked if in future surveys would be distributed to all schools in the county or just the grantees. Ms. Vallez-Kelly said her communication team sends the surveys to all schools.

12. STATE AND FEDERAL LEGISLATIVE UPDATE

Casey Fromson, Acting Chief Communications Officer, briefly summarized the highlights of recent federal and state legislation. She said October 31 is the projected date for the infrastructure bill and the reconciliation package

She noted that the State Senate is in recess until January 2022 and noted that the anticipated transportation package did not come to fruition during their last session of 2021.

13. REQUESTS FROM THE AUTHORITY

There were no requests.

14. WRITTEN COMMUNICATIONS TO THE AUTHORITY

Chair Beach noted that the correspondence was available on the website.

15. DATE/TIME OF NEXT REGULAR MEETING

Chair Beach announced that the next meeting would be on Thursday, November 4, 2021, 5:00 pm via Zoom teleconference.

16. REPORT OF LEGAL COUNSEL

Ms. Cassman said that there was nothing to report.

17. ADJOURN

The meeting adjourned at 6:33 pm in memory of former TA Director and four-time Burlingame Mayor Rosalie O'Mahony, who passed away in August.

An audio/video recording of this meeting is available online at www.smcta.com. Questions may be referred to the Authority Secretary's office by phone at 650.508.6242 or by email to board@smcta.com.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **STATEMENT OF REVENUES AND EXPENDITURES FOR THE PERIOD ENDING
SEPTEMBER 30, 2021**

ACTION

Staff proposes that the Board accept and enter into the record the Statement of Revenues and Expenditures for the month of September 2021 and supplemental information.

The statement columns have been designed to provide easy comparison of year to date prior to current actuals for the current fiscal year including dollar and percentage variances.

SIGNIFICANCE

Year to Date Revenues: As of September year-to-date, the Total Revenue (Page 1, line 8) is \$2.3 million higher than prior year actuals. This is primarily due to the increases in Measure A Sales Tax (Page 1, line 2) and Measure W Sales Tax (Page 1, line 3).

Year to Date Expenditures: As of September year-to-date, the Total Expenditures (Page 1, line 28) are \$6.9 million less than prior year actuals. This is primarily due to less expenditures in Other Uses – 101 Express Lanes Project (Page 1, line 14), and a fluctuation in expenditures associated with other various capital projects.

Budget Amendment:

There are no budget amendments for the month of September 2021.

Prepared By:

Yijia Ma, Senior Accountant– General Ledger
Jennifer Ye, Acting Director – Accounting

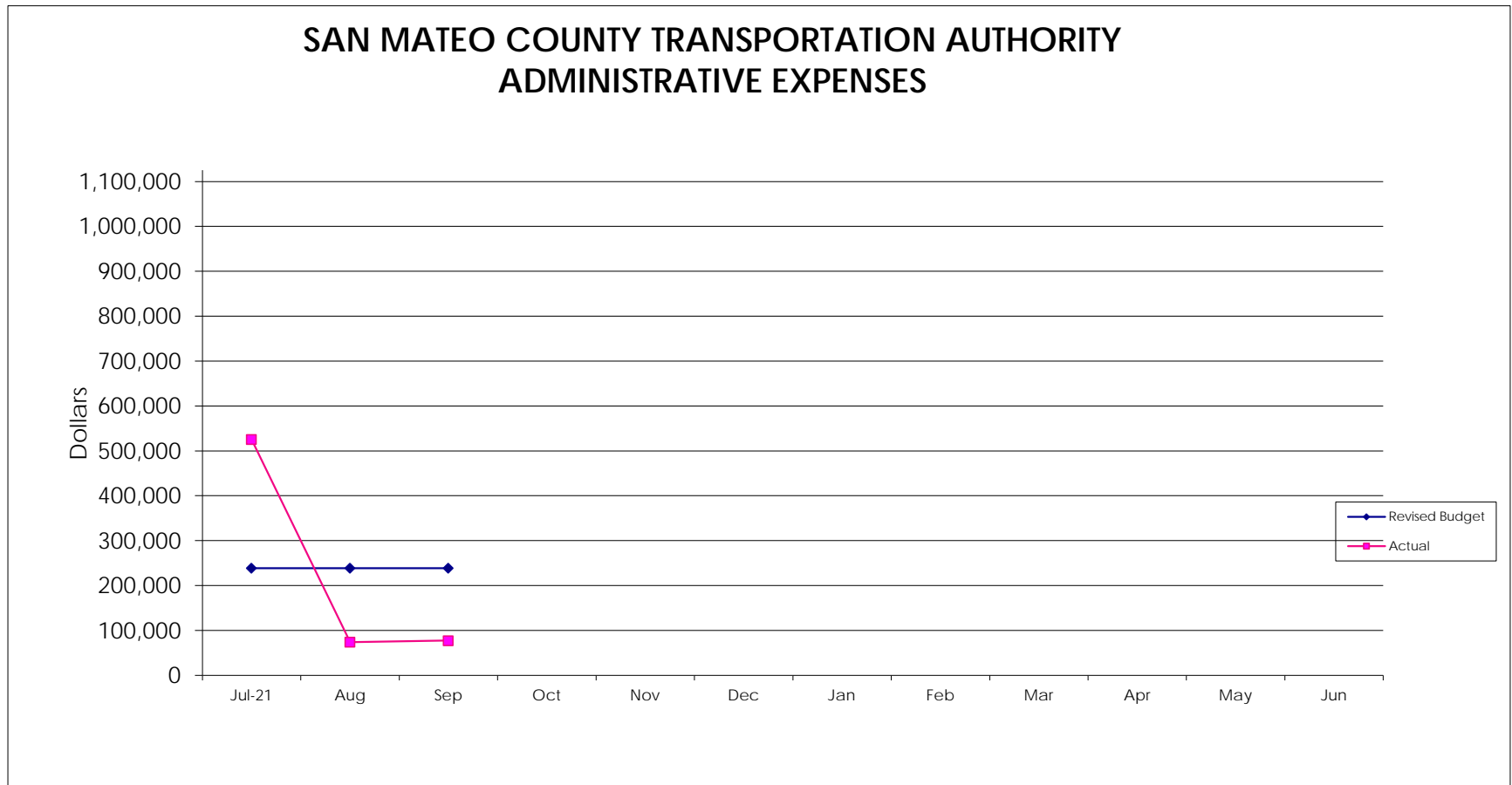
650-508-7947
650-622-7890

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENDITURES
Fiscal Year 2022
September 2021

% OF YEAR ELAPSED: **25.0%**

	YEAR TO DATE				ANNUAL
	PRIOR ACTUAL	CURRENT ACTUAL	\$ VARIANCE	% VARIANCE	ADOPTED BUDGET
REVENUES:					
Measure A Sales Tax	22,739,255	24,156,043	1,416,788	6.2%	96,495,540
Measure W Sales Tax	11,230,348	12,000,875	770,527	6.9%	48,247,770
Interest Income	827,616	971,488	143,871	17.4%	4,898,970
Rental Income	220,887	293,021	72,133	32.7%	1,170,938
Other Sources-101 Express Lanes Project	78,758	-	(78,758)	(100.0%)	400,000
TOTAL REVENUE	35,096,865	37,421,427	2,324,562	6.6%	151,213,218
EXPENDITURES:					
Measure A Annual Allocations	8,299,828	8,816,956	517,127	6.2%	35,220,872
Measure A Categories	1,761,629	641,693	(1,119,936)	(63.6%)	60,309,713
Other Uses-101 Express Lanes Project	7,110,341	152,482	(6,957,859)	(97.9%)	-
Measure W Annual Allocations	1,837,757	2,400,196	562,439	30.6%	9,649,554
Measure W Categories	-	36,067	36,067	100.0%	38,598,216
Oversight	243,407	225,543	(17,864)	(7.3%)	2,250,000
Administrative					
Staff Support	272,895	266,006	(6,889)	(2.5%)	1,481,054
Measure A Info.- Others	-	-	-	0.0%	5,000
Other Admin Expenses	329,747	411,001	81,254	24.6%	1,378,895
Total Administrative	602,641	677,007	74,366	12.3%	2,864,949
TOTAL EXPENDITURES	19,855,604	12,949,943	(6,905,660)	(34.8%)	148,893,304
EXCESS (DEFICIT)	15,241,261	24,471,484	9,230,223	60.6%	2,319,914
BEGINNING FUND BALANCE	396,098,095	519,610,241	(1)		519,610,241 (1)
ENDING FUND BALANCE	411,339,356	544,081,725			521,930,155

(1) The FY2022 beginning balance is based on the unaudited FY2021 June Financial Statement



Current Year Data

	Jul '21	Aug '21	Sep '21	Oct '21	Nov '21	Dec '21	Jan '22	Feb '22	Mar 22	Apr 22	May 22	Jun 22
MONTHLY EXPENSES												
Revised Budget	238,746	238,746	238,745									
Actual	525,159	74,377	77,471									
CUMULATIVE EXPENSES												
Staff Projections	238,746	477,492	716,237									
Actual	525,159*	599,536	677,007									
Variance-F(U)	(286,413)	(122,044)	39,230									
Variance %	-119.97%	-25.56%	5.48%									

*San Mateo County Transportation Authority recorded all insurance expenses paid in July for FY22 instead of amortizing on monthly basis.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CASH AND INVESTMENTS AS OF SEPTEMBER 30, 2021**

9/30/2021

LIQUIDITY FUNDS MANAGED BY DISTRICT STAFF

Bank of America Checking	5,685,923.81
JP Morgan Bank Checking	34,201,918.60
LAIF	74,203,327.99

INVESTMENT FUNDS

Investment Portfolio (Market Values)*	165,240,038.32
MMF - US Bank Custodian Account	236,504.84
Cash	939.74
County Pool	147,299,969.68

Total

\$ 426,868,622.98

* Fund Managed by Public Trust Advisors



Report: GAAP Base Balance Sheet by Lot
 Account: SMCTA - Agg (165727)
 As of: 09/30/2021
 Base Currency: USD

ABS	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
14313FAD1	CARMX 2018-3 A3	159,417.87	06/15/2023	159,396.14	221.77	160,378.73	160,600.50
36255JAD6	GMCAR 2018-3 A3	115,033.58	05/16/2023	115,006.76	144.75	115,592.50	115,737.25
65479CAD0	NAROT 2020-B A3	635,000.00	07/15/2024	634,982.60	155.22	636,517.98	636,673.20
92348TAA2	VZOT 2020-A A1A	800,000.00	07/22/2024	799,906.32	452.22	810,517.95	810,970.18
		1,709,451.45		1,709,291.82	973.96	1,723,007.16	1,723,981.12
AGCY BOND	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
3130A8HK2	FEDERAL HOME LOAN BANKS	3,275,000.00	06/14/2024	3,452,930.75	17,034.55	3,387,951.48	3,404,986.02
3130AJHU6	FEDERAL HOME LOAN BANKS	1,600,000.00	04/14/2025	1,592,064.00	3,711.11	1,590,824.00	1,594,535.11
3133EMRZ7	FEDERAL FARM CREDIT BANKS FUNDING CORP	3,300,000.00	02/26/2024	3,298,812.00	802.08	3,289,407.00	3,290,209.08
3135G03U5	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,600,000.00	04/22/2025	1,596,704.00	4,416.67	1,597,788.80	1,602,205.47
3135G04Z3	FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,600,000.00	06/17/2025	1,596,688.00	2,311.11	1,588,041.60	1,590,352.71
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION	3,800,000.00	08/25/2025	3,787,422.00	1,425.00	3,741,879.00	3,743,304.00
3135G06H1	FEDERAL NATIONAL MORTGAGE ASSOCIATION	4,665,000.00	11/27/2023	4,659,681.90	4,017.08	4,657,554.66	4,661,571.74
3137EAER6	FEDERAL HOME LOAN MORTGAGE CORP	1,100,000.00	05/05/2023	1,099,538.00	1,672.92	1,102,549.80	1,104,222.72
3137EAES4	FEDERAL HOME LOAN MORTGAGE CORP	1,600,000.00	06/26/2023	1,595,328.00	1,055.56	1,600,297.60	1,601,353.16
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP	3,800,000.00	09/23/2025	3,786,662.00	316.67	3,739,268.40	3,739,585.07
3137EAEY1	FEDERAL HOME LOAN MORTGAGE CORP	3,900,000.00	10/16/2023	3,885,453.00	2,234.38	3,885,772.80	3,888,007.18
		30,240,000.00		30,351,283.65	38,997.12	30,181,335.14	30,220,332.25
CD	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
22535CDV0	Credit Agricole Corporate And Investment Bank, New	1,500,000.00	04/01/2022	1,500,000.00	21,107.08	1,520,089.50	1,541,196.58
23341VZT1	DNB Bank ASA, New York Branch	1,600,000.00	12/02/2022	1,600,000.00	10,970.67	1,633,878.40	1,644,849.07
65558TLL7	Nordea Bank Abp, New York Branch	1,600,000.00	08/26/2022	1,600,000.00	2,960.00	1,623,614.40	1,626,574.40
83050PDR7	Skandinaviska Enskilda Banken AB (publ)	1,600,000.00	08/26/2022	1,600,000.00	2,976.00	1,623,758.40	1,626,734.40
		6,300,000.00		6,300,000.00	38,013.75	6,401,340.70	6,439,354.45

CORP	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
023135BW5	AMAZON.COM INC	2,225,000.00	05/12/2024	2,221,751.50	3,865.94	2,220,558.90	2,224,424.84
037833AS9	APPLE INC	1,475,000.00	05/06/2024	1,605,301.50	20,496.35	1,584,110.18	1,604,606.53
037833DT4	APPLE INC	1,600,000.00	05/11/2025	1,603,216.00	7,000.00	1,609,812.80	1,616,812.80
05531FBH5	TRUIST FINANCIAL CORP	1,550,000.00	08/01/2024	1,552,573.00	6,458.33	1,631,404.45	1,637,862.78
06406RAL1	BANK OF NEW YORK MELLON CORP	650,000.00	10/24/2024	652,860.00	5,952.92	675,320.75	681,273.67
24422ETL3	JOHN DEERE CAPITAL CORP	685,000.00	01/06/2022	681,979.15	4,286.01	689,357.29	693,643.29
24422EUQ0	JOHN DEERE CAPITAL CORP	350,000.00	01/10/2022	349,664.00	2,520.00	353,005.10	355,525.10
46647PBB1	JPMORGAN CHASE & CO	1,500,000.00	04/01/2023	1,500,000.00	24,052.50	1,520,509.50	1,544,562.00
693475AV7	PNC FINANCIAL SERVICES GROUP INC	1,550,000.00	01/23/2024	1,561,036.00	10,247.22	1,648,697.80	1,658,945.02
69371RP75	PACCAR FINANCIAL CORP	570,000.00	03/01/2022	569,498.40	1,353.75	576,149.16	577,502.91
89236TGT6	TOYOTA MOTOR CREDIT CORP	750,000.00	02/13/2025	757,327.50	1,800.00	769,602.75	771,402.75
89236TGT6	TOYOTA MOTOR CREDIT CORP	225,000.00	02/13/2025	227,198.25	540.00	230,880.83	231,420.83
89236TGT6	TOYOTA MOTOR CREDIT CORP	225,000.00	02/13/2025	228,132.00	540.00	230,880.83	231,420.83
931142DP5	WALMART INC	1,500,000.00	04/22/2024	1,618,200.00	21,862.50	1,598,437.50	1,620,300.00
		14,855,000.00		15,128,737.30	110,975.52	15,338,727.82	15,449,703.34
FHLMC	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
3137BGK24	FHMS K-043 A2	1,055,000.00	12/25/2024	1,107,255.47	2,692.01	1,127,330.80	1,130,022.81
3137BM6P6	FHMS K-721 A2	761,829.64	08/25/2022	768,317.10	1,961.71	772,998.06	774,959.77
3137FKK39	FHMS K-P05 A	62,033.50	07/25/2023	62,033.31	165.58	63,985.07	64,150.65
3137FQ3V3	FHMS K-J27 A1	344,705.19	07/25/2024	344,696.92	600.94	352,354.20	352,955.14
		2,223,568.33		2,282,302.80	5,420.23	2,316,668.13	2,322,088.37
MMFUND	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
31846V534	FIRST AMER:US TRS MM Y	236,504.84	09/30/2021	236,504.84	-	236,504.84	236,504.84
SM - CP N/M A	County Pool New Measure A	123,626,580.15	09/30/2021	123,626,580.15	-	123,626,580.15	123,626,580.15
SM - CP O/M A	County Pool Old Measure A	23,673,389.53	09/30/2021	23,673,389.53	-	23,673,389.53	23,673,389.53
SM - LAIF	Local Agency Investment Fund	74,203,327.99	09/30/2021	74,203,327.99	-	74,203,327.99	74,203,327.99
		221,739,802.51		221,739,802.51	-	221,739,802.51	221,739,802.51

MUNI	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
157411TK5	CHAFFEY CALIF JT UN HIGH SCH DIST	375,000.00	08/01/2024	375,000.00	1,313.13	387,787.50	389,100.63
		375,000.00		375,000.00	1,313.13	387,787.50	389,100.63
US GOV	Description	PAR	Maturity	Original Cost	Accrued Interest	Market Value	Market Value + Accrued
9128283J7	UNITED STATES TREASURY	1,675,000.00	11/30/2024	1,793,951.18	11,961.83	1,756,656.25	1,768,618.08
912828N30	UNITED STATES TREASURY	2,450,000.00	12/31/2022	2,389,324.22	13,157.10	2,510,484.38	2,523,641.47
912828N30	UNITED STATES TREASURY	11,000,000.00	12/31/2022	10,841,445.31	59,072.69	11,271,562.50	11,330,635.19
912828N30	UNITED STATES TREASURY	5,700,000.00	12/31/2022	5,609,601.56	30,610.39	5,840,718.75	5,871,329.14
912828R69	UNITED STATES TREASURY	8,850,000.00	05/31/2023	8,528,841.80	48,330.43	9,056,039.06	9,104,369.49
912828R69	UNITED STATES TREASURY	2,850,000.00	05/31/2023	2,781,421.87	15,564.04	2,916,351.56	2,931,915.60
912828W48	UNITED STATES TREASURY	1,525,000.00	02/29/2024	1,624,065.43	2,775.12	1,588,859.38	1,591,634.50
912828XX3	UNITED STATES TREASURY	4,650,000.00	06/30/2024	4,744,089.84	23,502.72	4,844,718.75	4,868,221.47
912828XX3	UNITED STATES TREASURY	6,500,000.00	06/30/2024	6,597,500.00	32,853.26	6,772,187.50	6,805,040.76
912828XX3	UNITED STATES TREASURY	1,500,000.00	06/30/2024	1,522,089.84	7,581.52	1,562,812.50	1,570,394.02
912828XX3	UNITED STATES TREASURY	400,000.00	06/30/2024	410,859.38	2,021.74	416,750.00	418,771.74
912828XX3	UNITED STATES TREASURY	2,600,000.00	06/30/2024	2,726,648.44	13,141.30	2,708,875.00	2,722,016.30
912828YM6	UNITED STATES TREASURY	2,250,000.00	10/31/2024	2,358,808.59	14,123.64	2,316,093.75	2,330,217.39
912828YY0	UNITED STATES TREASURY	3,200,000.00	12/31/2024	3,400,875.01	14,152.17	3,319,500.00	3,333,652.17
912828Z52	UNITED STATES TREASURY	3,200,000.00	01/31/2025	3,352,750.02	7,413.04	3,280,500.00	3,287,913.04
912828ZC7	UNITED STATES TREASURY	3,200,000.00	02/28/2025	3,320,624.99	3,082.87	3,253,000.00	3,256,082.87
912828ZF0	UNITED STATES TREASURY	2,250,000.00	03/31/2025	2,267,753.92	30.91	2,237,343.75	2,237,374.66
912828ZL7	UNITED STATES TREASURY	1,600,000.00	04/30/2025	1,594,437.50	2,510.87	1,582,000.00	1,584,510.87
912828ZT0	UNITED STATES TREASURY	1,550,000.00	05/31/2025	1,543,158.21	1,302.25	1,523,601.56	1,524,903.82
912828ZT0	UNITED STATES TREASURY	1,200,000.00	05/31/2025	1,194,281.26	1,008.20	1,179,562.50	1,180,570.70
912828ZW3	UNITED STATES TREASURY	2,250,000.00	06/30/2025	2,240,244.14	1,421.54	2,209,570.31	2,210,991.85
91282CAT8	UNITED STATES TREASURY	1,700,000.00	10/31/2025	1,687,183.60	1,778.53	1,660,687.50	1,662,466.03
91282CAW1	UNITED STATES TREASURY	5,325,000.00	11/15/2023	5,315,847.66	5,028.36	5,317,511.72	5,322,540.08
91282CAZ4	UNITED STATES TREASURY	2,000,000.00	11/30/2025	1,993,906.26	2,520.49	1,961,250.00	1,963,770.49
91282CBC4	UNITED STATES TREASURY	3,725,000.00	12/31/2025	3,686,440.44	3,530.15	3,648,753.91	3,652,284.05
91282CBH3	UNITED STATES TREASURY	2,925,000.00	01/31/2026	2,860,330.09	1,848.00	2,861,015.63	2,862,863.62
91282CBQ3	UNITED STATES TREASURY	4,850,000.00	02/28/2026	4,805,099.62	2,076.66	4,766,640.63	4,768,717.28
91282CBU4	UNITED STATES TREASURY	5,325,000.00	03/31/2023	5,316,887.68	18.29	5,320,007.81	5,320,026.10
91282CBW0	UNITED STATES TREASURY	2,350,000.00	04/30/2026	2,343,482.42	7,375.68	2,330,906.25	2,338,281.93
91282CBW0	UNITED STATES TREASURY	1,625,000.00	04/30/2026	1,629,760.75	5,100.20	1,611,796.88	1,616,897.08
91282CCF6	UNITED STATES TREASURY	3,175,000.00	05/31/2026	3,172,147.46	8,002.56	3,146,722.66	3,154,725.22
91282CCF6	UNITED STATES TREASURY	1,625,000.00	05/31/2026	1,628,745.12	4,095.80	1,610,527.34	1,614,623.14
91282CCP4	UNITED STATES TREASURY	2,550,000.00	07/31/2026	2,531,572.27	2,685.12	2,508,164.06	2,510,849.18
		107,575,000.00		107,814,175.88	349,677.48	108,891,171.88	109,240,849.36

* Weighted by: Base Market Value + Accrued

* Holdings Displayed by: Lot

Base Risk Summary - Fixed Income

09/01/2021 - 09/30/2021

SMCTA - Agg (165727)

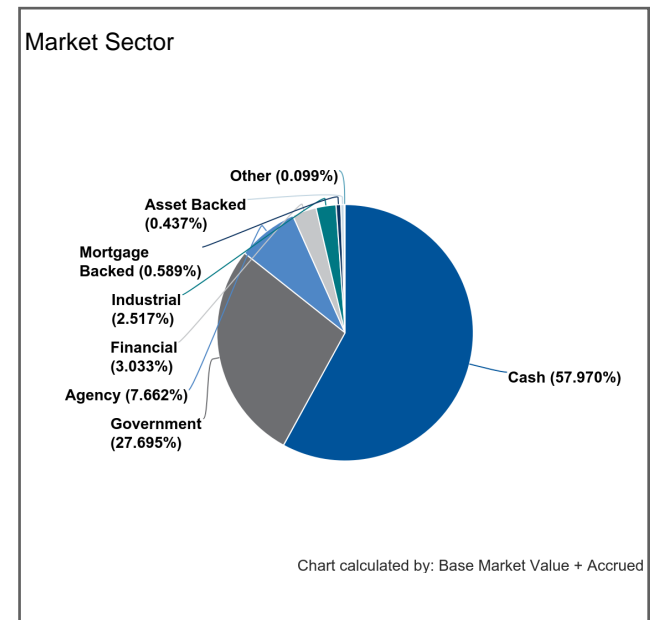
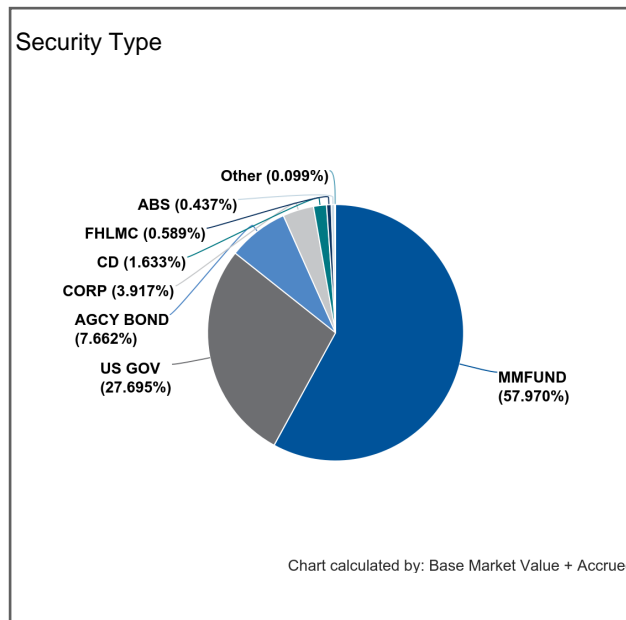
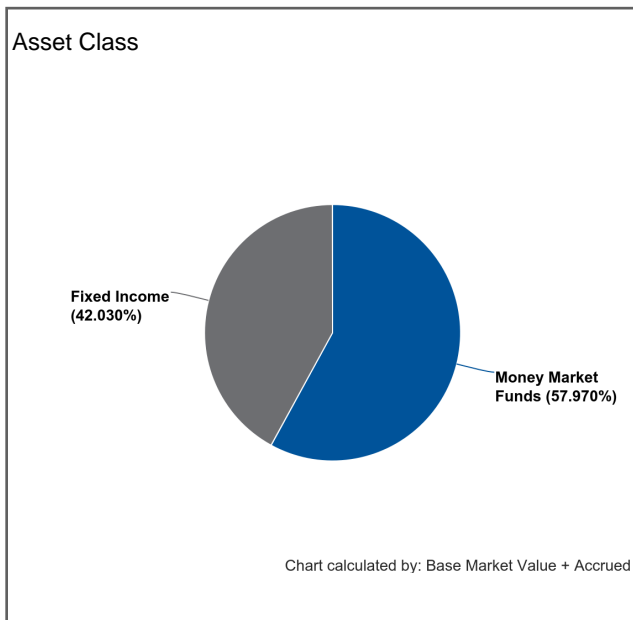
Dated: 10/06/2021

Balance Sheet	
Book Value + Accrued	393,203,493.93
Net Unrealized Gain/Loss	1,237,320.38
Market Value + Accrued	394,440,814.30

Cash and Fixed Income Summary	
Risk Metric	Value
MMFund	228,655,404.79
Fixed Income	165,785,409.51
Duration	2.612
Convexity	0.095
WAL	1.119
Years to Final Maturity	1.135
Years to Effective Maturity	1.118
Yield	0.500
Book Yield	0.482
Avg Credit Rating	AA/Aa2/AA

Issuer Concentration	
Issuer Concentration	% of Base Market Value + Accrued
(SM - CP N/M A) County Pool New Measure A	32.238%
United States	27.695%
(SM - LAIF) State of California	18.812%
Other	6.979%
(SM - CP O/M A) County Pool Old Measure A	6.859%
Federal Home Loan Mortgage Corporation	3.208%
Federal National Mortgage Association	2.940%
Federal Home Loan Banks	1.267%
---	100.000%

Footnotes: 1,2

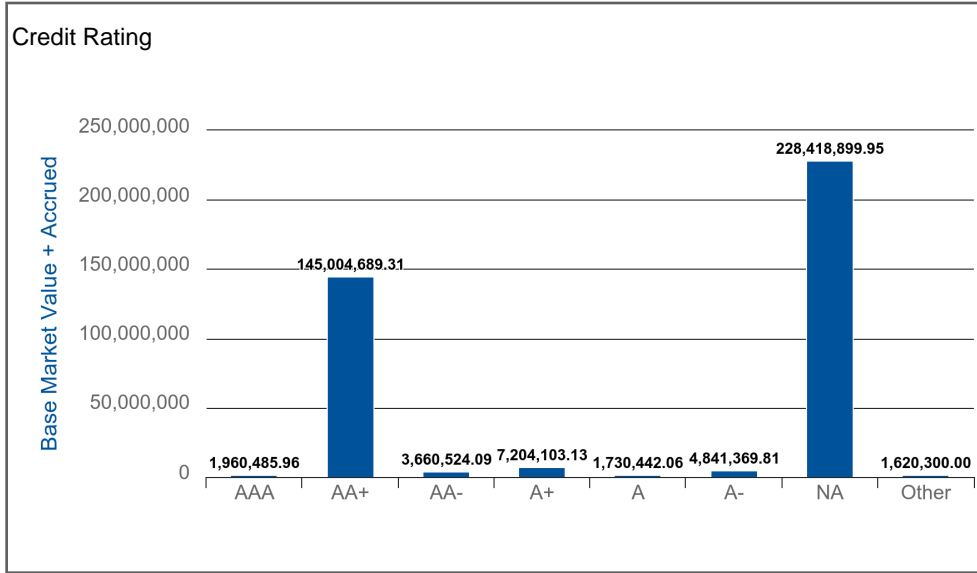


Base Risk Summary - Fixed Income

09/01/2021 - 09/30/2021

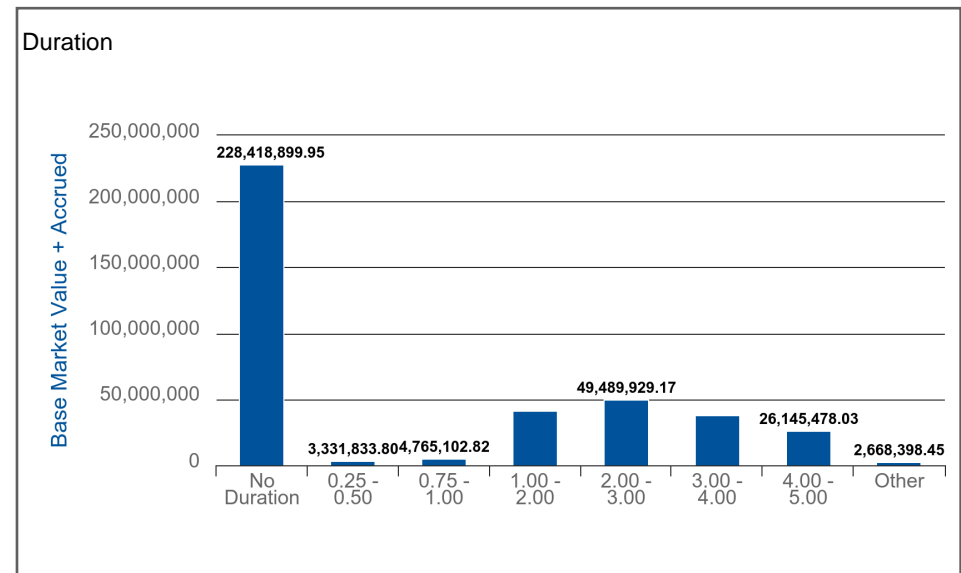
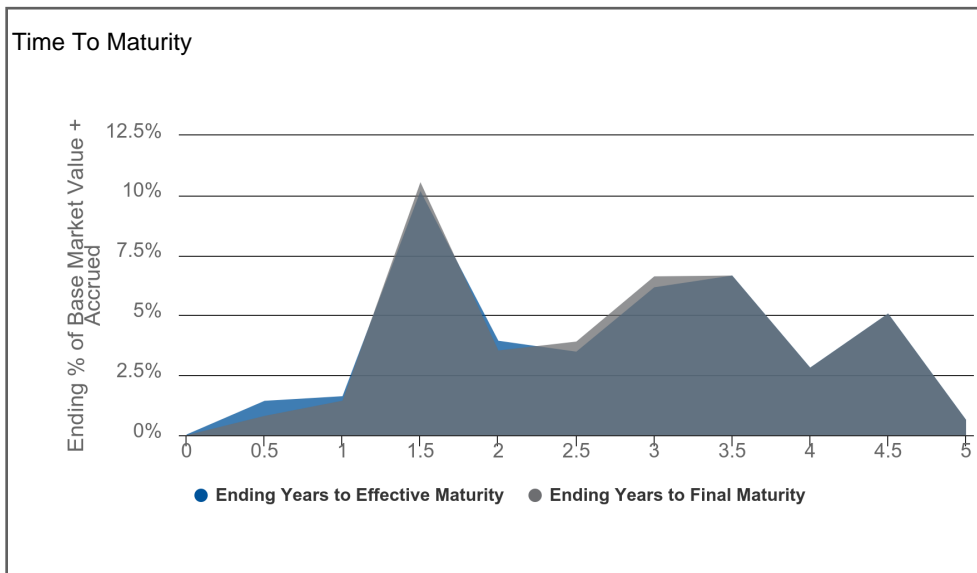
SMCTA - Agg (165727)

Dated: 10/06/2021



Credit Duration Heat Map

Rating	0 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5 - 7	7 - 10	10 - 15	15 - 30
AAA	0.497%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
AA	0.625%	10.594%	10.974%	9.279%	6.628%	0.000%	0.000%	0.000%	0.000%
A	1.607%	0.000%	1.572%	0.313%	0.000%	0.000%	0.000%	0.000%	0.000%
BBB	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
BB	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
B	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CCC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CC	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
C	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
NA	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

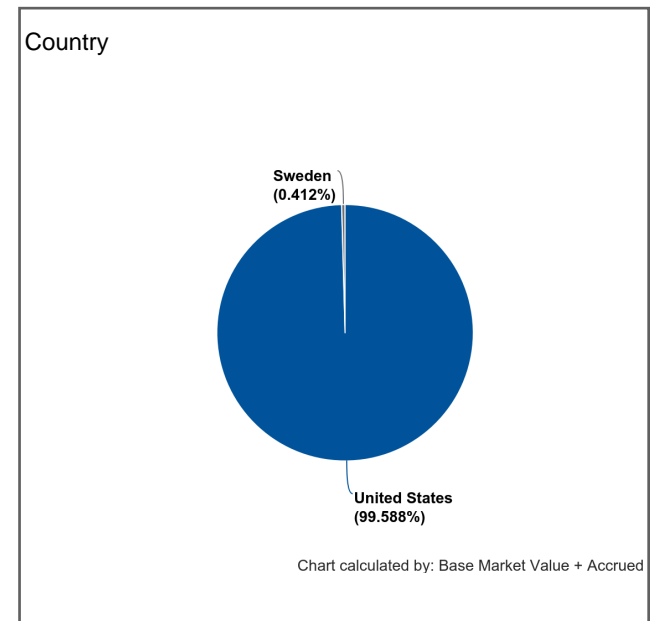
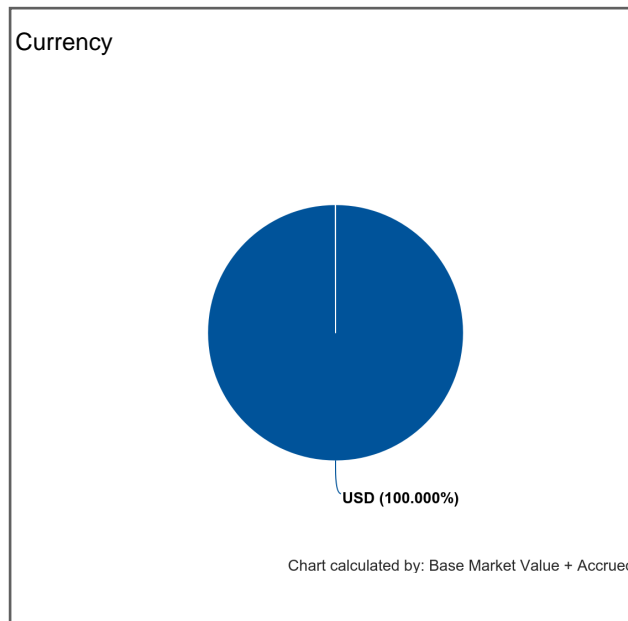
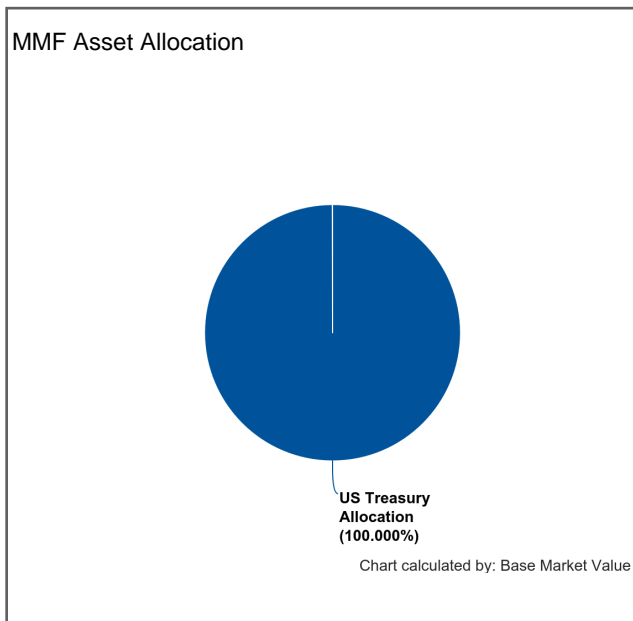
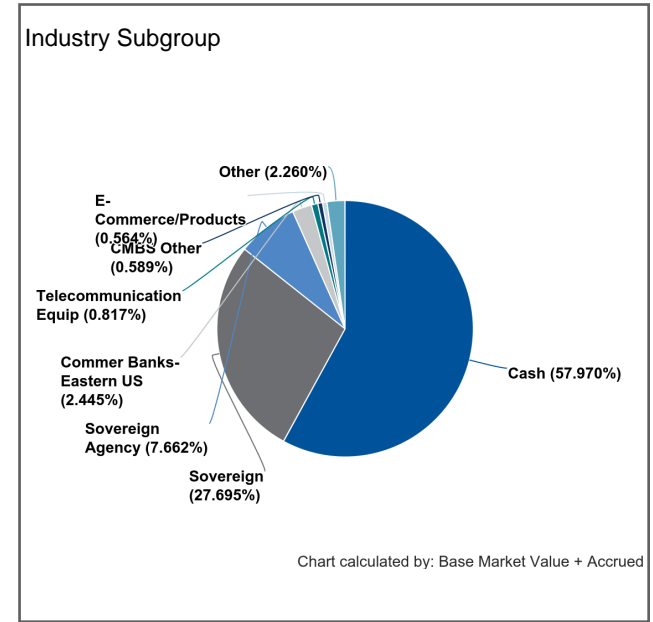
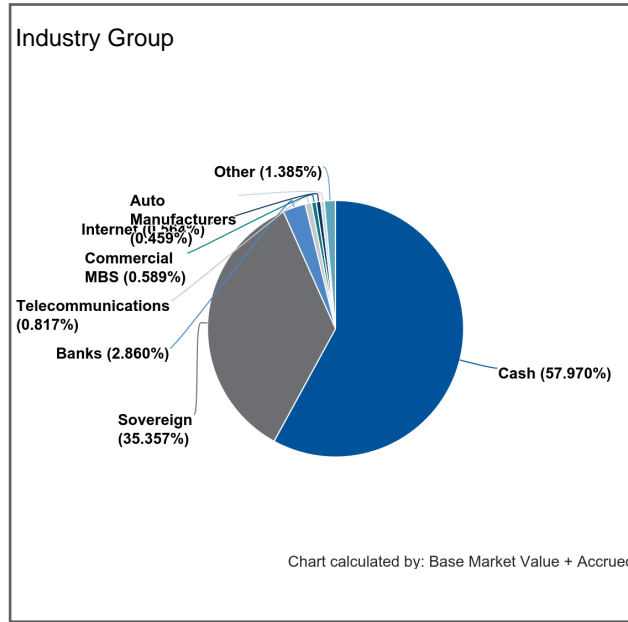
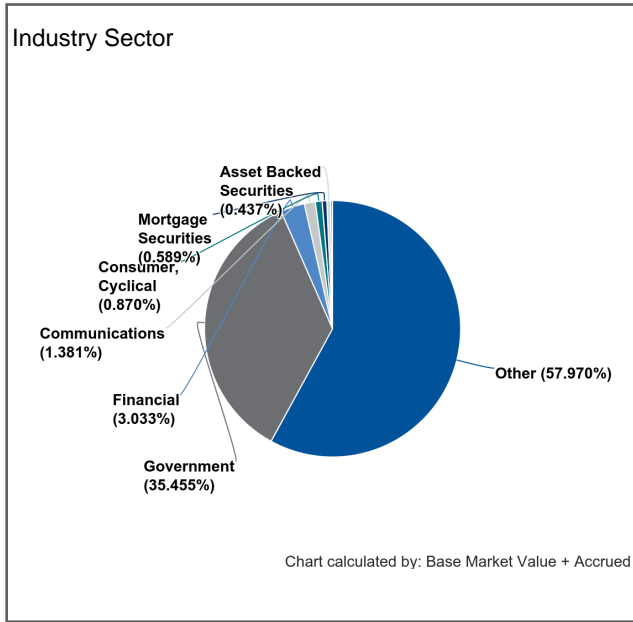


Base Risk Summary - Fixed Income

09/01/2021 - 09/30/2021

SMCTA - Agg (165727)

Dated: 10/06/2021



Base Risk Summary - Fixed Income

09/01/2021 - 09/30/2021

SMCTA - Agg (165727)

Dated: 10/06/2021

1: * Grouped by: Issuer Concentration. 2: * Groups Sorted by: % of Base Market Value + Accrued.



Report: GAAP Trading Activity
 Account: SMCTA - Agg (165727)
 Date: 09/01/2021 - 09/30/2021

Identifier	Description	Base Original Units	Base Current Units	Transaction Type	Trade Date	Settle Date	Final Maturity	Base Principal	Accrued Interest	Market Value
14313FAD1	CARMX 2018-3 A3	0.00	(32,700.88)	Principal Paydown	09/15/2021	09/15/2021	06/15/2023	(32,700.88)	0.00	32,700.88
3136B1XP4	FNA 2018-M5 A2	0.00	(29.71)	Principal Paydown	09/01/2021	09/01/2021	09/25/2021	(29.66)	0.00	29.66
3137BM6P6	FHMS K-721 A2	0.00	(1,289.62)	Principal Paydown	09/01/2021	09/01/2021	08/25/2022	(1,289.62)	0.00	1,289.62
3137FKK39	FHMS K-P05 A	0.00	(149.66)	Principal Paydown	09/01/2021	09/01/2021	07/25/2023	(149.66)	0.00	149.66
3137FQ3V3	FHMS K-J27 A1	0.00	(4,960.23)	Principal Paydown	09/01/2021	09/01/2021	07/25/2024	(4,960.23)	0.00	4,960.23
31846V534	FIRST AMER:US TRS MM Y	96,097.49	96,097.49	Buy	---	---	09/30/2021	96,097.49	0.00	(96,097.49)
31846V534	FIRST AMER:US TRS MM Y	(142,805.40)	(142,805.40)	Sell	09/03/2021	09/03/2021	09/30/2021	(142,805.40)	0.00	142,805.40
36255JAD6	GMCAR 2018-3 A3	0.00	(25,535.09)	Principal Paydown	09/16/2021	09/16/2021	05/16/2023	(25,535.08)	0.00	25,535.08
912828T91	UNITED STATES TREASURY	(6,950,000.00)	(6,950,000.00)	Sell	09/01/2021	09/03/2021	10/31/2023	(7,156,871.13)	(38,668.82)	7,195,539.95
91282CBQ3	UNITED STATES TREASURY	4,850,000.00	4,850,000.00	Buy	09/01/2021	09/03/2021	02/28/2026	4,805,099.62	200.97	(4,805,300.59)
91282CCP4	UNITED STATES TREASURY	2,550,000.00	2,550,000.00	Buy	09/01/2021	09/03/2021	07/31/2026	2,531,572.27	1,472.49	(2,533,044.76)
San Mateo County TA		403,292.09	338,626.91					68,427.72	(36,995.36)	(31,432.36)

* Showing transactions with Trade Date within selected date range.

* Weighted by: Absolute Value of Principal

* MMF transactions are collapsed

* The Transaction Detail/Trading Activity reports provide our most up-to-date transactional details. As such, these reports are subject to change even after the other reports on the website have been locked down.

* While these reports can be useful tools in understanding recent activity, due to their dynamic nature we do not recommend using them for booking journal entries or reconciliation.

SMCTA – Glossary of Terms

Accrued Interest - The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date. Accrued interest occurs as a result of the difference in timing of cash flows and the measurement of these cash flows.

Amortized Cost - The amount at which an investment is acquired, adjusted for accretion, amortization, and collection of cash.

Book Yield - The measure of a bond's recurring realized investment income that combines both the bond's coupon return plus its amortization.

Average Credit Rating - The average credit worthiness of a portfolio, weighted in proportion to the dollar amount that is invested in the portfolio.

Convexity - The relationship between bond prices and bond yields that demonstrates how the duration of a bond changes as the interest rate changes.

Credit Rating - An assessment of the credit worthiness of an entity with respect to a particular financial obligation. The credit rating is inversely related to the possibility of debt default.

Duration - A measure of the exposure to interest rate risk and sensitivity to price fluctuation of fixed-income investments. Duration is expressed as a number of years.

Income Return - The percentage of the total return generated by the income from interest or dividends.

Original Cost - The original cost of an asset takes into consideration all of the costs that can be attributed to its purchase and to putting the asset to use.

Par Value - The face value of a bond. Par value is important for a bond or fixed-income instrument because it determines its maturity value as well as the dollar value of coupon payments.

Price Return - The percentage of the total return generated by capital appreciation due to changes in the market price of an asset.

Short-Term Portfolio - The city's investment portfolio whose securities' average maturity is between 1 and 5 years.

Targeted-Maturities Portfolio - The city's investment portfolio whose securities' average maturity is between 0 and 3 years.

Total Return - The actual rate of return of an investment over a given evaluation period. Total return is the combination of income and price return.

Unrealized Gains/(Loss) - A profitable/(losing) position that has yet to be cashed in. The actual gain/(loss) is not realized until the position is closed. A position with an unrealized gain may eventually turn into a position with an unrealized loss, as the market fluctuates and vice versa.

Weighted Average Life (WAL) - The average number of years for which each dollar of unpaid principal on an investment remains outstanding, weighted by the size of each principal payout.

Yield - The income return on an investment. This refers to the interest or dividends received from a security and is expressed as a percentage based on the investment's cost and its current market value.

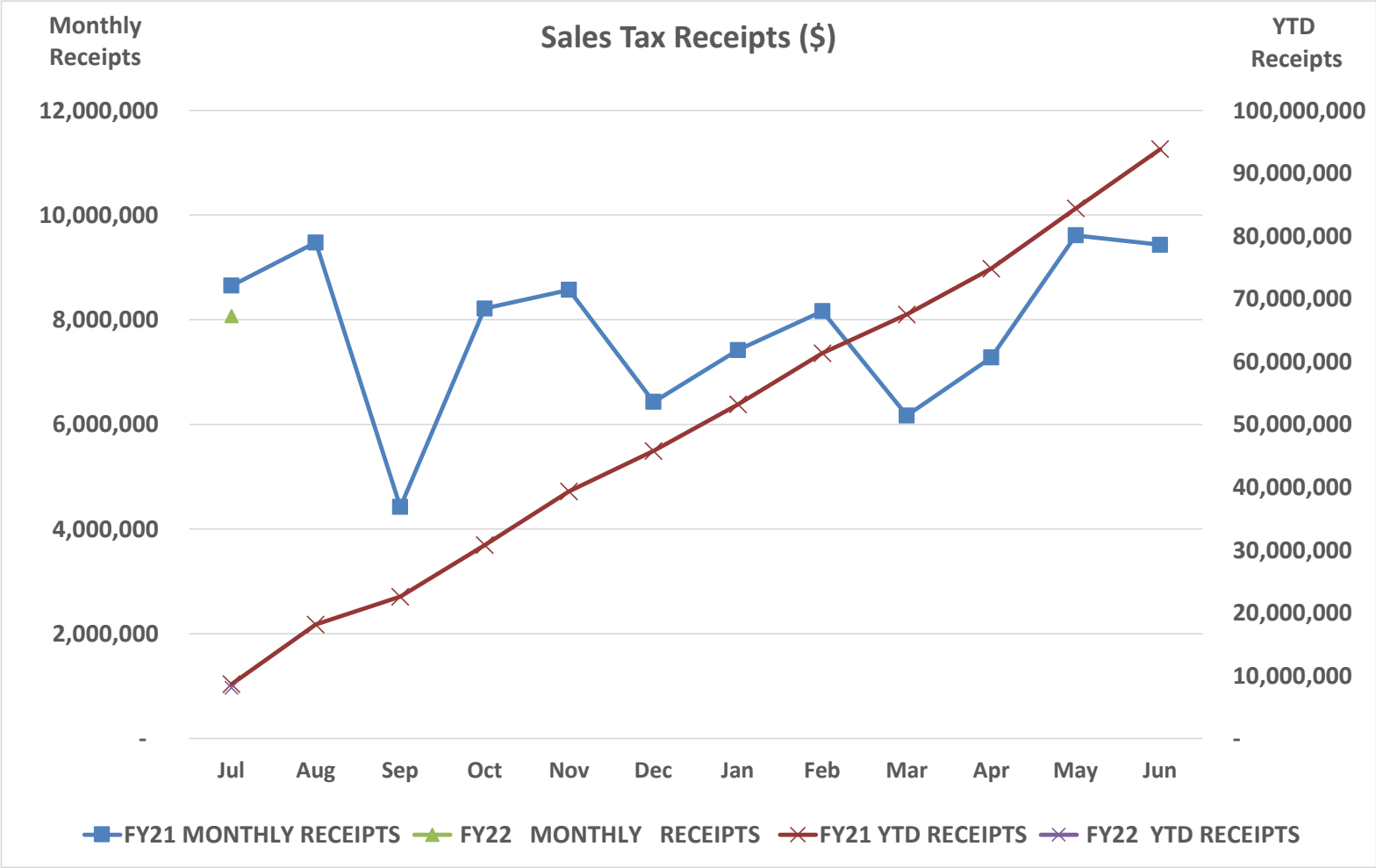
Yield to Maturity at Cost (YTM @ Cost) - The internal rate of return of a security given the amortized price as of the report date and future expected cash flows.

Yield to Maturity at Market (YTM @ Market) - The internal rate of return of a security given the market price as of the report date and future expected cash flows.

Years to Effective Maturity - The average time it takes for securities in a portfolio to mature, taking into account the possibility that any of the bonds might be called back to the issuer.

Years to Final Maturity - The average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. Weighted average maturity measures the sensitivity of fixed-income portfolios to interest rate changes.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
 FY2022
 Measure A Sales Tax
 September 2021**



* Sales tax receipts are received and reconciled two months in arrears with a quarterly true up by the State of California also two months in arrears

SAN MATEO COUNTY TRANSPORTATION AUTHORITY
CHECKS WRITTEN
SEPTEMBER 2021

Unit	Ref	Name	Amount	Method	Description
SMCTA	000064	KHOURI CONSULTING LLC	5,500.00	ACH	Operating Expense
SMCTA	000066	KADESH & ASSOCIATES, LLC	4,600.00	ACH	Operating Expense
SMCTA	000067	KHOURI CONSULTING LLC	5,500.00	ACH	Operating Expense
SMCTA	000093	USI INSURANCE SERVICES LLC	624.25	WIR	Operating Expense
SMCTA	000060	ZOON ENGINEERING, INC.	65,906.90	ACH	Capital Programs (1)
SMCTA	000063	ZOON ENGINEERING, INC.	66,001.31	ACH	Capital Programs (1)
SMCTA	000069	GRAY-BOWEN-SCOTT	63,150.24	ACH	Capital Programs (1)
SMCTA	000091	DEPARTMENT OF TRANSPORTATION	7,745,929.98	WIR	Capital Programs (1)
SMCTA	000096	DEPARTMENT OF TRANSPORTATION	7,517,881.11	WIR	Capital Programs (1)
SMCTA	000286	PACIFIC GAS & ELECTRIC COMPANY	210.75	CHK	Capital Programs (1)
SMCTA	000287	PACIFIC GAS & ELECTRIC COMPANY	91.70	CHK	Capital Programs (1)
SMCTA	000293	E-BUILDER, INC.	179,320.21	CHK	Capital Programs (1)
SMCTA	000294	PACIFIC GAS & ELECTRIC COMPANY	84.00	CHK	Capital Programs (1)
SMCTA	000295	PACIFIC GAS & ELECTRIC COMPANY	186.25	CHK	Capital Programs (1)
SMCTA	000296	PACIFIC GAS & ELECTRIC COMPANY	33.76	CHK	Capital Programs (1)
SMCTA	000297	PACIFIC GAS & ELECTRIC COMPANY	217.40	CHK	Capital Programs (1)
SMCTA	000300	PACIFIC GAS & ELECTRIC COMPANY	76.16	CHK	Capital Programs (1)
SMCTA	000301	PACIFIC GAS & ELECTRIC COMPANY	186.09	CHK	Capital Programs (1)
SMCTA	000302	PACIFIC GAS & ELECTRIC COMPANY	90.50	CHK	Capital Programs (1)
SMCTA	000303	PACIFIC GAS & ELECTRIC COMPANY	40.71	CHK	Capital Programs (1)
SMCTA	000304	PALO ALTO, CITY OF	370.33	ACH	Capital Programs (1)
SMCTA	000306	PACIFIC GAS & ELECTRIC COMPANY	98.98	CHK	Capital Programs (1)
SMCTA	000307	PACIFIC GAS & ELECTRIC COMPANY	66.46	CHK	Capital Programs (1)
SMCTA	000308	PACIFIC GAS & ELECTRIC COMPANY	162.65	CHK	Capital Programs (1)
SMCTA	000061	MARK THOMAS & COMPANY AND AECOM JV	257,155.66	ACH	Capital Programs (2)
SMCTA	000062	MARK THOMAS & COMPANY AND AECOM JV	262,910.01	ACH	Capital Programs (3)
SMCTA	000065	MARK THOMAS & COMPANY AND AECOM JV	172,700.15	ACH	Capital Programs (4)
SMCTA	000068	MARK THOMAS & COMPANY AND AECOM JV	75,656.62	ACH	Capital Programs (5)
SMCTA	000092	HANSON BRIDGETT LLP	1,767.00	WIR	Capital Programs (6)
SMCTA	000094	HANSON BRIDGETT LLP	19,483.50	WIR	Capital Programs (7)
SMCTA	000095	PENINSULA CORRIDOR JOINT POWERS BOARD	2,156,039.67	WIR	Capital Programs (8)
SMCTA	000285	MENLO PARK, CITY OF	21,801.21	CHK	Capital Programs (9)
SMCTA	000095	PENINSULA CORRIDOR JOINT POWERS BOARD	253,903.59	CHK	Capital Programs (9)
SMCTA	000290	SOUTH SAN FRANCISCO, CITY OF	102,185.48	CHK	Capital Programs (9)
SMCTA	000289	REDWOOD CITY, CITY OF	37,051.00	CHK	Capital Programs (10)
SMCTA	000291	SOUTH SAN FRANCISCO, CITY OF	430,868.32	CHK	Capital Programs (11)
SMCTA	000292	CITY OF DALY CITY	8,783.28	CHK	Capital Programs (12)
SMCTA	000298	WSP USA INC.	51,348.82	CHK	Capital Programs (13)
SMCTA	000299	FIVEPATHS, LLC	19,110.00	CHK	Capital Programs (14)
SMCTA	000305	CITY/COUNTY ASSOCIATION OF GOVERNMENTS	25,000.00	CHK	Capital Programs (15)
SMCTA	000309	WSP USA INC.	24,947.93	CHK	Capital Programs (16)
			19,577,041.98		

(1) 101 HOV Ln Whipple - San Bruno
(2) \$58,299.15 101 Peninsula Ave/Poplar I/C
1,566.76 101 Interchange to Broadway
158,021.55 101 HOV Ln Whipple - San Bruno
39,268.20 US 101/SR 92 Direct Connector
\$257,155.66

(3) 101 Managed Lanes (Nof I-380)
(4) \$63,411.33 101 Peninsula Ave/Poplar I/C
1,474.99 101 Interchange to Broadway
107,813.83 101 HOV Ln Whipple - San Bruno
\$172,700.15

(5) US 101/SR 92 Direct Connector
(6) Railroad Grade Sep Oversight
(7) \$46.50 Pedestrian & Bicycle Oversight
372.00 TA-Caltrain Project Oversight
15,159.00 SMCTA Operating Administration
3,859.50 Highway Oversight
46.50 Ferry Oversight
\$19,483.50

(8) 25th Ave Grade Separation
(9) Shuttles FY21-22 Funding
(10) 84/101 Interchange
(11) Produce Ave Interchange
(12) 2015 Call for Proj-Ped&Bike
(13) \$50,703.63 ACR/TDM Plan
645.19 Highway Oversight
\$51,348.82

(14) Express Lane Operations
(15) Highway Oversight
(16) ACR/TDM Plan

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: April Chan
Chief Officer, Planning, Grants/Transportation Authority

SUBJECT: **AUTHORIZE THE FILING OF AN APPLICATION FOR \$12,858,000 OF REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM FUNDS FOR THE DESIGN PHASE OF THE SR 92/US 101 DIRECT CONNECTOR PROJECT**

ACTION

Staff recommends the Board adopt a Resolution of Support and authorize the Acting Executive Director, or designee, to file an application for and receive \$12,858,000 of Regional Transportation Improvement Program (RTIP) funding for the final design phase of the SR (State Route) 92/US 101 Direct Connector Project (Project) as part of the 2022 State Transportation Improvement Program (STIP).

SIGNIFICANCE

Staff from the San Mateo County Transportation Authority (TA) and the City/County Association of Governments of San Mateo County (C/CAG), which are co-sponsors of the Project, are currently working diligently to secure Project funding. One potential source of funding is the STIP. Before the Project and an associated STIP programming request can be submitted to the California Transportation Commission, the Metropolitan Transportation Commission (MTC), as the Regional Transportation Planning Organization, is required to approve the fund programming.

MTC requires every new STIP project to be accompanied by an adopted Resolution of Local Support using MTC's prescribed template. In addition, a completed Project Initiation Document (PID) must be approved before a project can be included in the STIP. The PID for the Project was completed and approved by the California Department of Transportation in November 2020.

C/CAG adopted its Resolution of Local Support for the Project on October 14, 2021. With TA adoption of a Resolution of Local Support, an application can be submitted to MTC through C/CAG for STIP funds. The \$12,858,000 request would fully fund the current total cost estimate for the design phase of the Project.

BUDGET IMPACT

There is no budget impact associated with the requested action.

BACKGROUND

The TA's 2020-2024 Strategic Plan directs the TA to identify highway projects of countywide significance and possibly determine an appropriate level of funding to be set-aside for them. The TA's Short Range Highway Plan 2021-2030 carried forward this process, and named the SR 92/US 101 Direct Connector Project as one such project.

The SR 92/US 101 interchange serves nearly half a million travelers each day. The Project proposes to construct ramps directly connecting SR 92 to the new 101 Express Lanes, facilitating traffic flow and significantly reducing the travel time of transit and high-occupancy vehicles through the interchange.

The TA is currently conducting long-lead-time technical studies to initiate the Project's environmental process and, at its October 6, 2021 meeting, the TA Board adopted Resolution 2021-28 to support an application for the TA to fund the environmental phase of this Project as part of the 2021 Highway Program Call for Projects.

Prepared by: Joseph Hurley, Director TA Program

650-508-7942

RESOLUTION NO. 2021 –

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA**

* * *

**AUTHORIZING THE FILING OF AN APPLICATION FOR \$12,858,000 IN FUNDING FROM THE
REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM (RTIP) FOR THE
SR 92/US 101 DIRECT CONNECTOR PROJECT**

WHEREAS, on November 2, 2004, the voters of San Mateo County approved continued collection and distribution by the San Mateo County Transportation Authority of a half-cent transactions and use tax for an additional 25 years to implement the 2004 Transportation Expenditure Plan beginning January 1, 2009 (New Measure A); and

WHEREAS, the **San Mateo County Transportation Authority** (herein referred to as APPLICANT) is submitting an application to the Metropolitan Transportation Commission (MTC) for \$12,858,000 in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as Surface Transportation Block Grant Program (STP) funding, Congestion Mitigation and Air Quality Improvement Program (CMAQ) funding, Transportation Alternatives (TA) set-aside/Active Transportation Program (ATP) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as REGIONAL DISCRETIONARY FUNDING) for the **SR 92/US 101 Direct Connector** within San Mateo County (herein referred to as PROJECT) for the **Regional Transportation Improvement Program (RTIP)** (herein referred to as PROGRAM); and

WHEREAS, APPLICANT is a co-sponsor of the PROJECT with the City/County Association of Governments of San Mateo County (herein referred to as C/CAG); and

WHEREAS, on October 14, 2021 C/CAG submitted a resolution of local support for the PROJECT; and

WHEREAS, the United States Congress from time to time enacts and amends legislation to provide funding for various transportation needs and programs, (collectively, the FEDERAL TRANSPORTATION ACT) including, but not limited to the STP (23 U.S.C. § 133), the CMAQ (23 U.S.C. § 149) and the TA set-aside (23 U.S.C. § 133); and

WHEREAS, state statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, pursuant to the FEDERAL TRANSPORTATION ACT, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, APPLICANT is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, as part of the application for REGIONAL DISCRETIONARY FUNDING, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional REGIONAL DISCRETIONARY FUNDING; and
- that the PROJECT will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the PROJECT as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the PROJECT will have adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and
- that the PROJECT will comply with all project-specific requirements as set forth in the PROGRAM; and
- that APPLICANT has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquiries or issues that may arise during the federal programming and delivery process for all FHWA-

and CTC-funded transportation and transit projects implemented by APPLICANT; and

- in the case of a transit project, the PROJECT will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of a highway project, the PROJECT will comply with MTC Resolution No. 4104, which sets forth MTC's Traffic Operations System (TOS) Policy to install and activate TOS elements on new major freeway projects; and
- in the case of an RTIP project, state law requires PROJECT be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and

WHEREAS, APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

WHEREAS, there is no legal impediment to APPLICANT making applications for the funds; and

WHEREAS, there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and

WHEREAS, APPLICANT authorizes its Executive Director or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application.

NOW, THEREFORE, BE IT RESOLVED that the APPLICANT is authorized to execute and file an application for funding for the PROJECT for REGIONAL DISCRETIONARY FUNDING under the FEDERAL TRANSPORTATION ACT or continued funding; and

BE IT FURTHER RESOLVED that APPLICANT will provide any required matching funds; and

BE IT FURTHER RESOLVED that APPLICANT understands that the REGIONAL DISCRETIONARY FUNDING for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional REGIONAL DISCRETIONARY FUNDING; and

BE IT FURTHER RESOLVED that APPLICANT understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and APPLICANT has, and will retain the expertise, knowledge and resources necessary to deliver federally-funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective CMA, MTC, Caltrans, FHWA, and CTC on all communications, inquiries or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and

BE IT FURTHER RESOLVED that PROJECT will be implemented as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP; and

BE IT FURTHER RESOLVED that APPLICANT has reviewed the PROJECT and has adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and

BE IT FURTHER RESOLVED that PROJECT will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the PROGRAM; and

BE IT FURTHER RESOLVED that, in the case of a transit project, APPLICANT agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, revised; and

BE IT FURTHER RESOLVED that, in the case of a highway project, APPLICANT agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy as set forth in MTC Resolution No. 4104; and

BE IT FURTHER RESOLVED that, in the case of an RTIP project, PROJECT is included in a local congestion management plan, or is consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and

BE IT FURTHER RESOLVED that APPLICANT is an eligible sponsor of REGIONAL DISCRETIONARY FUNDING funded projects; and

BE IT FURTHER RESOLVED that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

BE IT FURTHER RESOLVED that there is no legal impediment to APPLICANT making applications for the funds; and

BE IT FURTHER RESOLVED that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and

BE IT FURTHER RESOLVED that APPLICANT authorizes its Executive Director or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

BE IT FURTHER RESOLVED that a copy of this resolution will be transmitted to the MTC in conjunction with the filing of the application; and

BE IT FURTHER RESOLVED that the MTC is requested to support the application for the PROJECT described in the resolution, and if approved, to include the PROJECT in MTC's federal TIP upon submittal by the project sponsor for TIP programming; and

BE IT FURTHER RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby Authorizes the Filing of an Application For \$12,858,000 in Funding From the RTIP For SR 92/US 101 Direct Connector; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute and/or amend any agreement, and take any additional actions necessary, to give effect to this resolution.

Regularly passed and adopted this 4th day of November, 2021 by the following

vote:

AYES:

NOES:

ABSENT:

Chair, San Mateo County Transportation Authority

ATTEST:

Authority Secretary



BOARD OF DIRECTORS 2021

EMILY BEACH, CHAIR
RICO E. MEDINA, VICE CHAIR
CAROLE GROOM
DON HORSLEY
JULIA MATES
MARK NAGALES
CARLOS ROMERO

CARTER MAU
ACTING EXECUTIVE DIRECTOR

**AGENDA ITEM #9
NOVEMBER 4, 2021**

MEMORANDUM

To: TA Board of Directors
From: Carter Mau, Acting Executive Director
Subject: Executive Director's Report – October 28, 2021

Route 1 Safety and Operational Improvement between Wavecrest Road to Poplar Street – Ribbon Cutting

On October 13, 2021, the City of Half Moon Bay celebrated the completion of this project with a ribbon-cutting ceremony. Chair Emily Beach and Director Don Horsley were among the guest speakers at the event who acknowledged TA's contribution of approximately \$4 million towards the project. Construction began in October 2020 and the stellar performance by the construction management and contractor's teams ensured that the improvements were open to traffic early October and within budget despite the supply chain constraints arising from the pandemic.

This project brings safety enhancements and operational improvements on scenic State Route (SR) 1 and its intersecting city streets from Wavecrest Road to Poplar Street. The project scope includes traffic signals, lighting, landscaping, and roadway improvements at the intersections at Poplar Street and Main Street/Higgins Canyon Road. This project is an example of the TA's investments to enhance safety and meet local mobility needs on the Coastside.

GEC Contract Extension

At the August 2021 meeting, the TA Board awarded contracts to three firms that will provide on-call general engineering consultant (GEC) services to provide support for transportation projects administered/managed by the TA over the next five years. There are, however, some projects that are at a critical point where it would be in the best interest of the project to complete the remaining work under the current GEC contract a Joint Venture with AECOM/Mark Thomas & Company that is scheduled to expire on November 30, 2021 and thus avoid the additional costs and schedule delays that would occur if work on these activities were to be transferred to the new contract. Staff analyzed various options to move forward with these projects and have decided to issue a nine-month extension of the current contract to include only the specific projects and

the proposed strategy to move forward identified below. No Board action is required. Extending contracts for time only falls within the Executive Director's delegated authority from the Board. All other work in support of the TA will be issued under the new contract.

- US 101 Managed Lanes Project North of I-380 and US 101/Peninsula Avenue Interchange
 - These two projects are currently in the Project Approval and Environmental Document (PA/ED) phase. This time extension will allow for the substantial completion of the technical studies to logical termini where the balance of the work can be seamlessly transferred to the new contract.
- US 101/Broadway Interchange Right of Way (ROW) closeout and Landscape
 - The ROW tasks such as property transfer from the City of Burlingame to the State can be completed under this extension.
 - The landscape work has been put on hold until the 101 Express Lanes Project no longer needs the interchange area for construction staging. This area will be expected to be released Summer 2022. The extension will allow for the completion of landscaping final design and preparation of the bid documents for construction.

Autonomous Vehicle Workshop (Reminder)

The TA and SamTrans will be hosting a joint virtual workshop on November 17, 2021 from 9:00 am to 12:00 pm aimed at providing a better understanding of how autonomous technologies may impact travel and mobility in San Mateo County. Progress toward autonomous personal and shared autonomous vehicles (AV/SAV) is steadily made over the past decade. However, most of the research and communications about the technology has been centered on how vehicles themselves adapt to the environment around it, rather than presenting how cities should be preparing for the transition to a driverless future.

The workshop will focus on three components: (1) provide an overview of current the current policy framework in California and beyond; (2) learn from presenters about current autonomous and connected vehicle technologies for personal, shared, and transit vehicle applications; and (3) collaborate on potential ideas for how the TA, SamTrans, and local jurisdictions can start thinking about how funding, transit, project/infrastructure, and policy decisions may need to adapt to an AV/SAV future. The event will be free and open to the public; participation at the workshop will include TA and SamTrans Board members, local elected officials, and local technical staff.

The workshop invitation with RSVP and Zoom login information is located [here](#).

<https://samtrans.zoom.us/j/940237842?pwd=UnFXWE9yNXRyc3lXbmd6cmMvQ3E2UT09>
Passcode: 044856

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: April Chan
Chief Officer, Planning, Grants/
Transportation Authority

SUBJECT: **SAN MATEO 101 EXPRESS LANES QUARTERLY PROJECT UPDATE**

ACTION

No action is required. This item is being presented to the Board for information only.

SIGNIFICANCE

The San Mateo 101 Express Lanes Project is jointly sponsored by the California Department of Transportation (Caltrans), the City and County Association of Governments of San Mateo County (C/CAG) and the Transportation Authority (TA). The project will result in the creation of 44 miles (22 miles in each direction) of new express lanes on the US 101 corridor in San Mateo County. The project is being delivered through three major construction contracts.

Due to the magnitude of the project's footprint, cost and impacts to the traveling public and neighboring communities, the Board has requested periodic updates on the project's progress and community outreach efforts.

In the southern segment between the Santa Clara/San Mateo County Line and Whipple Avenue in Redwood City, toll facility equipment (cameras, readers, power and communication infrastructure) in both directions has been installed. Work on the variable toll message sign (VTMS) panels has transfer from the civil contract (Kiewit) to the toll facility contract (TransCore). TransCore has completed the installation of the panels and supporting hardware. Pacific Gas and Electric (PG&E) is making the final power connections to support the toll facility equipment.

For the northern segment between Whipple Avenue and Interstate 380 (I-380) in San Bruno, roadway resurfacing is ongoing for the general purpose and future express lanes. Work in the median includes toll sign foundations and lighting.

The project team continues to negotiate contracts and agreements with Caltrans, Bay Area Infrastructure Financing Authority (BAIFA), and the California Highway Patrol (CHP) as well as keeping the community and the public apprised of construction activities through weekly and quarterly updates.

At the August TA Board Meeting, staff discussed an opening of the southern segment at the end of 2021 and noted many of the risks that could negatively impact the opening date. Unfortunately, some of those risks have been realized, including weather, supply chain disruptions, and avoiding the commencement of tolling during the holidays.

The San Mateo County Express Lanes Joint Powers Authority (SMCEL-JPA) and Santa Clara Valley Transportation Authority (VTA) staff have discussed the updated project schedules and are projecting that the opening date for southern segment of the Express Lanes will now be **January 28, 2022**. This date has been coordinated with VTA and Caltrans to ensure a smooth rollout to the broader public. It will have no impact on the scheduled opening of the northern segment at the end of 2022.

BUDGET IMPACT

There is no budget impact with this quarterly update.

BACKGROUND

The Project is being implemented through a collaborative effort between Caltrans, C/CAG, and the TA. The Project will reduce congestion and improve mobility on US 101 by creating an express lane in each direction between the Santa Clara County Line and I-380 in San Bruno.

The Project will incentivize the use of public transit, carpools, and other shared-ride options, while also creating a new revenue stream from individuals willing to pay a fee to drive in the express lanes. Net revenues generated can be used for additional transportation enhancements and programs in the corridor.

In June 2019, SMCEL-JPA was established as the owner of the express lanes. SMCEL-JPA is comprised of members of the C/CAG and TA Boards.

In August 2019, the California Transportation Commission (CTC) unanimously approved the application submitted by SMCEL-JPA to develop and operate a high-occupancy toll facility on US 101 in San Mateo County.

Prepared By: Joseph Hurley, Director TA Program

650-508-7942

SM 101 EXPRESS LANES PROJECT

Quarterly Project Update



SMCTA Board Meeting November 4, 2021

SM 101 EXPRESS LANES PROJECT

AGENDA



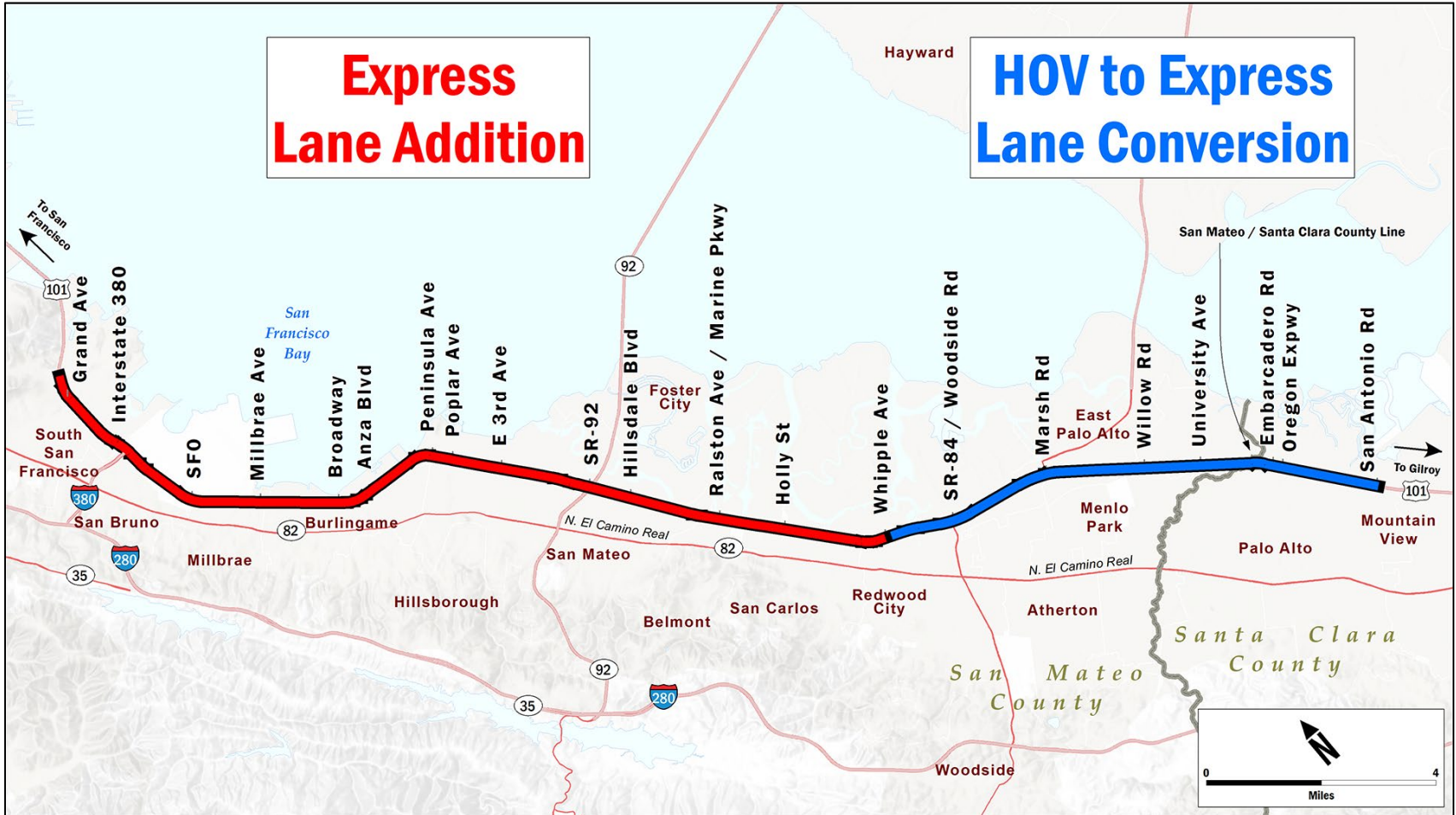
- Construction Progress
- Project Spotlight
- Public Outreach Activities
- Financial and Risk Status



- **Construction Progress**
- Project Spotlight
- Public Outreach Activities
- Financial and Risk Status

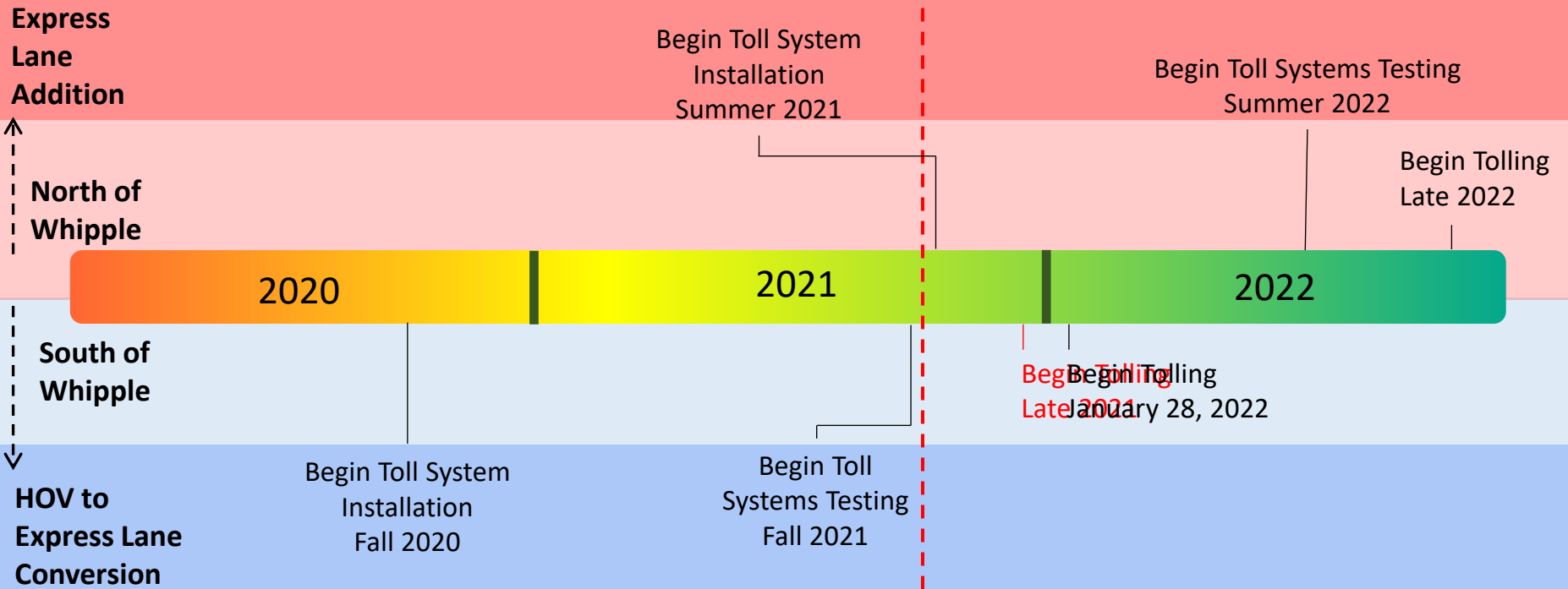
SM 101 EXPRESS LANES PROJECT

PROJECT LIMITS



SM 101 EXPRESS LANES PROJECT

PROJECT SCHEDULE



SM 101 EXPRESS LANES PROJECT

EXPRESS LANE OPENING DATE ADJUSTED



Factors contributing to Schedule Adjustment:

- Supply Chain disruption
- COVID
- Weather
- Retesting
- Syncing opening with VTA



Rationale for new Target Date of January 28, 2022:

- Avoid holiday season
- Work around weather delays
- Streamline testing process



Risks to January 28 Opening Date

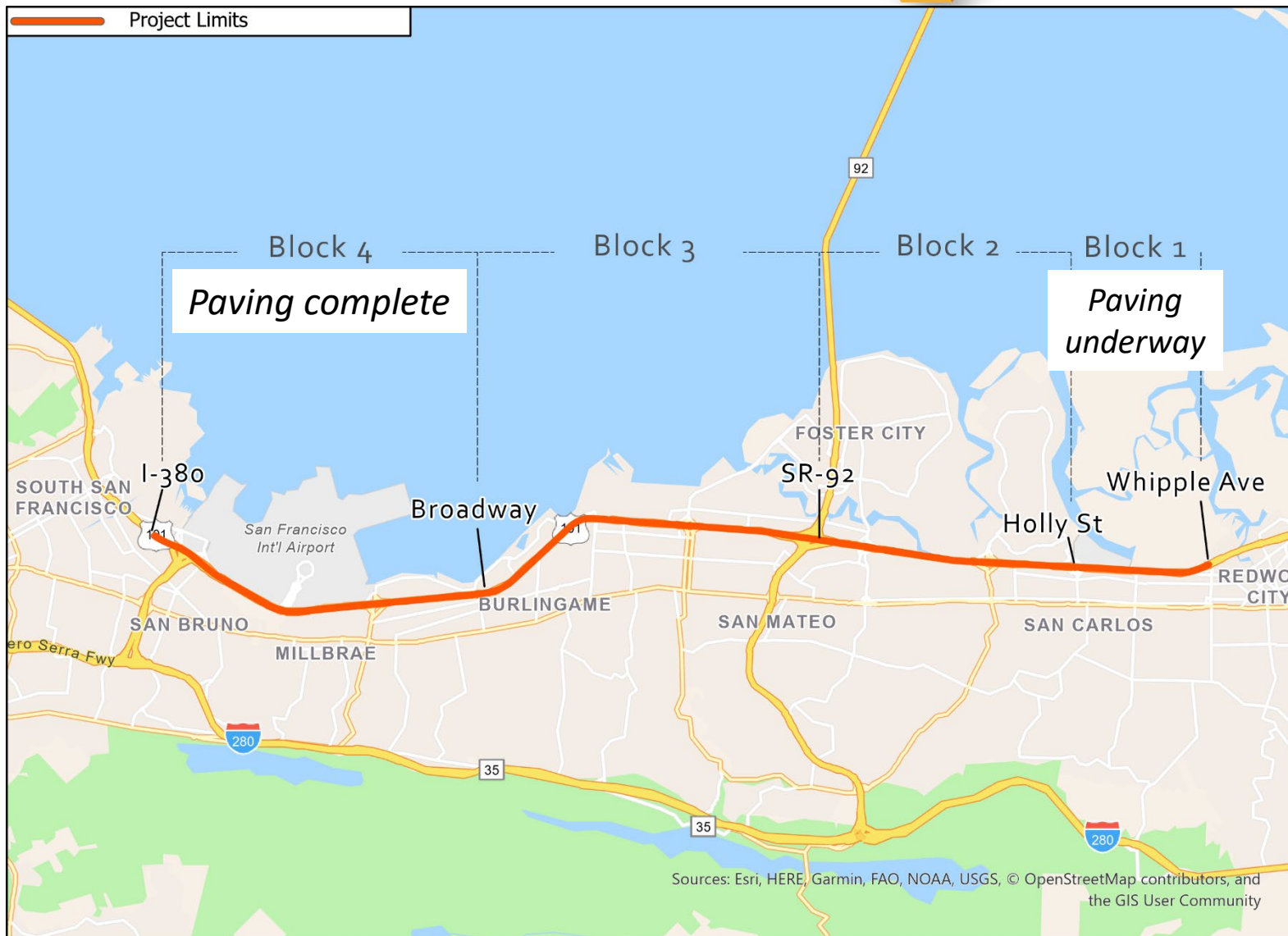
Risk Mitigations

Syncing start of tolling with VTA	➔	Communicate regularly with VTA
Weather	➔	Accounted for weather days in the schedule
COVID	➔	TransCore validating that crews are following COVID protocols
Software development	➔	TransCore deploying two teams to work on software development
Retesting	➔	Streamlining testing process
Equipment failure and/or malfunction	➔	Making use of North Segment equipment when it arrives
Supply chain	➔	Making use of North Segment equipment when it arrives

Note: not anticipated to affect North Segment schedule

SM 101 EXPRESS LANES PROJECT

NORTH CONTRACT CONSTRUCTION BLOCKS





North of Whipple through September:

\$254.28M of \$326M completed (78%) with 63% time elapsed. 71% of paving complete.

- Completed sign foundations in Blocks 1, 2, and 3
- Completed installation of lights and sign structures in Blocks 1 and 4
- Capital Preventative Maintenance (CAPM) (roadway rehabilitation) paving complete (in Block 4)
- Completed restriping in Block 1 in preparation for final layer of paving
- Removed 2,000 linear feet of temporary barrier (in Blocks 1 and 4)
- Constructed approximately 15 miles of new median concrete barrier

SM 101
EXPRESS LANES PROJECT
NORTH CONTRACT WORK ONGOING



Block 4 Median Barrier Construction





Median Barrier Texture and Paint



SM 101
EXPRESS LANES PROJECT
NORTH CONTRACT WORK ONGOING



Final Layer (1/10th Overlay) Paving



Temporary Concrete Barrier Removal





North of Whipple:

- Final layer (1/10th) overlay paving – finishing in Block 1
- Constructing, texturing, and painting median barrier
- Installing sign structures and variable toll message signs in all Blocks
- Installing tolling equipment in Block 4 (TransCore)
- Completing fiber optic cable connections to Millbrae BART Station

SM 101
EXPRESS LANES PROJECT
SOUTH CONTRACT WORK COMPLETED



South of Whipple through September:

- Completed installation of tolling equipment



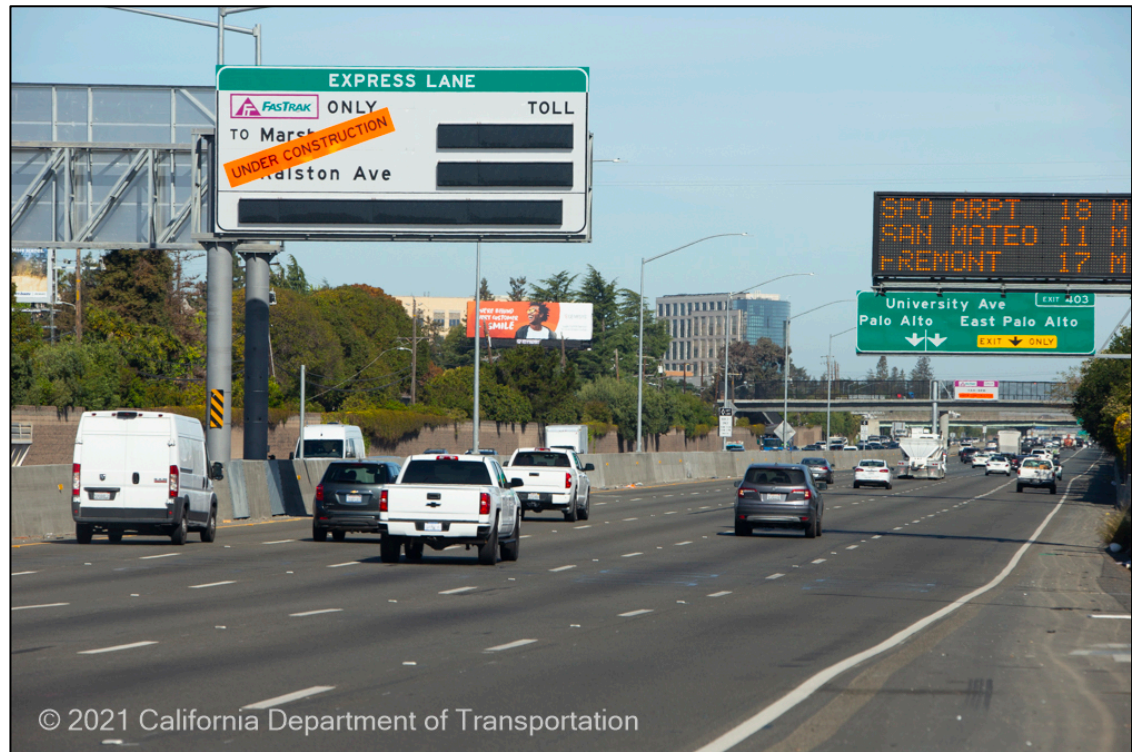
SM 101 EXPRESS LANES PROJECT

UPCOMING WORK: October – December



South of Whipple:

- Testing tolling equipment and system
- Restriping freeway to final express lanes configuration
- Installing variable toll message sign overlays
- Installing other median signage

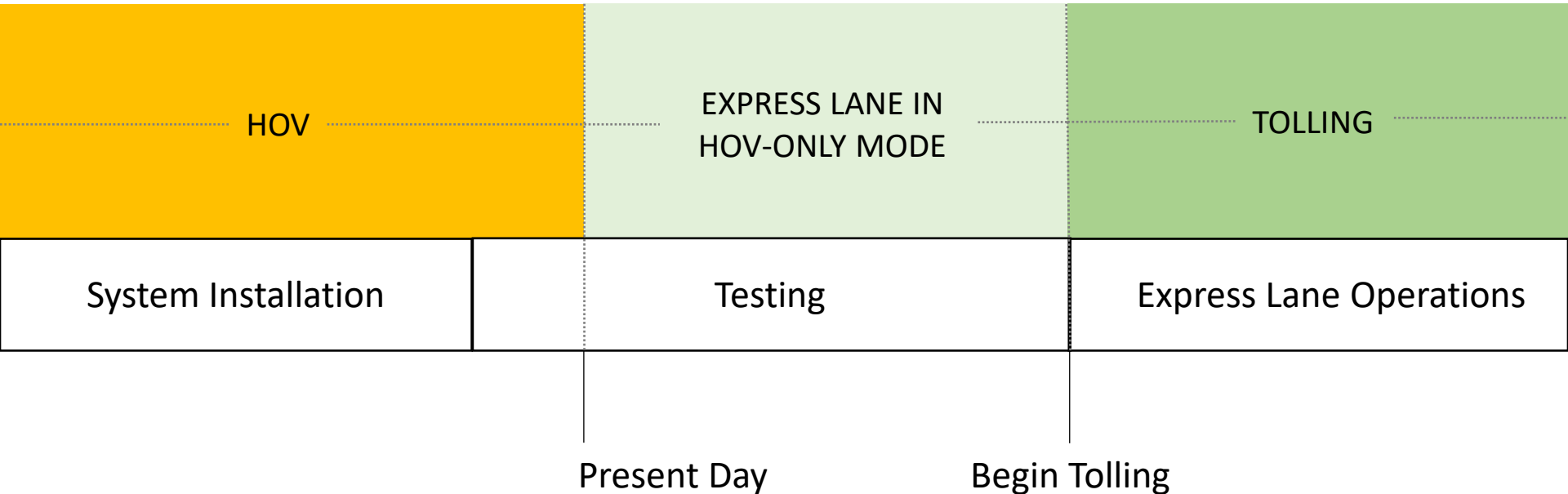
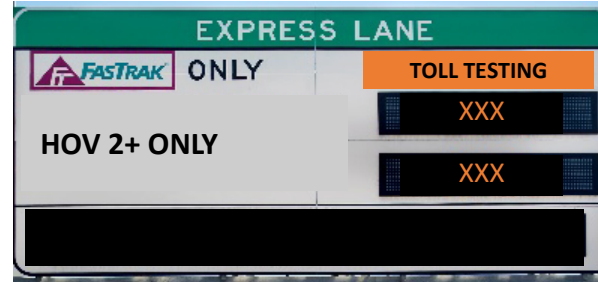




- Construction Progress
- **Project Spotlight**
- Public Outreach Activities
- Financial and Risk Status

SM 101 EXPRESS LANES PROJECT

LANE OPERATING MODES DURING TRANSITION



SM 101 EXPRESS LANES PROJECT SIGNS DURING CONSTRUCTION

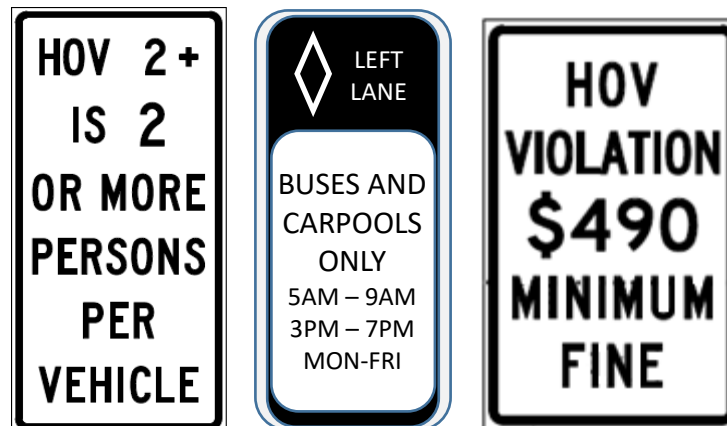


HOV

Variable Toll Message Sign



Other Median Signs



SM 101 EXPRESS LANES PROJECT

SIGNS DURING TOLL TESTING



EXPRESS LANE IN HOV-ONLY MODE



Variable Toll Message Sign

Portable Changeable Message Sign



Other Median Signs



SM 101 EXPRESS LANES PROJECT SIGNS AFTER TOLLING BEGINS

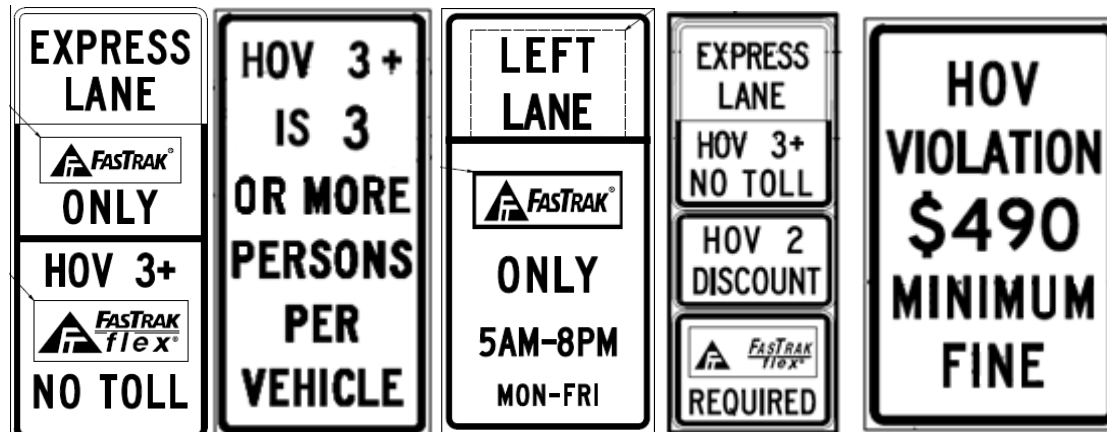


TOLLING

Variable Toll Message Sign



Other Median Signs





- Construction Progress
- Construction Spotlight
- **Public Outreach Activities**
- Financial and Risk Status

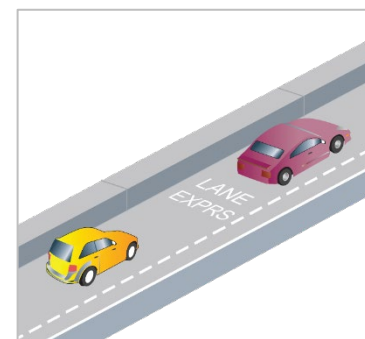
SM 101 EXPRESS LANES PROJECT

PUBLIC INFORMATION – TOLL TESTING



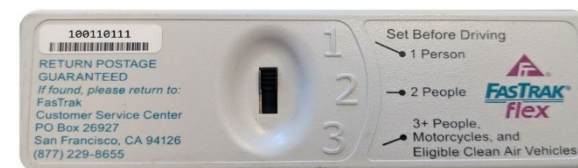
Key Messages:

- Express Lanes are opening soon (begin tolling)
- Follow the signs on the road
- Get a FasTrak® Flex or CAV Toll Tag now



Outreach Tools:

- Quarterly Email
- Updated Caltrans project website (Main page, FAQs, Factsheet)
- Social Media (Twitter and Facebook)
- Traffic Advisory (for media)
- Portable Changeable Message Signs



SM 101 EXPRESS LANES PROJECT

TIMELINE – MARKETING EXPRESS LANE OPENING



- **Public Information - 45 days before lane opens (tolling begins)**
 - On Corridor Signage
 - Regional websites (Caltrans, 511.org, FasTrak)
 - Social Media Messaging (Partners)
 - Press Release (with Caltrans, VTA, MTC)
 - Email blast: Cities, Community, Business and Key Stakeholders
- **Marketing/Advertising - 30 days before/after lane opens (tolling begins)**
 - Collaboration with MTC (511.org, FasTrak) and VTA
 - Digital/Social
 - Radio



SM 101 EXPRESS LANES PROJECT

PUBLIC INFORMATION OVERVIEW



The screenshot shows the website's header with the Caltrans logo and navigation links: Travel, Work with Caltrans, Programs, Caltrans Near Me, and Search. Below the header is a breadcrumb trail: Home > Caltrans Near Me > District 4 > District 4 Current Projects > SM 101 Express Lanes Project. The main heading is "SM 101 Express Lanes Project", followed by a secondary navigation menu: Project Information, Construction, Project Contacts, Document Library, Frequently Asked Questions, and Videos. The featured article is titled "Upcoming Overnight Closures on U.S. 101". The text of the article states: "As part of the San Mateo 101 Express Lanes Project, Caltrans will be replacing a total of six overhead sign structures (that span the width of one side of the freeway, from the shoulder to the median) on U.S. 101. Due to the large size of these sign structures, it is necessary to close one direction of the freeway at a time. Caltrans has completed the removal of all six overhead sign structures and installed temporary orange roadside signs along the freeway shoulder on U.S. 101. Additional overnight freeway closures will be required to install new overhead sign structures in Fall 2021." A link is provided: "Click here to learn more about the closures."

- **Construction updates are distributed via email.**
- Visitors can sign up for updates, contact Caltrans to ask a question, and view project status.
- To sign up for weekly or quarterly updates, email with the subject line 'Weekly' or 'Quarterly' to 101express@dot.ca.gov. Follow @CaltransD4 on Twitter for Project updates.



- Construction Progress
- Project Spotlight
- Public Outreach Activities
- **Financial and Risk Status**

SM 101 EXPRESS LANES PROJECT

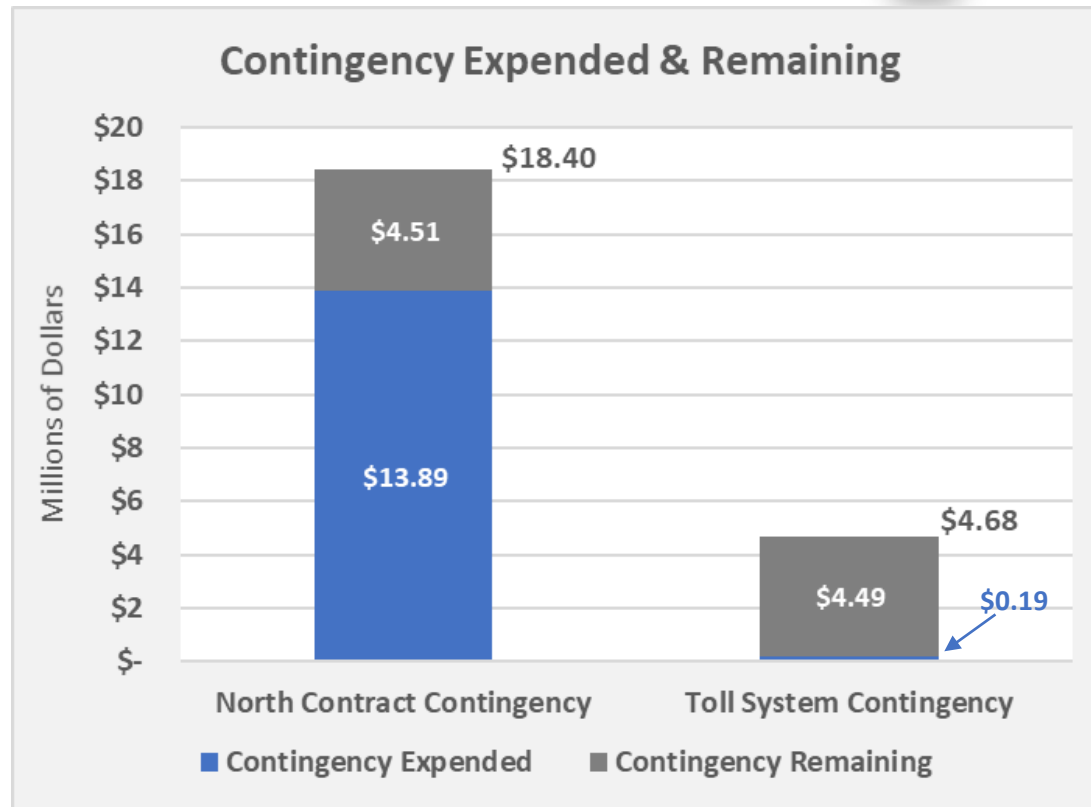
CURRENT COST ESTIMATE - CONTRACT FOCUSED



Contract	Budget	Estimated Cost ⁽¹⁾	Variance	Expended as of 09/30/21 ⁽²⁾	Percent Expended	Percent Complete ⁽³⁾	Confidence ⁽⁴⁾
SM-101 Express Lanes Project <i>Costs shown in millions of escalated dollars</i>							
Environmental	20.39	20.28	(0.11)	20.27	99%	100%	●
Design & Right of Way	42.14	42.14	0.00	36.87	87%	88%	●
South Contract – Civil	74.81	74.81	0.00	74.57	99%	99%	●
North Contract - Civil	390.87	390.87	0.00	295.96	76%	78%	●
<i>North Contract – Civil</i>	<i>372.47</i>	<i>385.73</i>	<i>13.89</i>	<i>282.07</i>	<i>76%</i>	<i>78%</i>	●
<i>Project Contingency ⁽⁵⁾</i>	<i>18.40</i>	<i>4.51</i>	<i>(13.89)</i>	<i>13.89</i>	<i>75%</i>	<i>78%</i>	●
Toll System	48.12	48.12	0.00	7.87	16%	20%	●
<i>Toll System</i>	<i>43.44</i>	<i>43.63</i>	<i>0.19</i>	<i>7.68</i>	<i>18%</i>	<i>20%</i>	●
<i>Project Contingency ⁽⁵⁾</i>	<i>4.68</i>	<i>4.49</i>	<i>(0.19)</i>	<i>0.19</i>	<i>0%</i>	<i>0%</i>	●
Highway Planting	4.81	4.81	0.00	0.00	0%	0%	●
TOTALS	581.14	581.03	(0.11)	435.54	75%	78%	

- (1) Estimated Cost represents current estimated cost to complete each contract.
- (2) Expenditures include \$12M deposit against North Contract – Civil.
- (3) Percent completes shown are based on qualitative assessment of physical % complete per milestones and schedule.
- (4) ● = Within budget, ● = identified potential risks that may significantly exceed budget if not mitigated, ● = Known impacts to budget - changes forthcoming.
- (5) Assume 100% utilization of Project Contingency in overall estimated cost of project

SM 101 EXPRESS LANES PROJECT CURRENT CONTINGENCY BALANCE



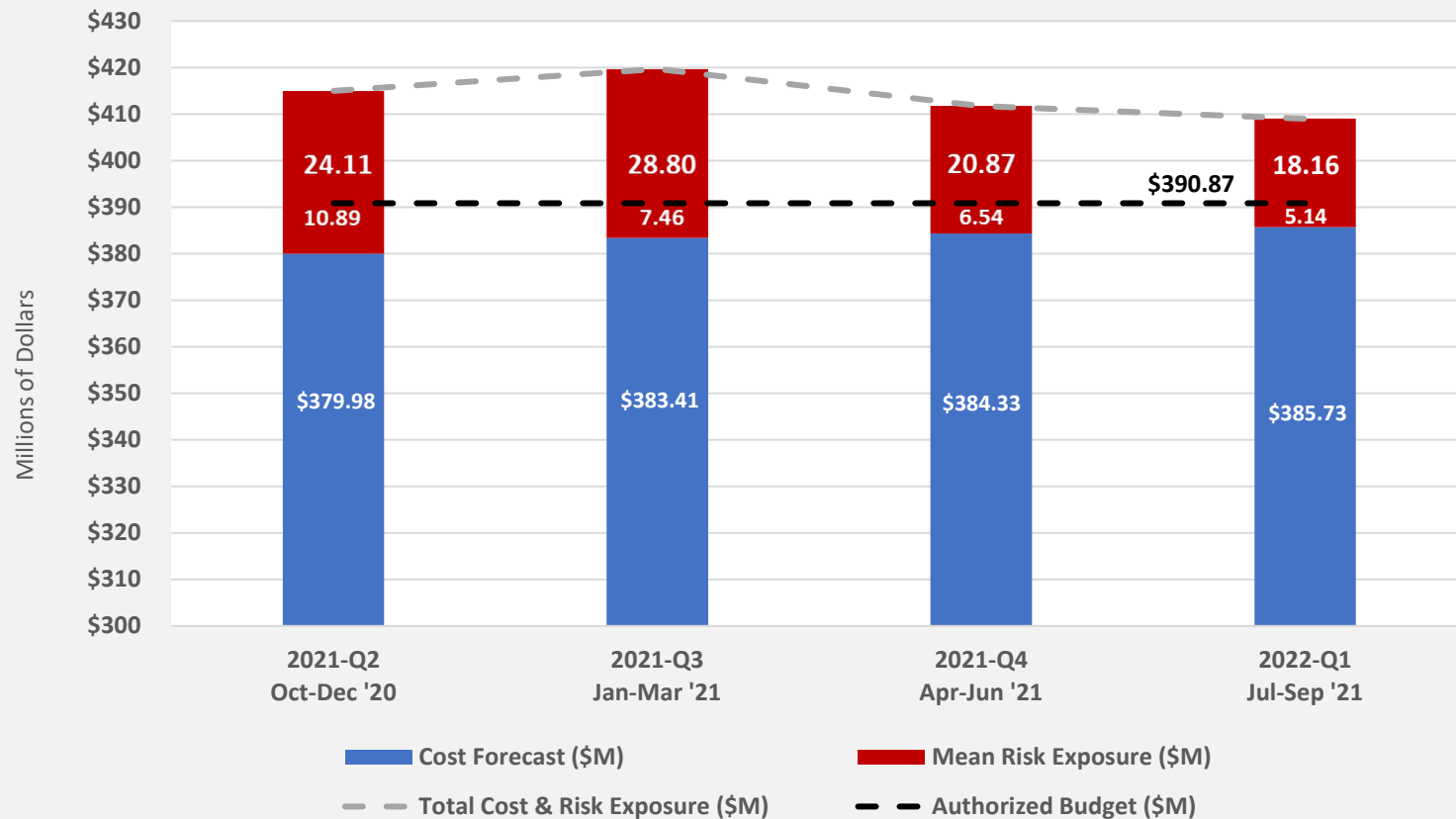
- Contingency expended includes the following:
 - New contract change orders for various reasons including, barrier foundation revisions, grade revisions, maintenance of landscape areas, and miscellaneous signage issues

SM 101 EXPRESS LANES PROJECT

RISK MANAGEMENT – CIVIL CONTRACT

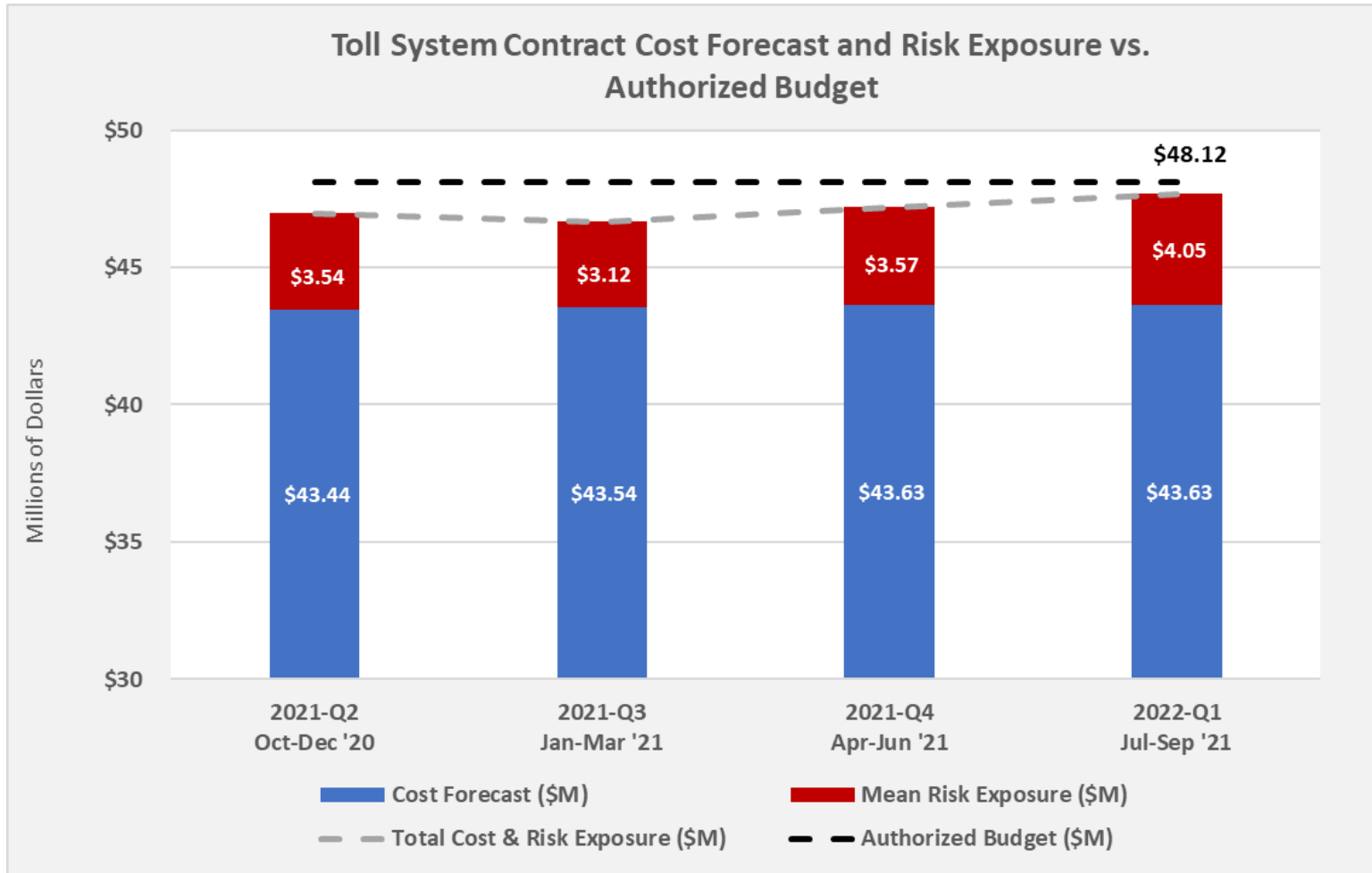


North Contract Cost Forecast and Risk Exposure vs. Authorized Budget



SM 101 EXPRESS LANES PROJECT

RISK MANAGEMENT – TOLL CONTRACT





Questions?

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: April Chan
Chief Officer, Planning, Grants and the Transportation Authority

SUBJECT: **2021 HIGHWAY PROGRAM CALL FOR PROJECTS DRAFT
RECOMMENDATIONS**

ACTION

No action is required. This item is being presented to the Board for information only.

SIGNIFICANCE

On August 6, 2021, the San Mateo County Transportation Authority (TA) formally released a Highway Call for Projects (CFP), announcing the availability of approximately \$80 million in Measure A funds and \$20 million in Measure W funds for projects ready to start work within one year of receiving a funding award. Twelve applications were received from 10 sponsors at the close of the CFP on September 24, 2021, with total of \$109.6 million in funding requests.

Following the close of the CFP, the TA's Project Selection Committee evaluated and scored the submitted applications. The TA Project Selection Committee was composed of Programming and Monitoring staff from the TA as well as staff with project management and technical expertise from Caltrans, the San Francisco County Transportation Authority, Caltrain, and the Santa Clara Valley Transportation Authority. TA Highway Program and C/CAG staff were excluded from participation in the Project Selection Committee since multiple projects are co-sponsored by both agencies in order to promote a fair and transparent selection process. A third-party consultant review of the project submittals was also conducted to ensure the accuracy of information provided to the Project Selection Committee (Committee). A meeting of the Committee was held on October 14, 2021 where the Committee members agreed upon the overall scoring and ranking of the projects as well as the funding recommendation options for the program.

While the CFP is slightly oversubscribed, there are sufficient Measure A and Measure W funds beyond the \$100 million made available for this cycle for all of the project requests and the Committee agreed the TA Board should consider funding all of the projects, since all the projects merit advancement, Four of the projects requests reach the 50 percent contribution limit by the TA, but would still have small unfunded portions of the projects remaining. The scoring committee agreed the TA should also consider closing these gaps for the two highest ranking construction-ready projects, totaling an additional \$4.4 million. Table 1 summarizes the three funding options for the Board's consideration.

Table 1. Draft Funding Recommendation Options

Option	Goal	Draft Funding Recommendations	Unfunded Phase Amounts*
1	Limit the awards to approximately the advertised funding amounts (\$80 million Measure A and \$20 million Measure W)	New Measure A: \$79.1 mil Measure W: \$21.6 mil Total: \$100.7 mil	\$26.7 mil
2	Use available Original Measure A to award all eligible 2021 Highway Program CFP requests	Original Measure A: \$10.5 mil New Measure A: \$81.7 mil Measure W: \$17.3 mil Total: \$109.5 mil	\$22.8 mil
3	Staff recommendation: Use available Original Measure A funds, use all advertised New Measure A and Measure W funding, use available Local Partnership Program discretionary formula funding, and fully fund highest scoring construction ready projects with the smallest remaining funding gaps.	Original Measure A: \$11.3 mil New Measure A: \$81.7 mil Measure W: \$20.9 mil Total: \$113.9 mil	\$16.1 mil

*Note: These unfunded amounts reflect the Half Moon Bay, East Palo Alto, and San Carlos projects' remaining balances if the TA's normal guideline for providing up to 50 percent of a project's total cost is applied. Redwood City will have a \$148-153 million funding gap depending on the option and was excluded from this summary given the magnitude of this project.

TA staff will provide additional information via PowerPoint that presents the funding options for the TA Board's consideration. Final Board action to consider adoption of the funding recommendations for the 2021 CFP is tentatively scheduled for the December 2021 TA Board meeting.

This report also includes the following attachments:

- Exhibit A: 2021 Highway Program Funding Options
- Exhibit B: 2021 Highway Program Project Descriptions

BUDGET IMPACT

This informational item has no impact on the budget.

BACKGROUND

In 1988, San Mateo County voters passed the original Measure A sales tax, which included funding for specific highway projects listed in the 1988 Transportation Expenditure Plan. In 2004, the voters of San Mateo County reauthorized the Measure A Program and approved an extension of the existing half-cent transportation sales tax for 25 years from 2009 through 2033. The 2004 Transportation Expenditure Plan (TEP) provides that 27.5 percent of the sales tax revenue be dedicated to the highway program, with 17.3 percent committed to projects on state highways known as Key Congested Areas (KCA) and 10.2 percent for Supplemental Roadways (SR) for projects on highways and other roadways.

In 2018, the voters of San Mateo County approved Measure W, a new 30-year half-cent sales tax for transportation programs and projects that took effect July 1, 2019 and expires June 30, 2049. The Measure W Congestion Relief Plan (CRP) identifies that twenty two and one half percent of Measure W be dedicated to highway congestion improvements.

In 2021, the TA Board adopted the Short Range Highway Plan (SRHP) and Capital Improvement Program (CIP) to support future investment decisions for the Measure A Highways & Measure W Countywide Highway Congestion categories. The SRHP incorporates the Measure A goals along with the new Measure W core principles and is the policy foundation for making highway program investment decisions. The SRHP uses the adopted Strategic Plan 2020-2024 evaluation criteria which was used to score projects during this CFP. To be eligible for the Highway Program Call for Projects a project must be included in the CIP. The Short Range Highway Plan also allows the TA to sponsor projects of Countywide Significance.

Prepared by: Patrick Gilster, Manager of Programming and Monitoring 650-622-7853

SMCTA 2021 Highway Program Call for Projects Draft Recommendations

Exhibit A - Comparison of Potential Funding Options

	Goal	Pros	Cons	Total Draft Recommended Funding	Total Unfunded Amounts
Option 1	Limit the awards to approximately the advertised funding amounts (\$80 million Measure A and \$20 million Measure W)	<ol style="list-style-type: none"> Ten projects would receive funding to advance highway program efforts. Five projects of Countywide Significance would receive funding. 	<ol style="list-style-type: none"> Two coastside projects in early development stages would not be funded based on ranking. Four construction requests would have funding gaps and not be able to move forward to implementation (Half Moon Bay, East Palo Alto, San Carlos, and Redwood City). Redwood City's award would be reduced to help move other projects of Countywide Significance forward. 	New Measure A: \$79.1 mil Measure W: \$21.6 mil Total: \$100.7 mil	\$26.7 mil
Option 2	Use available Original Measure A to award all eligible 2021 Highway Program CFP requests	<ol style="list-style-type: none"> All twelve project requests would receive funding to advance highway program efforts (including the two unfunded coastside projects in Option 1). Five projects of Countywide Significance would receive funding. Provide Redwood City with full requested award amount. 	<ol style="list-style-type: none"> Four construction requests would have funding gaps and not be able to move forward to implementation (Half Moon Bay, East Palo Alto, San Carlos, and Redwood City). 	Original Measure A: \$10.5 mil New Measure A: \$81.7 mil Measure W: \$17.3 mil Total: \$109.5 mil	\$22.8 mil
Option 3	Use available Original Measure A funds, use all advertised New Measure A and Measure W funding, use available Local Partnership Program discretionary formula funding, and fully fund highest scoring construction ready projects with the smallest remaining funding gaps.	<ol style="list-style-type: none"> All twelve project requests would receive funding to advance highway program efforts (including the two unfunded coastside projects in Option 1). East Palo Alto would be assigned \$2.3 mil in Local Partnership Program discretionary funds and the TA would fill the remaining \$1.5 mil funding gap to fully fund a high ranking project in an MTC Equity Priority Community. Half Moon Bay would be fully funded as the highest ranking construction-ready project by closing the remaining \$2.8 mil funding gap to promote equitable investments across the county for this coastside project in order spend down Original Measure A funds. Five projects of Countywide Significance would receive funding. Provide Redwood City with full requested award amount. 	<ol style="list-style-type: none"> Two construction requests would have funding gaps (San Carlos and Redwood City) and not be able to move forward to implementation. However, by fully funding the other higher scoring projects with smaller funding gaps (Half Moon Bay and East Palo Alto) the TA can better help leverage the remaining projects in upcoming Senate Bill 1 competitive funding programs. Requires funding over 50% Measure A/W contribution to Half Moon Bay (72%) and East Palo Alto (58%) 	Original Measure A: \$11.3 mil New Measure A: \$81.7 mil Measure W: \$20.9 mil Total: \$113.9 mil	\$16.6 mil

*Note: These unfunded amounts reflect the Half Moon Bay, East Palo Alto, and San Carlos projects' remaining balances if the TA's normal guideline for providing up to 50 percent of a project's total cost is applied. Redwood City will have a \$148-153 million funding gap depending on the option and was excluded from this summary given the magnitude of this project.

Option 1: Limit the awards to approximately the advertised funding amounts (\$80 million Measure A and \$20 million Measure W)

Project Rank	Evaluation		Project Phase Request	Sponsor Request	Sponsor Request Amount	Matching Funds	TA Program Support	Option 1 Draft Funding Recommendations	Total 2021 CFP Recommendation & Match	Prior Additional Committed Funds	Unfunded Phase Amounts	Total Cost of Request Phase(s)
	Score (Out of 100)	Project Name										
1	66.6	Highway 1 (Main St to Kehoe) ¹	CON	City of Half Moon Bay	\$2,400,000	\$2,400,000		\$2,400,000	\$4,800,000	\$3,200,000	\$2,875,000	\$10,875,000
2	65.6	US 101/SR 92 Area Improvement Project	PS&E, ROW, CON	SMCTA / C/CAG	\$5,075,000	\$31,700,000		\$5,075,000	\$36,775,000		\$0	\$36,775,000
3	64.2	US 101/Woodside Road (SR 84) Interchange Project ²	CON	City of Redwood City	\$50,000,000	\$5,000,000		\$45,000,000	\$50,000,000		\$153,000,000	\$203,000,000
4	62.4	US 101/University Avenue Interchange Improvements ³	CON	City of East Palo Alto	\$4,183,665	\$1,771,000		\$4,183,665	\$5,954,665	\$4,892,500	\$3,816,335	\$14,663,500
5	61.8	US 101/Holly Street Interchange and Pedestrian Overcrossing Project ⁴	CON (Interchange Portion Only)	City of San Carlos	\$10,250,000	\$5,160,000		\$10,250,000	\$15,410,000	\$12,440,000	\$16,140,000	\$43,990,000
6	61.3	Roadway facility improvements between Highway 101 and Dumbarton Bridge	PID	C/CAG San Mateo County	\$4,500,000	\$500,000		\$4,500,000	\$5,000,000		\$0	\$5,000,000
7	56.4	US 101 Managed Lanes Project North of I-380	PS&E	SMCTA / C/CAG	\$11,323,000	\$5,477,000		\$11,323,000	\$16,800,000		\$0	\$16,800,000
8	50.6	U.S. 101/Peninsula Ave Interchange Project	PAED, PS&E, ROW	City of San Mateo	\$6,000,000	\$1,200,000		\$6,000,000	\$7,200,000		\$0	\$7,200,000
9	50.3	El Camino Real Bike & Pedestrian Improvement Project	PSR	Town of Colma	\$1,800,000	\$200,000		\$1,800,000	\$2,000,000		\$0	\$2,000,000
10	49.2	US 101/SR 92 Direct Connector Project	PA&ED	SMCTA / C/CAG	\$10,200,000	\$2,000,000		\$10,200,000	\$12,200,000		\$0	\$12,000,000
11	46.7	Moss Beach SR-1 Congestion & Safety Improvements	PSR-PDS	San Mateo County	\$1,070,000	\$125,000	\$75,000	\$0	\$125,000		\$1,145,000	\$1,270,000
12	44.8	Highway 1 / Manor Drive Overcrossing Project	PID and PAED	City of Pacifica	\$2,700,000	\$300,000		\$0	\$300,000		\$2,700,000	\$3,000,000
Totals					\$109,501,665	\$55,833,000	\$75,000	\$100,731,665	\$156,564,665	\$20,532,500	\$179,676,335	\$356,573,500

Notes:

- 1 The \$2.4 million recommended award would be programmed and conditioned on Half Moon Bay successfully securing the remaining funding gap by December 2022
- 2 The \$45 million recommended awarded would be programmed and conditioned on Redwood City successfully working toward securing additional funding by December 2022 to retain funding
- 3 The \$4.183 million recommended award would be programmed and conditioned on East Palo Alto successfully securing the remaining funding gap by December 2022
- 4 The \$10.25 million recommended award would be programmed and conditioned on San Carlos successfully securing the remaining funding gap by December 2022

Option 2: Use available Original Measure A in addition to advertised amounts to award all eligible 2021 Highway Program CFP requests

Project Rank	Evaluation Score (Out of 100)	Project Name	Sponsor	Project Phase Request	Sponsor Request Amount	Matching Funds	TA Program Support	Option 2 Draft Funding Recommendations	Total 2021 CFP Recommendation & Match	Prior Additional Committed Funds	Unfunded Phase Amounts	Total Cost of Request Phase(s)
1	66.6	Highway 1 (Main St to Kehoe) ¹	City of Half Moon Bay	CON	\$2,400,000	\$2,400,000		\$2,400,000	\$4,800,000	\$3,200,000	\$2,875,000	\$10,875,000
2	65.6	US 101/SR 92 Area Improvement Project	SMCTA / C/CAG	PS&E, ROW, CON	\$5,075,000	\$31,700,000		\$5,075,000	\$36,775,000		\$0	\$36,775,000
3	64.2	US 101/Woodside Road (SR 84) Interchange Project ²	City of Redwood City	CON	\$50,000,000	\$5,000,000		\$50,000,000	\$55,000,000		\$148,000,000	\$203,000,000
4	62.4	US 101/University Avenue Interchange Improvements ³	City of East Palo Alto	CON	\$4,183,665	\$1,771,000		\$4,183,665	\$5,954,665	\$4,892,500	\$3,816,335	\$14,663,500
5	61.8	US 101/Holly Street Interchange and Pedestrian Overcrossing Project ⁴	City of San Carlos	CON	\$10,250,000	\$5,160,000		\$10,250,000	\$15,410,000	\$12,440,000	\$16,140,000	\$43,990,000
6	61.3	Roadway facility improvements between Highway 101 and Dumbarton Bridge	C/CAG San Mateo County	PID	\$4,500,000	\$500,000		\$4,500,000	\$5,000,000		\$0	\$5,000,000
7	56.4	US 101 Managed Lanes Project North of I-380	SMCTA / C/CAG	PS&E	\$11,323,000	\$5,477,000		\$11,323,000	\$16,800,000		\$0	\$16,800,000
8	50.6	U.S. 101/Peninsula Ave Interchange Project	City of San Mateo	PAED, PS&E, ROW	\$6,000,000	\$1,200,000		\$6,000,000	\$7,200,000		\$0	\$7,200,000
9	50.3	El Camino Real Bike & Pedestrian Improvement Project	Town of Colma	PSR	\$1,800,000	\$200,000		\$1,800,000	\$2,000,000		\$0	\$2,000,000
10	49.2	US 101/SR 92 Direct Connector Project	SMCTA / C/CAG	PA&ED	\$10,200,000	\$2,000,000		\$10,200,000	\$12,200,000		\$0	\$12,200,000
11	46.7	Moss Beach SR-1 Congestion & Safety Improvements	San Mateo County	PSR-PDS	\$1,070,000	\$125,000	\$75,000	\$1,145,000	\$1,270,000		\$0	\$1,270,000
12	44.8	Highway 1 / Manor Drive Overcrossing Project	City of Pacifica	PID and PAED	\$2,700,000	\$300,000		\$2,700,000	\$3,000,000		\$0	\$3,000,000
Totals					\$109,501,665	\$55,833,000	\$75,000	\$109,576,665	\$165,409,665	\$20,532,500	\$170,831,335	\$356,773,500

Notes:

- 1 The \$2.4 million recommended award would be programmed and conditioned on Half Moon Bay successfully securing the remaining funding gap by December 2022.
- 2 The \$50 million recommended awarded would be programmed and conditioned on Redwood City successfully working toward securing additional funding by December 2022 to retain funding.
- 3 The \$4.183 million recommended award would be programmed and conditioned on East Palo Alto successfully securing the remaining funding gap by December 2022.
- 4 The \$10.25 million recommended award would be programmed and conditioned on San Carlos successfully securing the remaining funding gap by December 2022.

Option 3: Use available Original Measure A funds, maximize all advertised New Measure A and Measure W funding, use available Local Partnership Program discretionary formula funding, and fully fund highest scoring construction-ready projects with the smallest remaining funding gaps.

Project Rank	Evaluation		Sponsor	Project Phase Request	Sponsor Request		TA Program Support	Option 3 Draft Funding Recommendations	Total 2021 CFP			Unfunded Phase Amounts	Total Cost of Request Phase(s)
	Score (Out of 100)	Project Name			Amount	Matching Funds			Recommendation & Match	Prior Additional Committed Funds	LPP Formula Funds (Discretionary)		
1	66.6	Highway 1 (Main St to Kehoe)	City of Half Moon Bay	CON	\$2,400,000	\$2,400,000		\$5,275,000	\$7,675,000	\$3,200,000		\$0	\$10,875,000
2	65.6	US 101/SR 92 Area Improvement Project	SMCTA / C/CAG	PS&E, ROW, CON	\$5,075,000	\$31,700,000		\$5,075,000	\$36,775,000			\$0	\$36,775,000
3	64.2	US 101/Woodside Road (SR 84) Interchange Project ¹	City of Redwood City	CON	\$50,000,000	\$5,000,000		\$50,000,000	\$55,000,000			\$148,000,000	\$203,000,000
4	62.4	US 101/University Avenue Interchange Improvements	City of East Palo Alto	CON	\$4,183,665	\$1,771,000		\$5,700,000	\$7,471,000	\$4,892,500	\$2,300,000	\$0	\$14,663,500
5	61.8	US 101/Holly Street Interchange and Pedestrian Overcrossing Project ²	City of San Carlos	CON	\$10,250,000	\$5,160,000		\$10,250,000	\$15,410,000	\$12,440,000		\$16,140,000	\$43,990,000
6	61.3	Roadway facility improvements between Highway 101 and Dumbarton Bridge	C/CAG San Mateo County	PID	\$4,500,000	\$500,000		\$4,500,000	\$5,000,000			\$0	\$5,000,000
7	56.4	US 101 Managed Lanes Project North of I-380	SMCTA / C/CAG	PS&E	\$11,323,000	\$5,477,000		\$11,323,000	\$16,800,000			\$0	\$16,800,000
8	50.6	U.S. 101/Peninsula Ave Interchange Project	City of San Mateo	PAED, PS&E, ROW	\$6,000,000	\$1,200,000		\$6,000,000	\$7,200,000			\$0	\$7,200,000
9	50.3	El Camino Real Bike & Pedestrian Improvement Project	Town of Colma	PSR	\$1,800,000	\$200,000		\$1,800,000	\$2,000,000			\$0	\$2,000,000
10	49.2	US 101/SR 92 Direct Connector Project	SMCTA / C/CAG	PA&ED	\$10,200,000	\$2,000,000		\$10,200,000	\$12,200,000			\$0	\$12,200,000
11	46.7	Moss Beach SR-1 Congestion & Safety Improvements	San Mateo County	PSR-PDS	\$1,070,000	\$125,000	\$75,000	\$1,145,000	\$1,270,000			\$0	\$1,270,000
12	44.8	Highway 1 / Manor Drive Overcrossing Project	City of Pacifica	PID and PAED	\$2,700,000	\$300,000		\$2,700,000	\$3,000,000			\$0	\$3,000,000
Totals					\$109,501,665	\$55,833,000		\$113,968,000			\$2,300,000	\$164,140,000	\$356,773,500

- Notes:
- 1 The \$50 million recommended awarded would be programmed and conditioned on Redwood City successfully working toward securing additional funding by December 2022 to retain funding
 - 2 The \$10.25 million recommended award would be programmed and conditioned on San Carlos successfully securing the remaining funding gap by December 2022



Exhibit B: 2021 Measure A & Measure W Highway Program Call for Projects Application Submittals Summary List of Projects Descriptions: Ranked List

The information provided below summarizes the requests from eligible sponsors that were submitted as part of the 2021 Highway Call for Projects and does not include potential changes based on the recommended funding options that the TA Board will consider at the November 2021 TA Board meeting.

1. Highway 1 (Main St to Kehoe)

Request: \$2,400,000 (Construction)

Sponsor: Half Moon Bay

Remaining Funding Gap: \$2,875,000 (50% TA contribution limit reached)

Scope: Construction funding for widening Highway 1 (SR-1) from two lanes to four lanes from Silver Ave/Grand Boulevard to Grandview Boulevard. Frontage Road will be extended to connect with Terrace Avenue and a new coordinated signal will be installed at SR-1/Terrace Avenue. A multi-use side path will be installed on the north side of SR-1. Landscaping improvements will be installed in a new raised median. Bus stops will be rebuilt and connected to pathways on both sides of the highway.

Benefit: The Project will reduce delays and address a bottleneck on Highway 1 by increasing intersection capacity, improving merge areas, and consolidating cross-street turning movements. Improved intersection designs will reduce queuing, provide dedicated turn lanes to access local neighborhoods, and provide new pedestrian/bicycle crossing opportunities of the highway. Three residential neighborhoods on the north side of the Highway will also now be able to access downtown Half Moon Bay and multiple schools with the new side path.

2. US 101 / SR 92 Area Improvements

Request: \$5,075,000 (PS&E, ROW, Construction)

Sponsor: SMCTA and C/CAG

Remaining Funding Gap: \$0

Scope: Plans, Specifications, and Estimates (PS&E), Right of Way (ROW), and Construction funding for multiple improvements surrounding the US 101 / SR 92 interchange, including the: 1) Widening the existing loop connector from westbound SR 92 to southbound 101 to add an HOV lane, 2) Elimination of lane merges between the north and south bound ramps to eastbound SR 92, 3) Modification of the southbound US 101 exit onto Fashion Island Boulevard to deter drivers from illegally crossing onto the eastbound SR 92 exit to bypass queuing, and 4) Widening of the northbound US 101 off-ramp to Hillsdale Boulevard from 2 to 3 lanes.

2021 Measure A & W Highway Program Call for Projects Application Submittals
Summary List of Projects Descriptions: Ranked List

Benefit: The proposed improvements will improve traffic flow and safety and alleviate congestion at existing bottlenecks within the interchange, reducing spillover onto local streets. The northbound US 101 off ramp at Hillsdale will increase storage capacity of the ramp and improve traffic flow by alleviating queuing back-ups on US 101.

3. US 101 / Woodside Rd (SR-84) Interchange Project

Request: \$50,000,000 (Construction)

Sponsor: Redwood City

Remaining Funding Gap: \$153,000,000 for Construction phase

Scope: Construction funding for the reconstruction of the US 101 Woodside Interchange. Modifications include replacing all existing ramps, widening Woodside Road to six lanes (three in each direction plus turn lanes), lowering Woodside Road to increase the vertical clearance at US 101, eliminating the existing 5-legged intersection at Broadway and Woodside Road, signaling ramp intersections, adding turning lanes with longer pocket lengths, constructing direct-connect flyover ramps between Veterans Boulevard and US 101, adding new sidewalks, adding safety improvements (signals and gates) at UPRR at-grade crossings of Veterans Boulevard and Blomquist Street, and adding shared use paths, bike lanes, and separated bikeways.

Benefit: The Project will relieve existing and future traffic congestion, improve traffic safety and vehicular access to and from US 101 and SR 84 (Woodside Road). The goals include improving highway operations, reducing associated congestion on Woodside Road and other local streets, removing barriers to non-motorized travel and minimizing impacts on nearby businesses. The Project will modify the on- and off-ramp configuration at the interchange and adjacent local intersections to improve traffic flow, increase safety, provide new pedestrian and bicycle access across US 101 (which does not presently exist) and provide new and improved sidewalks and bikeways throughout the Project area.

4. US 101 / University Ave Interchange and Pedestrian Overcrossing Project

Request: \$4,183,665 (Construction – Pedestrian Overcrossing)

Sponsor: East Palo Alto

Remaining Funding Gap: \$3,816,335 (50% TA contribution limit reached)

Scope: Construction funding for a 12-foot-wide Class I pedestrian and bicycle facility that includes a new pedestrian/bicycle overcrossing along the north side of the US 101/University Avenue overcrossing. The overcrossing would be a 4-span structure approximately 560 feet long. On the east side of the freeway, a Class I facility would be constructed from the south side of the northbound US 101/University Avenue loop off-ramp to the new structure. The overall project will also widen the existing southbound US 101 to University

2021 Measure A & W Highway Program Call for Projects Application Submittals
Summary List of Projects Descriptions: Ranked List

Avenue loop off-ramp from three lanes to four lanes to include two left turn and two right turn lanes. The northbound US 101 to southbound University Avenue loop off-ramp would be realigned to square up with University Avenue with a tighter-radius-curve.

Benefit: The project will relieve an interchange bottleneck at University Avenue and US 101. The project will also reduce intersection delay along University Avenue at both Donohoe Street and Woodland Avenue. The southbound ramp improvements will reduce queue lengths in both the AM and PM peak periods. Bicycle and pedestrian safety will be improved with a dedicated overcrossing that will eliminate bicycle and vehicle weaving conflicts on University Avenue. Combined, these improvements will create separated, comfortable facilities for people walking and biking to access nearby schools, business centers, retail areas, and transit stops.

5. US 101 / Holly St Interchange & Pedestrian Overcrossing Project

Request: \$10,250,000 (Construction – Interchange)

Sponsor: San Carlos

Remaining Funding Gap: \$16,690,000 (Pedestrian Overcrossing - 50% TA contribution limit reached)

Scope: Construction funding for the Phase 1 portion of the US 101 / Holly Street interchange. The Phase 1 interchange modification removes the northeast and southwest loop ramps from the existing full cloverleaf (Type L-10) IC and creates a partial cloverleaf (Type L-9) IC to US 101. Diagonal on- and off-ramps will be modified to create more bicycle- and pedestrian-friendly crossings. Holly Street will be widened to provide a third through lane for limited sections at on-ramp approaches. Phase 2 of the project includes the pedestrian overcrossing and associated improvements.

Benefit: The Project will increase on- and off-ramps capacity to prevent spillback of traffic to mainline US 101 and reduce delay by improving intersection operations. The project will improve safety by eliminating weaving issues in the eastbound direction where on- and off-ramps use a singular lane and conflict with the existing bicycle lane. The Phase 2 pedestrian overcrossing will provide a comfortable alternate route for people walking and biking to avoid on- and off-ramp conflicts with motor vehicles.

6. Roadway Facility Improvements between Highway 101 and Dumbarton Bridge

Request: \$4,500,000 (PSR-PDS)

Sponsor: C/CAG

Remaining Funding Gap: \$0 for PSR-PDS phase

2021 Measure A & W Highway Program Call for Projects Application Submittals
Summary List of Projects Descriptions: Ranked List

Scope: Preparation of a Project Study Report-Project Development Support (PSR-PDS) to evaluate concepts for connecting the existing US 101 Express Lanes to the Dumbarton Bridge. The PSR-PDS will include, at a minimum, Highways 101, 84, 114, and 109. The study will analyze options to provide managed lane roadway facilities for express buses, other transit, shuttles, and high occupancy vehicles to reduce vehicle congestion, greenhouse gas emissions, and increase person throughput in this congested corridor. Additionally, the PSR-PDS will analyze improvements to pedestrian and bike safety, connections to and along the Bayfront for commuting and recreation, and strategies to reduce transportation impacts on the local community.

Benefit: The Project will assess congestion relief based on various proposed designs that will be studied as part of this effort which promote high occupancy vehicle and express transit improvements. The goal is to reduce congestion delay and queuing, encourage more commuters to switch modes away from driving alone to HOV options, increase person throughput, and provide comfortable options for people to walk and bicycle in the project area.

7. US 101 Managed Lanes Project North of I-380

Request: \$11,323,000 (PS&E)

Sponsor: SMCTA and C/CAG

Remaining Funding Gap: \$0 for PS&E phase

Scope: Plans Specifications and Estimates (PS&E) for approximately 7-miles of managed lane (ML) facilities, defined as high-occupancy vehicle (HOV) lanes and/or high-occupancy toll (HOT) lanes, on northbound and southbound US 101 from one mile south of the of the US 101/Interstate 380 (I-380) Interchange to the San Mateo/San Francisco County Line. The PS&E phase spans from preliminary plans through the submittal of contract documents for advertisement, including the completion of geometric base maps and determining project requirements for roadway, structures, tolling, signing, right-of-way, utilities and permits. Final design (65%, 95% & 100% PS&E) adds design details and obtains approvals.

Benefit: The Project will reduce delays and improve travel time and reliability by providing new tolled or standard managed lanes for use by HOV3+ (vehicles w/ 3 or more occupants), motorcycles and transit for free and other vehicles. It will encourage carpooling and transit use as an alternative to driving alone, increasing person throughput, and reduce adverse impacts from cut-through traffic on local streets to avoid congestion on US 101. The Project closes the gap and will complete the planned ML system within San Mateo County. This Project is part of the larger regional ML system on US 101 that spans from San Mateo County to Santa Clara County with a possible extension in San Francisco County.

2021 Measure A & W Highway Program Call for Projects Application Submittals
Summary List of Projects Descriptions: Ranked List

8. US 101 / Peninsula Ave Interchange Project

Request: \$6,000,000 (PAED, PS&E, ROW)

Sponsor: San Mateo

Remaining Funding Gap: \$0 for PAED, PS&E, ROW phases

Scope: Project Approval and Environmental Document (PAED), Plans Specifications and Estimates (PS&E), and Right of Way (ROW) support to relocate the US 101 southbound on- and off-ramps from Poplar Avenue to Peninsula Avenue which will eliminate a button-hook partial interchange with existing safety issues and create a single, regional-serving, full-access interchange at Peninsula Avenue and Airport Boulevard. The Project will conduct extensive additional traffic analysis requested by community stakeholders and perform additional outreach to communicate the findings which has expanded the scope and schedule of the PAED phase. Additionally, the Project will complete a full Environmental Impact Report and Initial Study given the potential project impacts.

Benefit: The Project will provide enhanced bicycle and pedestrian improvements on Peninsula Avenue between Humboldt Street to Bayshore Boulevard. The Project will also reduce travel times to and from the mainline freeway, enhance access to a regional park, streamline ingress and egress to a developing technology employment center, reduce local street-level congestion, and improve safety in the vicinity of four schools.

9. El Camino Real Bicycle and Pedestrian Improvement Project

Request: \$1,800,000 (PSR)

Sponsor: Colma

Remaining Funding Gap: \$0 for PSR phase

Scope: Project Study Report (PSR) to assess operational and safety improvements along El Camino Real within the Town of Colma. The overall project proposes to install a road diet from Albert M Teglia Boulevard to Mission Road, separated bikeways, continuous sidewalks, crossing treatments, new traffic signals, new bus stops, and improve intersection designs. The PSR phase will include traffic operations analysis, stakeholder coordination, and right-of-way needs assessments.

Benefit: The Project aims to improve safety and mobility for people who walk and bike along El Camino Real and increase access to public transportation. The Project will include multimodal intersection design treatments to address efficient travel for all modes of transportation and minimize delay.

10. US 101 / SR 92 Direct Connectors

Request: \$10,200,000 (PAED)

2021 Measure A & W Highway Program Call for Projects Application Submittals
Summary List of Projects Descriptions: Ranked List

Sponsor: SMCTA and C/CAG

Remaining Funding Gap: \$0 for PAED phase

Scope: Project Approval and Environmental Document (PAED) for the long-term direct connection improvements within the US 101/SR 92 Interchange. Two alternatives are being considered: 1) US 101 / SR 92 managed lanes direct connector from westbound SR 92 to northbound and southbound US 101; and 2) Reversible US 101 / SR 92 managed lanes direct connector ramps. The anticipated environmental document is an Environmental Impact Report/Environmental Assessment (EIR/EA) to meet the CEQA and NEPA requirements. The PAED phase will include all environmental technical studies, traffic analysis, public outreach, and stakeholder coordination.

Benefit: The proposed managed lane direct connectors will allow HOV and other eligible vehicle flows to bypass congestion in general purpose lanes, encourage carpooling, promote transit access, and reduce demand on the existing interchange ramp connections. The proposed improvements can reduce congestion spillover onto local streets.

11. Moss Beach SR-1 Congestion and Safety Improvements

Request: \$1,145,000 (PSR-PDS)

Sponsor: San Mateo County

Remaining Funding Gap: \$0 for PSR-PDS phase

Scope: Preparation of a Project Study Report-Project Development Support (PSR-PDS) to implement improvements on State Route (SR)-1 in unincorporated Moss Beach from 16th St. to Cypress Ave. which may include: new controlled intersections (either single-/multi-lane roundabouts or traffic signals) at 16th St., California Ave., and Cypress Ave.; dedicated turn lanes; high-visibility crosswalks; new sidewalk on the west side of SR-1 from California Ave. to Cypress Ave.; bus stop improvements for SamTrans Route 17; Class 2 bike lanes; and Class 1 multi-use path on the east side of SR-1.

Benefit: The Project aims to improve traffic flow, increase intersection safety, and enhance operations for vehicular travel along and across SR-1. Additionally, multimodal improvements will encourage residents and visitors to walk, bike, and use transit. The Project will create multiple new opportunities for pedestrians and cyclists to cross SR-1 where only one marked crossing currently exists in a six-mile stretch of the unincorporated Midcoast area.

12. Highway 1 / Manor Dr Overcrossing Project

Request: \$2,700,000 (PID, PAED)

Sponsor: Pacifica

2021 Measure A & W Highway Program Call for Projects Application Submittals
Summary List of Projects Descriptions: Ranked List

Remaining Funding Gap: \$0 for PID, PAED phases

Scope: Project Initiation Document (PID) and Project Approval/Environmental Document (PAED) to widening the Manor Drive SR 1 overcrossing between Palmetto Avenue and Oceana Boulevard, flare the Manor Drive overcrossing curb returns and install traffic signals at the Manor Drive intersections with Palmetto Avenue and Oceana Boulevard.

Benefit: The widening of the existing overcrossing and increase in turning radii at the corners will better accommodate all modes of traffic, providing additional space for buses and trucks as well as bicyclists. Replacement of the existing four-way stop signs at the Palmetto and Oceana intersections with traffic signals will help improve local traffic flow and enhance pedestrian and bicycle safety through the corridor.

2021 Highway Program Call for Projects

Draft Project Recommendations

**November 4, 2021
Board of Directors**



OVERVIEW

- Program Overview & Funding
- Call for Projects Process
- Evaluation Criteria
- Project Submissions
- Funding Recommendation Options
- Next Steps & Questions



PROGRAM OVERVIEW & FUNDING

- TA Board adopted the Short Range Highway Plan (SRHP) and Capital Improvement Plan (CIP) in June 2021
 - SRHP incorporates Measure A goals and Measure W core principles
 - CIP includes overview of all eligible projects to assess countywide highway funding needs for the next 10 years
- TA Strategic Plan 2020-2024 established the evaluation criteria with detailed breakdown of scoring identified in the SRHP



PROGRAM OVERVIEW & FUNDING

- Minimum of 10% match required for each phase of work
- Measure A/W generally only fund up to 50% of a total project cost
- Sponsor performance on past awards was reviewed
- Projects must remain active and meet timely use of funds requirements to maintain funding
- Projects with remaining funding gaps for the requested phase have until December 2022 to make substantive progress in securing the additional funds to retain Measure A/W funding.



PROGRAM OVERVIEW & FUNDING

Proposed Funding for the 2021 CFP

Funding Track	Funding
Measure A: (KCA & SR)	\$80 million <i>(KCA: \$50.4m / SR: \$29.6m)</i>
Measure W	\$20 million
Total	\$100 million

- Project requests must be for work ready to proceed within 12 months of receiving the funding award
- TA Board approved a set aside of up to 40% for projects of countywide significance



PROGRAM OVERVIEW & FUNDING

Evaluation Criteria set by TA Strategic Plan 2020-2024

Categories	Pre-Env Phases (PLAN, ENV)	Post-Env Phases (PS&E, ROW, CON)
Need	60%	22%
Effectiveness	N/A	37%
Sustainability	N/A	16%
Readiness	20%	15%
Funding Leverage	20%	10%



CALL FOR PROJECTS PROCESS

Call for Projects Released

- August 6, 2021 following the August TA Board of Directors meeting
- Materials posted to website and notices sent to eligible sponsors

Call for Projects Workshop

- August 11, 2021 (virtual)
- Review of funding, guidelines, eligibility, and evaluation criteria
- 22 participants from eligible sponsors attended

Notice of Intent to Submit Survey

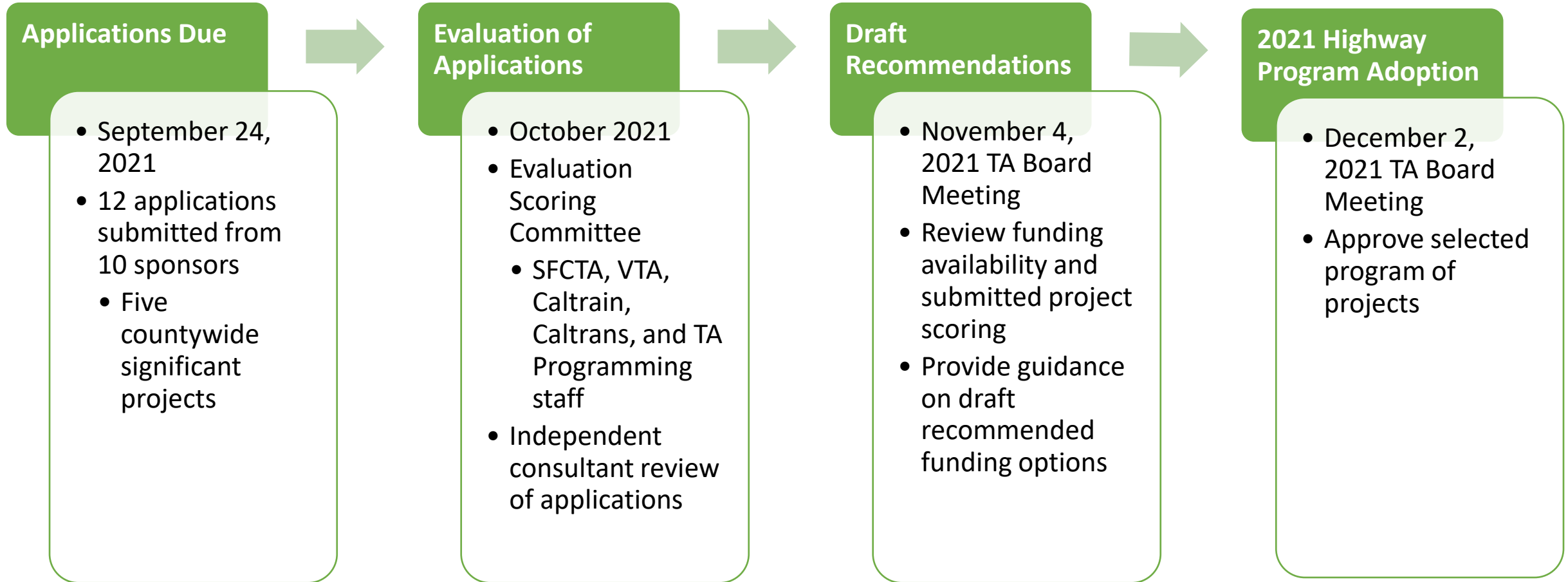
- August 13, 2021
- Proposed submission information from sponsors identified
- Forum to receive upload link to submit application
- Sign up for early submittal review

Early Submittal Review

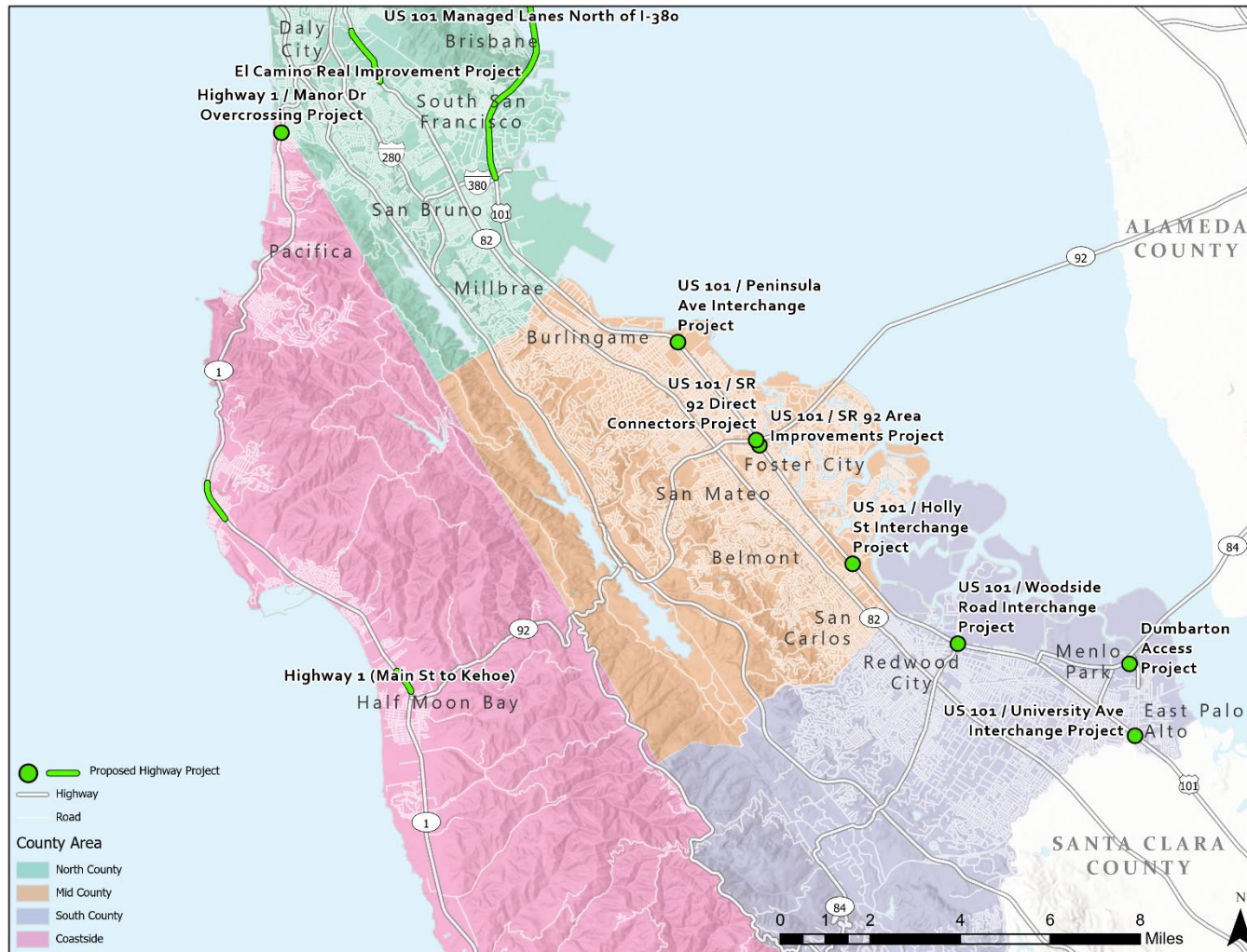
- September 10, 2021
- Nine out of twelve applications submitted
- Review of applications against TA evaluation criteria



CALL FOR PROJECTS PROCESS



PROJECT SUBMISSIONS



- Mix of project types
 - Interchange: 7
 - Mainline: 1
 - Arterial: 4
- Work Phases
 - Planning/PID: 4
 - Env/Design: 3
 - ROW/Construction: 5



PROJECT SUBMISSIONS (by rank)

Rank	Sponsor	Project Name	Phase	Request
1	Half Moon Bay	Highway 1 (Main St to Kehoe)	CON	\$2,400,000
2	SMCTA / C/CAG	US 101 / SR 92 Area Improvements	PS&E, ROW, CON	\$5,075,000
3	Redwood City	US 101 / Woodside Rd Interchange	CON	\$50,000,000
4	East Palo Alto	US 101 / University Ave Interchange & POC	CON	\$4,183,665
5	San Carlos	US 101 / Holly St Interchange & POC	CON	\$10,250,000
6	C/CAG	Dumbarton Access Improvements	PID	\$4,500,000
7	SMCTA / C/CAG	US 101 Managed Lanes North of I-380	PS&E	\$11,323,000
8	San Mateo	US 101 / Peninsula Ave Interchange	PAED, PS&E, ROW	\$6,000,000
9	Colma	El Camino Real Bike/Ped Improvements	PSR	\$1,800,000
10	SMCTA / C/CAG	US 101 / SR 92 Direct Connectors	PAED	\$10,200,000
11	San Mateo County	Moss Beach SR-1 Improvements	PSR-PDS	\$1,145,000
12	Pacifica	Highway 1 / Manor Drive Overcrossing	PID, PAED	\$2,700,000
			Total	\$109,576,665



FUNDING RECOMMENDATION OPTIONS

Based on available funding and project rankings, TA staff have identified 3 potential funding recommendation options

Option	Funding Goal	Draft Funding Recommendations	Unfunded Phase Requests (101 / Woodside excluded*)
1	Limit the awards to approx. the advertised funding amounts (\$100 million)	\$100.7 million	\$26.7 million
2	Use available Original Measure A funds (\$11.4 million) to award all eligible requests	\$109.5 million	\$22.8 million
3	Staff Recommendation: Use available Original Measure A funds (\$11.4 million), use available Local Partnership Program formula funds (\$2.3 million), and fully fund highest scoring construction ready projects with smallest remaining funding gaps	\$113.9 million	\$16.6 million

*Redwood City's 101 / Woodside project will have a \$153-158 million dollar remaining funding gap depending on the preferred option selected.



FUNDING RECOMMENDATION OPTIONS

Option 1: \$100.7 million program

Limit the awards to approx. the advertised funding amounts (\$80 million New Measure A and \$20 million Measure W)

Pros

- 10 projects receive funding
- Five projects of countywide significance receive funding
- Consistent with TA guidelines

Cons

- Two lowest ranking projects do not receive funding – San Mateo County & Pacifica (both coastside)
- Four construction requests will still have funding gaps
- Redwood City award reduced



FUNDING RECOMMENDATION OPTIONS

Option 2: \$109.5 million program

Use available Original Measure A funds (\$11.4 million) to award all eligible requests

Pros

- All 12 projects receive funding
- Five projects of countywide significance receive funding
- Provide Redwood City with full request
- Consistent with TA guidelines

Cons

- Four construction requests will still have funding gaps (Half Moon Bay, East Palo Alto, San Carlos, Redwood City)



FUNDING RECOMMENDATION OPTIONS

Option 3 (Staff Recommendation): \$113.9 million program

Use Original Measure A funds (\$11.4 million), use LPP formula funds (\$2.3 million), & fully fund highest ranking projects

Pros

- All 12 projects receive funding
- Reduces upcoming LPP competitive program submissions
- Fully funds Half Moon Bay (coastside) & East Palo Alto (Equity Priority Community) projects

Cons

- Two construction requests will still have funding gaps (San Carlos & Redwood City)
- Requires funding over 50% Measure A/W contribution (HMB = 72%, EPA = 58%)



NEXT STEPS & QUESTIONS

- November 30, 2021: Present preferred 2021 Highway Program of Projects to CAC
- December 2, 2021: TA Board adopts preferred 2021 Highway Program of Projects



**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: San Mateo County Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **ACCEPTANCE OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR
THE FISCAL YEAR ENDED JUNE 30, 2021**

ACTION

Staff proposes the Board of Directors accept the San Mateo County Transportation Authority's (TA) Fiscal Year (FY) 2021 Annual Comprehensive Financial Report (ACFR).

The FY 2021 ACFR is available online at
<http://www.smcta.com/Resources/Finance/ACFR.html>

SIGNIFICANCE

Annually, staff is responsible for preparation of an annual report on the financial position and financial results of the TA. The TA 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 independent auditor has provided an unmodified, or "clean", opinion on the Financial Statements.

The TA presents these audited financial statements, along with the auditor's opinion thereupon, in a comprehensive document called the Annual Comprehensive Financial Report (ACFR). (In previous years this document was referred to as the CAFR.) The ACFR serves as the TA's primary source of disclosure to the public and to the financial community regarding the status of the TA's financial position.

BUDGET IMPACT

There is no impact on the Budget.

BACKGROUND

The ACFR is prepared in accordance with the guidelines set forth by the Government Accounting Standards Board and is organized into three sections – Introductory, Financial, and Statistical Sections.

- The **Introductory** Section includes a Transmittal Letter and provides general information on the TA's structure, personnel, economic outlook and finances.
- The **Financial** Section includes audited financial statements which provide detailed financial information as well as comparative financial data. The Management Discussion & Analysis (MD&A) is also found in the Financial Section. Along with the Transmittal Letter, the MD&A is of most interest to those looking for a narrative annual review of the TA's finances.
- The **Statistical** Section provides a broad range of data covering key financial trends including revenue and debt capacity, economic and demographic data and operating information.

The introductory section and the statistical section presented in the ACFR are not required by California Government Code to be reported as part of the audited financial statements of the TA. These sections are required when producing an ACFR which the TA chooses to do in order to provide detailed information about the financial condition of the TA in a form that is understandable to our customers and constituents.

Together, all sections of the ACFR provide the detail as well as the perspective with which to assess the TA's financial condition.

The ACFR is prepared and presented to the Government Finance Officers Association for their review, evaluation and to apply for the certificate of Achievement for Excellence in Financial Reporting. The TA has received an award for every year that the report was submitted.

Prepared by: Jennifer Ye, Acting Director, Accounting

650-622-7890



October 11, 2021

To the Board of Directors of the
San Mateo County Transportation Authority
San Carlos, California

We have audited the financial statements of San Mateo County Transportation Authority (Transportation Authority) as of and for the year ended June 30, 2021, and have issued our report thereon dated October 11, 2021. 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 *Government Auditing Standards*

As communicated in our letter dated April 20, 2021, 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 your 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 Transportation Authority 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.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated October 11, 2021.

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 Transportation Authority 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 Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimates were identified.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Transportation Authority's financial statements are described at Note 1, Note 11, and Note 12 to the financial statements.

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 and each applicable opinion unit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

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 Transportation Authority’s 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 11, 2021.

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 Transportation Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational 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 Transportation Authority’s auditors.

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



Menlo Park, California

San Mateo County Transportation Authority

San Carlos, California



Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021
With Comparative Totals for 2020



SAN MATEO COUNTY
**Transportation
Authority**



SAN MATEO COUNTY
Transportation
Authority

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021
(With Comparative Totals for 2020)

Prepared by the Finance Division

San Mateo County Transportation Authority

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June 30, 2021

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Introductory

Letter of Transmittal

GFOA Certificate of Achievement

Board of Directors

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October 11, 2021

To the Board of Directors of the San Mateo County

San Carlos, California

**Annual Comprehensive Financial Report
Year Ended June 30, 2021**

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the San Mateo County Transportation Authority (Transportation Authority) for the Fiscal Year July 1, 2020 through June 30, 2021. This transmittal letter includes the formal transmittal of the ACFR, a profile of the Transportation Authority, information useful in assessing the government's economic condition, awards and acknowledgements. Readers desiring an analytical overview of the basic financial statements or the Transportation Authority's financial activities may refer to the Management's Discussion and Analysis in the Financial Section.

Management assumes sole responsibility for the information contained in this report, including its presentation and the adequacy of its disclosures. To the best of our knowledge, this report is complete and reliable in all material respects. To provide a reasonable basis for making this representation, we have established a comprehensive system of internal controls designed to protect the Transportation Authority's assets from loss, to identify and record transactions accurately and to compile the information necessary to produce financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not exceed the likely benefits, the Transportation Authority's internal control system intends to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

To test the performance of the internal control system, the Transportation Authority contracted independent auditing services from Eide Bailly LLP, a certified public accounting firm licensed to practice in the State of California. The auditor expressed an opinion that the Transportation Authority's financial statements are fairly stated in all material respects and in compliance with accounting principles generally accepted in the United States. This conclusion is the most favorable kind and is commonly known as an "unmodified" or "clean" opinion.

Organizational Profile

Basic Information

San Mateo County, with a population of over 775,000, is located on a peninsula south of the City and County of San Francisco, bordered on the west by the Pacific Ocean, on the east by San Francisco Bay and on the south by the counties of Santa Clara and Santa Cruz. The voters of San Mateo County approved the creation of the Transportation Authority pursuant to the Bay Area County Traffic and Transportation Funding Act in June 1988. This Measure A vote authorized a one-half cent county-wide sales tax levy. The Transportation Authority programs and allocates sales tax revenues to designated project sponsors that are responsible for delivering a broad spectrum of transportation projects and programs pursuant to a Transportation Expenditure Plan over a period of 20 years. In November 2004, the voters reauthorized the levy of the sales tax with a new publicly developed Expenditure Plan containing transportation programs and projects to be implemented over an additional 25 years beyond the original expiration date of December 31, 2008. The 2004 Transportation Expenditure Plan (TEP) includes six program categories including:

1. Transit
2. Highways
3. Local Streets/Transportation
4. Grade Separations
5. Pedestrian and Bicycle
6. Alternative Congestion Relief Programs

In November 2018, San Mateo County voters approved Measure W, another sales tax measure that provides an additional half-cent transportation sales tax for 30 years to fund countywide transportation and traffic congestion solutions in San Mateo County. The San Mateo County Transit District (District) imposes the tax and administers the investments in the County Public Transportation Systems Program Category in the associated Measure W Congestion Relief Plan, which represents 50% of the proceeds. Measure W also provides that the District may designate the Transportation Authority to administer the other half of the revenues, which it has done. As a result of this designation, the Transportation Authority administers the remaining 50% of Measure W sales tax proceeds in the following four categories:

1. Countywide Highway Congestion Improvements
2. Local Safety, Pothole and Congestion Relief Improvements
3. Bicycle and Pedestrian Improvements
4. Regional Transit Connections

The 2004 Measure A TEP requires the Transportation Authority to develop and adopt a Strategic Plan and that it be updated at least once every five years. The Measure W TEP, otherwise known as the San Mateo County Congestion Relief Plan, also requires the Transportation Authority to prepare a Strategic Plan with broad-based public outreach. This plan, which was approved in December 2019 by the Transportation Authority Board of Directors, provides the policy guidance for the implementation of both the Measure A and Measure W transportation sales tax programs the Transportation Authority is tasked with administering over the five years from 2020 to 2024.

Whenever possible, the Transportation Authority seeks to attract matching funds, which grantees provide in the form of state, federal, local, private, and other funds. These efforts have led to effective partnerships with city, county, state, and federal agencies for designing and completing transportation projects. The Transportation Authority itself is not a recipient of federal assistance.

Interested readers may view the Measure A and Measure W TEPs as well as the Strategic Plan 2020-2024 online at www.smcta.com or by contacting:

Director, Transportation Authority Program
San Mateo County Transportation Authority
San Carlos Avenue
P.O. Box 3006
San Carlos, California 94070-1306

Governance

The Transportation Authority is governed by a seven-member Board of Directors with input from a 15-member Citizens' Advisory Committee. The Board members are selected as follows:

- The publicly elected County Board of Supervisors appoints two of its members to serve on the Board.
- Local governments participate in a Cities Selection Committee to appoint four Board members, one each to represent the interests of North County, Central County, South County and the cities-at-large.
- The San Mateo County Transit District (District) appoints one Board member

The Board of Directors meets once a month to determine overall policy for the Transportation Authority and to review the progress of the Transportation Expenditure Plans.

Administration

The District provides administrative and staff services under the direction and oversight of the Transportation Authority Board of Directors as provided for in Transportation Authority Resolution No. 1988-3, "Designating the San Mateo County Transit District to Manage the Affairs of the Authority, and Appointing an Executive Director, Attorney, Controller and Treasurer" and the proposal attached thereto and referenced therein. District staff manages the funds collected through Measures A and W, allocates the funds to grantees as authorized by the Board, and monitors delivery of projects funded by these tax measures. The Transportation Authority reimburses the District for the cost of its direct services charged to its cost centers and also for indirect charges associated with work for the Transportation Authority. These overhead rates are approved by the U.S. Department of Transportation. Currently, District divisions and departments provide a complete and responsive team for all the Transportation Authority activities as follows:

The *Executive Office* is responsible for directing and overseeing all activities and for providing support to the Board of Directors and Citizens Advisory Committee.

San Mateo County Transportation Authority

Letter of Transmittal

June 30, 2021

The *Finance Division* is responsible for financial accounting and reporting, capital budgeting, operational budgeting, payroll and vendor disbursements, investments and cash management, debt management, revenue control, purchasing, contract administration, risk management, and information technology.

The *Bus Division* provides technical support for the Transportation Authority project sponsors, specifically for commuter and community shuttles. The Bus Division also operates the Redi-Wheels paratransit program, which is partially funded by Measure A.

The *Rail Division and the Caltrain Modernization Program (CalMod)* manages the Caltrain service, carries out state of good repair, the Peninsula Corridor Electrification Project, and Positive Train Control. The division also assists sponsors with implementing major projects, such as grade separations, with expertise offered by the capital project engineering and construction teams.

The *Communications Division* is responsible for customer service, marketing, advertising, public information, media relations, legislative activities, social media and community outreach.

The *Planning, Grants and Transportation Authority Division* is responsible for oversight of voter-approved Transportation Expenditure Plans; SamTrans operations planning, strategic planning and performance; grant administration; and property management.

The *Administrative Division* provides management assistance to executive divisions and is responsible for human resources and safety and security.

Component Units

The Transportation Authority is a legally separate and financially independent governmental agency similar to a special district that is not a component unit of the County of San Mateo, the San Mateo County Transit District (District) or any other entity. This ACFR and the financial statements contained within represent solely the activities, transactions and status of the Transportation Authority.

Budget

State law requires the Transportation Authority to adopt an annual budget by resolution of the Board of Directors. In the spring preceding the start of each Fiscal Year, staff presents an annual budget based on established agency goals, objectives and performance measures to the Board of Directors. The Board of Directors monitors budget-to-actual performance through monthly staff reports. The Financial Section of this report includes supplemental schedules that compare actual results on a budgetary basis of accounting to the original and final adopted budgets.

Once adopted, the Board of Directors has the authority to amend the budget. While the legal level of budgetary control is at the entity level, the Transportation Authority maintains more stringent control at division, departmental and line item levels to serve various needs. Cost center managers monitor budget-to-actual performance on a monthly basis. The Board has delegated the authority to transfer budget amounts between divisions and departments to the Executive Director or his designee. However, any increase to the expenditure budget as a whole requires the approval of the Board. In addition, the Transportation Authority uses the encumbrance system to reduce budget balances by issuing purchase orders to avoid over-commitment of resources.

The Transportation Authority employs the same basis of controls and accounting principles for both budgeted and actual revenues and expenditures, except that actual proceeds from the sale of capital assets, unrealized investment gains and losses and inter-fund transfers are not included in the budget. Pursuant to procedures established in its enabling legislation, the Transportation Authority establishes an appropriation limit for each annual budget cycle. The appropriation limit for Fiscal Year 2021 was \$769.4 million.

Financial and Economic Outlook

Due to the COVID-19 pandemic, 2020 saw record unemployment and many struggles for businesses and consumers alike. Despite that, financial assistance from the federal government, policies to limit the spread of COVID cases and the introduction of vaccines to combat COVID-19 in early 2021, the state of California and the Bay area are emerging and beginning to recover as we move into the fall of 2021.

According to the California labor department, the unemployment rate in the San Francisco-Redwood City-South San Francisco Metropolitan division was 4.8 percent in August 2021, down from a revised 5.1 percent in July 2021, and below the year-ago estimate of 9.1 percent. This compares with an unadjusted unemployment rate of 7.5 percent for California and 5.3 percent for the nation during the same period.

The unemployment rate was 5.0 percent in San Francisco County, and 4.6 percent in San Mateo County. The Leisure and Hospitality sector was most impacted by the shutdown and it is this sector that has seen the most job increases. Given that the state fully re-opened on June 15th, the recent hiring surge is expected to continue through the summer months.

San Mateo County unemployment rate was at a high of 11.4 percent in April 2020. While still not at pre pandemic levels, when unemployment was 2.1 percent in Feb. 2020, 4.6 percent as of August 2021 has shown the strong recovery partly due to the relatively large numbers of high-tech jobs that transitioned to working remotely.

The San Mateo County population is expected to grow more slowly than the Bay Area average during the 2020-2025 forecast period. Net migration will not be material and many of those who have relocated out of the county have been to areas with more affordable housing. Housing affordability has gotten worse over time. In 2019 the median home price in San Mateo County was \$1.3 million. Most of the projected housing production is expected to be apartments and condos.

The San Mateo County technology sector continues to expand. In 2019, venture capital funding to local tech firms surpassed \$32 billion, helping to fuel job growth. The county now has 12,200 workers at software firms, 26,000 workers at Internet publishing and data services companies. Real Income per capita in 2019 was \$133,117 placing San Mateo County among the wealthiest regions of California. This is expected to decline slightly in 2020 to \$125,037 but forecasted to grow 2.7 percent in 2021.

Transportation Authority Programs and Initiatives

The goal of the Transportation Authority is to administer the proceeds from the voter approved Measures A and Measure W to fund a broad spectrum of projects and programs to meet San Mateo County's growing transportation need. Long-term financial planning is crucial in order to accomplish this goal, and to ensure funds are expended in the most efficient and effective manner possible.

As noted previously, both Measure A and Measure W require the adoption of a Strategic Plan. The current plan, Strategic Plan 2020-2024, was adopted in December 2019, and can be viewed at https://www.smcta.com/about/Strategic_Plan_2020-2024.html. The plan establishes a framework of policies to guide the decision-making process of prioritizing transportation projects and programs consistent with the goals and objectives of the Countywide Transportation Plan and the Transportation Expenditure Plan.

Below are highlights of the programs currently supported by Measures A and W.

Caltrain

The 2004 Measure A TEP established a category to help subsidize San Mateo County's share of the Peninsula Corridor Joint Powers Board (JPB) annual operating and capital funding needs. The JPB provides public transit services via its Caltrain railroad over a 77-mile right of way extending from San Francisco in the north to Gilroy in the south. Projects funded include:

- Safety improvements
- Planning studies to support new capital projects and operations
- State of good repair projects for:
 - Rail and associated civil structures
 - Bridges
 - Signal and communications
 - Facilities
 - Vehicles

Notable recent projects supported by Measure A include:

- Ongoing construction of a new South San Francisco Caltrain station. Slated for completion in 2021.
- Ongoing construction for the Peninsula Corridor Electrification and the Positive Train Control projects.
- Ongoing decommissioning of the Atherton Station to help eliminate holdout rules along the corridor.

Grade Separations

The 2004 Measure A TEP provides 15 percent of sales tax revenue dedicated toward improving safety at railroad crossings and relieving local traffic congestion. In addition, Measure W dedicates two and half percent of sales tax revenue to augment the grade separation program. Due to the high cost of constructing railroad grade separations, the Transportation Authority Board limited the funding four pipeline projects and identified a set-aside toward planning for additional grade separations for the 2004

Measure A funds. To-date, \$113.4 million of Measure A funds have been allocated toward grade separations while no Measure W funds have yet been allocated.

Notable recent projects supported by Measure A include:

- Ongoing construction of the 25th Avenue Grade Separation Project in the City of San Mateo, slated for completion in 2021.
- Ongoing final design of the Broadway Grade Separation Project in the City of Burlingame.
- Ongoing planning for the South Linden Street and Scott Avenue Grade Separation Project in the City of South San Francisco and City of San Bruno.
- Planning funds for Ravenswood Grade Separation Project in the City of Menlo Park.
- Ongoing planning for the Whipple Avenue Grade Separation Project in the City of Redwood City.

Accessible Services

With a growing aging population in San Mateo County, Accessible Services are becoming an even more critical component of providing mobility options for county residents. Four percent of the 2004 Measure A TEP is provided to SamTrans for their annual Paratransit budget, providing an essential lifeline for the county's mobility-impaired population.

Shuttles

Four percent of the 2004 Measure A TEP supports commuter and community shuttle programs in San Mateo County. To date, the Measure A program has allocated over \$38.5 million in funding for shuttle operations. The current 2-year shuttle funding cycle began on July 1, 2020 and provides support to a combination of 28 commuter and community shuttles.

Highway Program

The 2004 Measure A TEP provides 27.5 percent of the annual one-cent sales tax receipts for highway projects, while Measure W added another 22.5 percent of the new one cent sales approved by voters in 2018 for these types of projects. Together, these two measures provide approximately \$46.8 million for the highway program in FY2021. In June 2020, the Transportation Authority adopted an updated Short-Range Highway Plan and companion Capital Improvement Program to help guide highway program investment decisions for the next 10 years. These planning documents support a forthcoming call for projects processes to make specific project investments which are anchored to the goals of Measure A and the Core Principles of Measure W. The following are examples of the types of projects funded under the highway program:

- Roadway safety improvements.
- Highway throughput enhancements.
- Interchange reconstruction.
- Highway ramp modification.
- Travel pattern forecasts.
- Travel time information system.
- Applying technology to help better manage traffic.

Notable street and highway projects completed include:

- Substantial completion of the southern segment of the U.S. 101 Express Lanes Project from the Santa Clara County Line to Whipple Avenue.
- Ongoing construction of the northern segment of the U.S. 101 Express Lanes Project from Whipple Avenue to I-380.
- Ongoing final design for the U.S. 101/Woodside Road Interchange Project.

In 2019, as co-sponsors of the San Mateo U.S. 101 Express Lanes Project with the City/County of Association of Governments of San Mateo County (C/CAG), the Transportation Authority and C/CAG jointly created the San Mateo County Express Lanes Joint Powers Authority (SMCELJPA). The SMCELJPA Board is comprised of 6 members, three members each from the TA and C/CAG Boards, and the new agency is the owner of the San Mateo County express lanes, and will be responsible for administration and management of the facility once the construction of the facility is complete. The facility, when complete in late 2022, will provide 22 continuous miles of express lanes in each direction on the U.S. 101 Corridor within San Mateo County.

In mid-2020, the Transportation Authority issued \$100 million subordinate sales tax revenue bonds, and then the TA Board took action to authorize a loan to SMCELJPA of up to \$100 million in support of the construction of the San Mateo U.S. 101 Express Lanes Project, which has a project cost of \$581 million. In addition to the \$100 million loan, the project also has funding sources that include State, Regional, and Federal grants, as well as \$53 million in private sector funds. The Transportation Authority and SMCELJPA entered into a loan agreement, and the SMCELJPA pledged to pay the \$100 million loan from future toll revenues in the coming years.

Alternative Congestion Relief

The Transportation Authority funds alternative congestion relief (ACR) programs aimed at reducing single occupancy vehicles (SOV) trips on congested freeways and busy city streets. These customized programs target both infrastructure problems and personal driving habits. ACR programs have an incremental but discernible impact on reducing traffic congestion and improving air quality in San Mateo County and the San Francisco Bay region. One percent of Measure A proceeds are set aside for this category.

To date the Transportation Authority has provided a portion of its ACR funding to Commute.org, which serves seventeen cities. Commute.org is a joint powers authority in San Mateo County, and its mission is to reduce the number of vehicle miles traveled (VMT) by commuters to decrease congestion, improve the environment, and enhance quality of life. The Transportation Authority made an allocation of \$567,036 in support of Commute.org's Fiscal Year 2020 work plan. Commute.org's work plan concentrates on four primary activities:

1. Employer outreach and support services.
2. Employer-based shuttle program administration.
3. Commuter outreach and incentive programs.
4. Development of public/private partnerships to reduce congestion.

As part of the Measure W, four percent of the Measure W Highway Congestion Improvements Category will be used to fund Transportation Demand Management (TDM)/ACR programs, which is equivalent to one percent of the total Measure W program. In early 2021, the TA kicked off the planning process to prepare an ACR/TDM Plan to guide project selection process for TDM/ACR projects. Once the plan is approved by the TA Board, which is expected by early 2022, the TA will issue the first ACR/TDM call for projects.

Pedestrian and Bicycle Programs

Three percent of the 2004 Measure A TEP and 5 percent of Measure W funds are available for the Pedestrian and Bicycle Program. The purpose of the program is to fund specific projects to encourage and improve walking and bicycling conditions. The 2004 Transportation Expenditure Plan and the Measure W Congestion Relief Plan include a list of candidate pedestrian and bicycle candidate improvement projects. Funding considerations are made through a call for projects where project review committees evaluate applications and review the projects based on a set of criteria which were approved as part of the adoption of the Strategic Plan. The Transportation Authority allocated approximately \$8.1 million to 13 projects in 2020 from its fifth Pedestrian and Bicycle Call for Projects. As of June 30, 2021, a total of \$28.8 million has been allocated to pedestrian and bicycle projects and programs by the Transportation Authority.

Ferry

The 2004 Measure A TEP includes two percent of sales tax revenue be dedicated to San Mateo County ferry services. The purpose of the program is to fund specific projects related to capital projects that support service in South San Francisco and Redwood City. However, operating funds are not an eligible use of the funds. The two eligible cities agreed to a 50/50 funding share split of this revenue. Measure A funds were used toward the construction of the South San Francisco Ferry terminal which opened in 2012. As of June 30, 2021, a total of \$8.9 million has been allocated toward ferry projects.

Notable recent projects supported by Measure A:

- On-going feasibility study for a second ferry terminal in South San Francisco.
- Completion of the Redwood City Ferry Feasibility Study and funding allocation for a Business Plan.

Local Streets/Transportation Programs

The 2004 Measure A TEP requires the Transportation Authority to earmark 22.5 percent to local cities and San Mateo County for various transportation-related improvements according to a formula based on population and number of road-miles. Measure W has added an additional 10 percent to this category. During Fiscal Year 2021, local agencies received \$30.4 million from both Measures and recipients of these funds primarily use them for street projects.

Regional Transit Connections

Ten percent of Measure W will be invested in infrastructure and services that are designed to improve transit connectivity between the County and the nine county Bay Area region. Investments from this category will be prioritized based on a project's ability to reduce congestion and enhance mobility options by connecting the County to the rest of the region, and a project's support through public-private partnership. This program is somewhat unique in that it can fund a variety of different transit modes. A Regional Transit Connections planning study and an accompanying Transit CIP will be prepared in 2022 to better inform the competitive selection process for this program.

Awards and Acknowledgments

The staff and contracted firms of the Transportation Authority bring an effective combination of skill, experience and dedication to carrying out the Transportation Authority's mission. Together, they plan, develop and finance the creation of a modern, coordinated multimodal transportation system offering convenient access to the many attributes of the Bay Area and beyond. Although we expect sales tax growth to be modest, the Transportation Authority expects the continued enthusiasm and dedication of its transit professionals to meet the transportation challenges of the future.

The Government Finance Officers Association (GFOA) recognized the Transportation Authority's Fiscal Year 2020 Annual Comprehensive Financial Report for excellence in financial reporting and the Certificate of Achievement appears immediately following this transmittal letter. To be awarded a certificate, a report must be easy to read and efficiently organized, while satisfying both generally accepted accounting principles and applicable legal requirements. We believe our Fiscal Year 2021 ACFR also meets the requirements for a Certificate of Achievement and will submit it to the GFOA for evaluation. We would like to thank our independent audit firm, Eide Bailly LLP for its timely and expert guidance in this matter.

An annual comprehensive financial report requires the dedicated effort of many individuals working together as a team. We extend our grateful recognition to all the individuals who assisted in both the preparation of this report and the processing of financial transactions throughout the Fiscal Year. Finally, we wish to thank the Board of Directors for their interest and support in the development and maintenance of a reliable financial management and reporting system.

Respectfully submitted,



Carter Mau

Acting General Manager/CEO



Derek Hansel

Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Mateo County Transportation Authority
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Board of Directors

Emily Beach, Chair

Rico E. Medina, Vice Chair

Carole Groom

Don Horsley

Julia Mates

Mark Nagales

Carlos Romero

Acting General Manager/CEO

Carter Mau

Executive Officers

Derek Hansel – Chief Financial Officer

April Chan – Chief Officer, Planning, Grants, and the Transportation Authority

Michelle Bouchard – Acting Executive Director, Caltrain

John Funghi – Chief Officer, CalMod Program (Retiring*)

Casey Fromson – Acting Chief Communications Officer

David Olmeda – Chief Operating Officer, Bus

Dora Seamans – Executive Officer, District Secretary/Executive Administration

General Counsel

Hanson Bridgett LLP

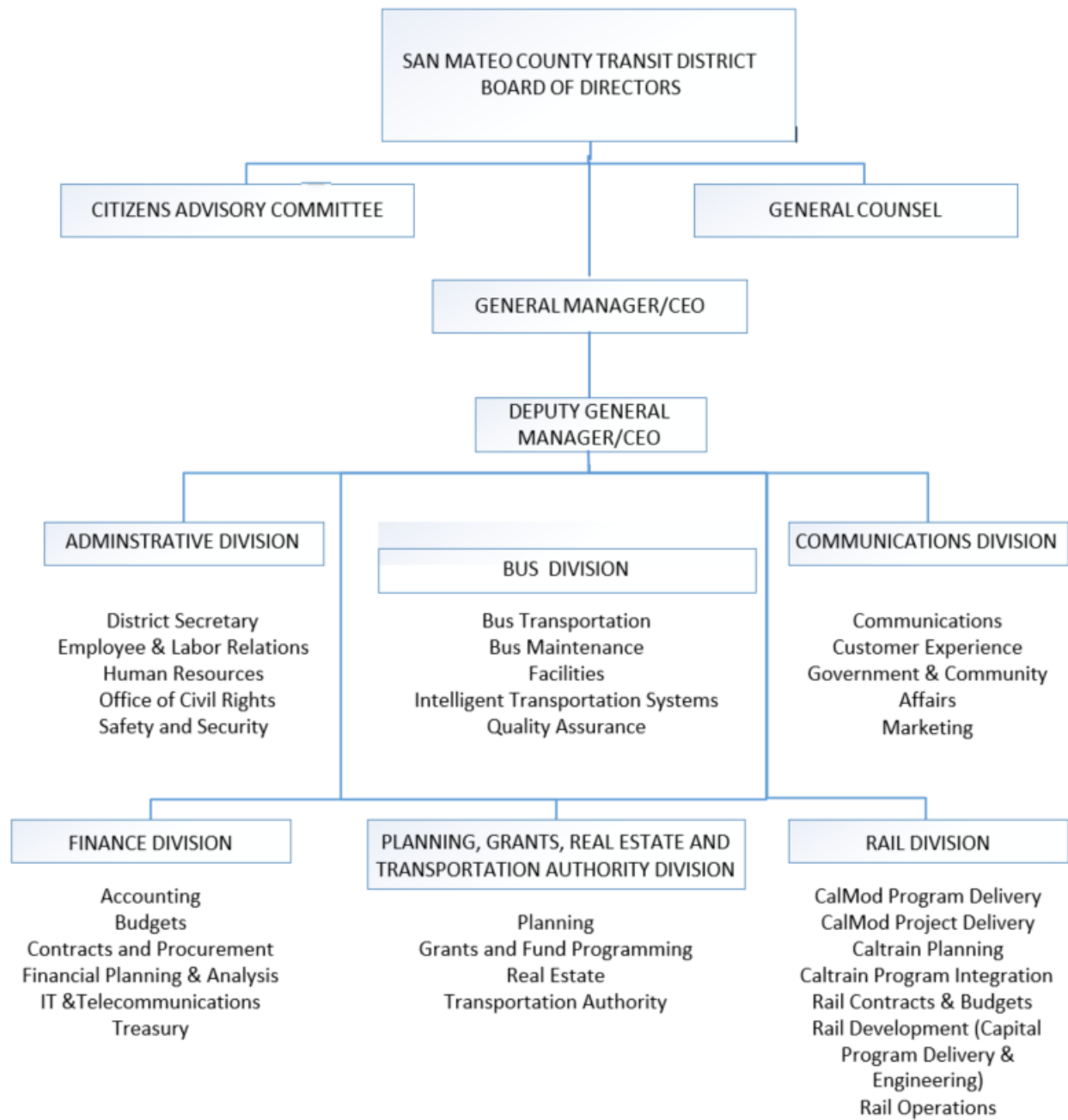
Joan Cassman, Esq.

*Pranaya Shrestha, Chief Officer, CalMod Program (September 13, 2021 – Present)

San Mateo County Transportation Authority

Organization Chart

June 30, 2021



San Mateo County, California



Table of Credits

The following individuals contributed to the production of the Fiscal Year 2021 Annual Comprehensive Financial Report:

Finance:	Deputy Chief Financial Officer	Grace Martinez, CPA
	Acting Director, Accounting	Jennifer Ye, CPA
	Director, Treasury	Connie Mobley-Ritter, MBA, CTP
	Acting Deputy Director, Financial Planning and Analysis	Ryan Hinchman
Audit Firm:	Partner	Nathan Edelman, CPA
	Manager	Joe Escobar, CPA

Financial

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Required Supplementary Information

Supplementary Information



Independent Auditor's Report

To the Board of Directors of the
San Mateo County Transportation Authority
San Carlos, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the San Mateo County Transportation Authority (Transportation Authority) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Transportation Authority'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 respective financial position of the governmental activities and the general fund of the Transportation Authority, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Prior-Year Comparative Information

We have previously audited the financial statements of the Transportation Authority as of and for the year ended June 30, 2020, and we expressed unmodified opinions on the respective financial statements of the governmental activities and the general fund in our report dated October 26, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the general fund budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Transportation Authority's basic financial statements. The introductory section, Schedule of Expenditures of Capital Projects from Inception to Date, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Capital Projects from Inception to Date is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Capital Projects from Inception to Date is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2021 on our consideration of the Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transportation Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the typed name and date.

Menlo Park, California
October 11, 2021



Management Discussion and Analysis
June 30, 2021

San Mateo County Transportation Authority

This discussion and analysis of the Transportation Authority's financial position addresses the Transportation Authority's activities for the fiscal year ended June 30, 2021, with comparisons to the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the transmittal letter contained in the introductory section and with the statements and related notes contained in the financial section.

Financial Highlights

- The assets of the Transportation Authority exceeded its liabilities at June 30, 2021 by \$492.3 million (net position). Of this amount, \$11.7 million represents net investment in capital assets and \$480.6 million represents restricted net position, which is restricted to Measure A and Measure W programs.
- The Transportation Authority's total net position increased by \$68.8 million. Expenses in the public transit projects and street and highways projects increased by \$54.9 million.
- At June 30, 2021, the Transportation Authority's Governmental Fund reported a balance of \$575.1 million, an increase of \$168.7 million in comparison with the prior year. The whole amount represents restricted fund balance for Congestion Management including Measure A and Measure W projects.

Overview of the Financial Statements

The Financial Section of this report presents the Transportation Authority's basic financial statements in three components: government-wide financial statements, fund financial statements, and notes to the financial statements. Other supplementary information also appears in addition to the financial statements.

Government-wide Financial Statements

The *Statement of Net Position* presents total assets and total liabilities with the difference between the two reported as net position. Changes in net position over time provide an indicator of whether the financial position of the government is improving or deteriorating.

The *Statement of Activities* reports on the change in net position during the year. It includes a comparison between direct expenses and related revenues for each program or function. Direct expenses are those specifically associated with and clearly identifiable with a particular program or function. The *Statement of Activities* matches revenues from charges to customers for goods and services to the program and functional expenses with which the revenues are directly related. Revenues not classified as program or functional, such as sales tax, are presented separately as general revenues. The Transportation Authority reports all changes in net position as soon as underlying events occur, regardless of the timing of the related cash flows. Thus, some revenues and expenses reported in the *Statement of Activities* result in cash flows in a future period.

Fund Financial Statements

A *fund* is a set of accounts used to control resources segregated for specific activities or objectives. Funds classified as *major* are reported individually on the financial statements. The Transportation Authority reports one major fund only. The Transportation Authority uses fund accounting to ensure compliance with various legal requirements, such as the annually adopted budget. Accordingly, certain financial schedules in this report provide a comparison between budgeted and actual amounts.

The Transportation Authority classifies all of its funds as *governmental*. Unlike the *government-wide* financial statements discussed above, the financial statements for *governmental funds* focus on the inflows, outflows and balances of spendable resources, rather than net position. This information is useful for evaluating the Transportation Authority's current financing requirements.

The Transportation Authority has only one General Fund:

- The *General Fund* which accounts for the proceeds of the one-half cent county sales tax and the TA's share of the half cent Measure W sales tax. These funds are legally restricted to expenditures for specific transportation improvement projects authorized in a referendum approved by San Mateo County voters. These referendums are referred to as *Measure A and Measure W* and the list of eligible projects can be found in the *Transportation Expenditure Plan*.

Notes to the Financial Statements

The *Notes to the Financial Statements* provide additional information that is essential to fully understand the *government-wide* and *fund* financial statements. These notes begin immediately following the financial statements to which they refer.

Other Information

This report also presents certain *required supplementary information* concerning compliance with the Transportation Authority's annual budget for the *General Fund* which is the Transportation Authority's main operating fund and the equivalent of a *general fund*. This information and associated notes immediately follow the *financial statements* and their accompanying notes.

Government-wide Financial Analysis

At June 30, 2021, total assets were \$667.0 million, an increase of \$188.7 million or 39.5% from June 30, 2020. Cash and investments comprise \$508.8 million of this amount. With \$174.7 million in total liabilities, the Transportation Authority is in an excellent position to meet its obligations for current construction projects. As of the end of Fiscal Year 2021, existing encumbrances and expected future costs combined for current construction projects are estimated to total \$158.3 million.

Capital assets of \$11.7 million in 2021, remained unchanged from June 30, 2020.

The Transportation Authority does not record the capital assets created by the construction projects it finances on its own accounting books since these assets are of value only to the local government units to which the Transportation Authority's grants were made. For more information on capital assets, please refer to *Note #5- Capital Assets* of the *Notes to the Financial Statements*.

San Mateo County Transportation Authority
Management's Discussion and Analysis
June 30, 2021

	Governmental Activities	
	(in thousands)	
	2021	2020
Assets		
Current and other assets	\$ 655,366	\$ 466,619
Capital assets	11,682	11,682
Total assets	667,048	478,301
Liabilities		
Other liabilities	174,722	54,788
Total liabilities	174,722	54,788
Net Position		
Investment in capital assets	11,682	11,682
Restricted	480,644	411,831
Total net position	\$ 492,326	\$ 423,513

Total assets increased by \$188.7 million or 39.5% to \$667.0 million. Total liabilities increased by \$119.9 million or 218.9% to \$174.7 million.

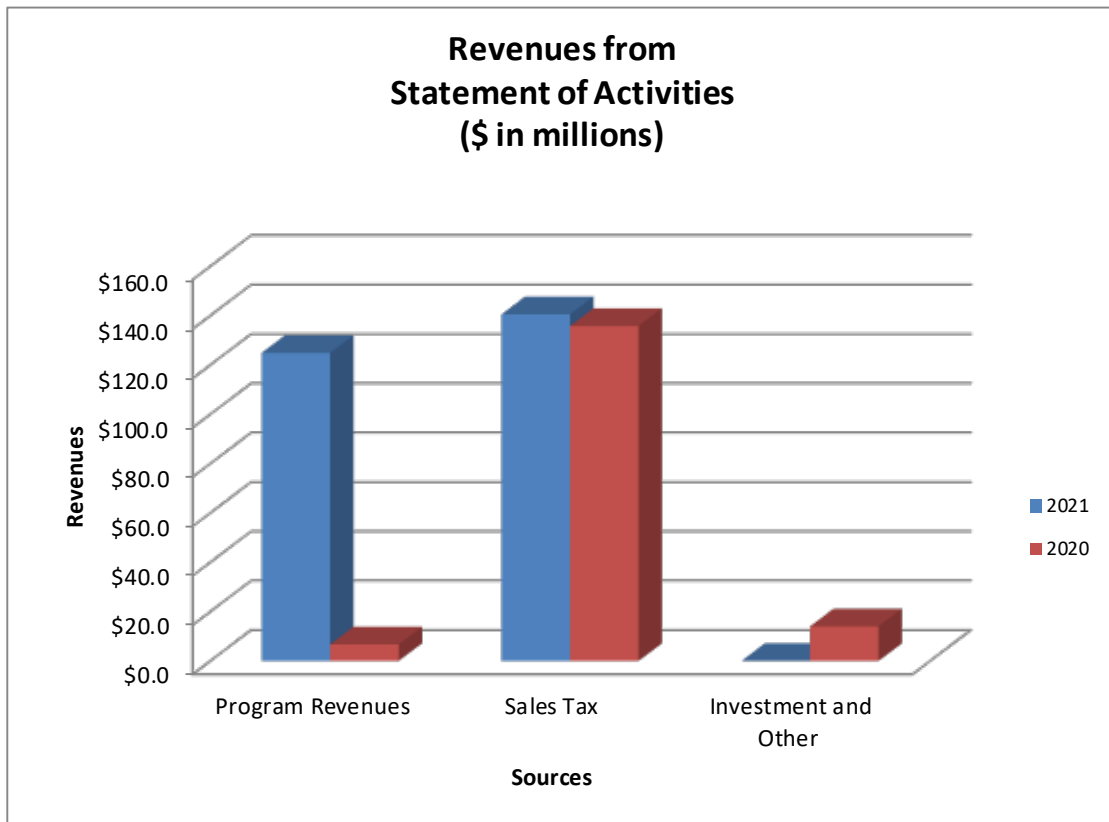
Net position increased by \$68.8 million 16.2% to \$492.3 million at June 30, 2021, the result of total revenues exceeded total expenses in 2021.

	Governmental Activities	
	(in thousands)	
	2021	2020
Revenues		
Program revenues		
Charges for services	\$ 1,029	\$ 1,050
Operating grants/contributions	123,887	5,672
General revenues		
Sales tax	140,453	135,793
Investment earnings (loss) and others	(860)	14,033
Total revenues	264,509	156,548
Expenses		
Public transit	55,409	45,534
Streets and highways	138,076	93,091
Others	2,211	1,844
Total expenses	195,696	140,469
Change in net position	68,813	16,079
Net position - beginning	423,513	407,434
Net position - ending	\$ 492,326	\$ 423,513

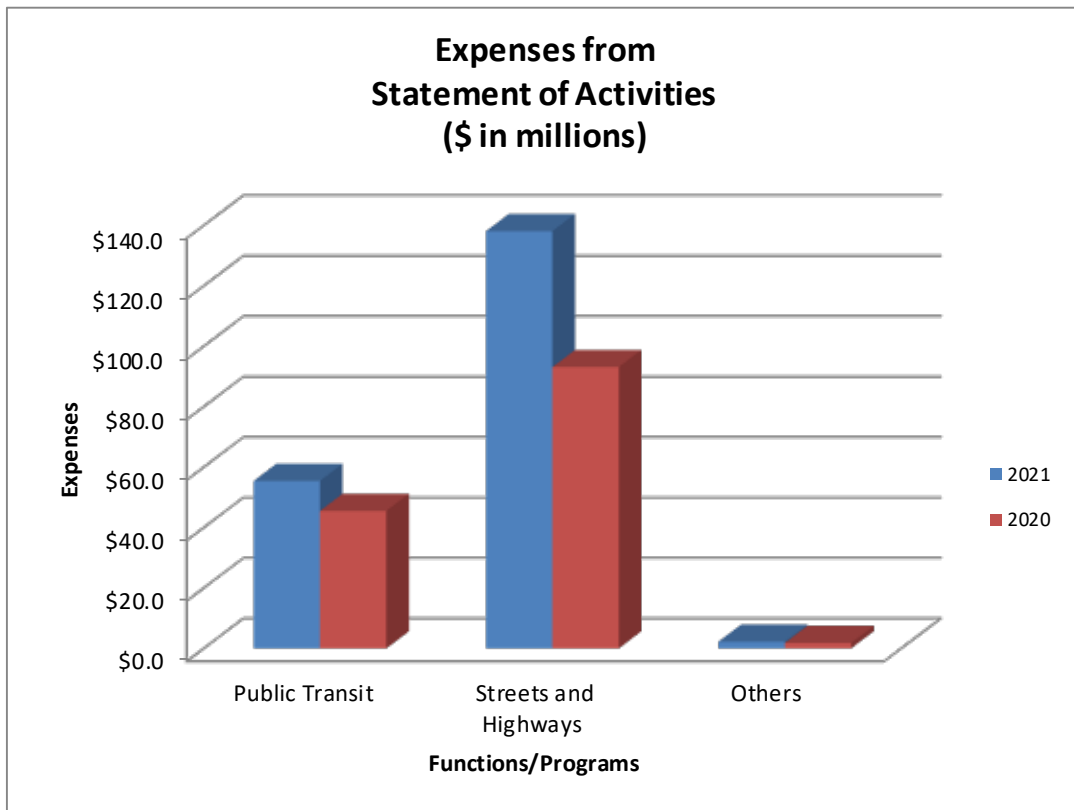
Governmental Activities

Total expenses for governmental activities were \$195.7 million in 2021, an increase of \$55.2 million or 39.3% compared to 2020. The functional components of total expenses are public transit (28.3%), streets and highways (70.6%) and other programs (1.1%). The following are the highlights of the Transportation Authority's governmental activities:

- Sales tax revenue increased by \$4.7 million or 3.4% to \$140.5 million in 2021 from 2020.
- Investment loss and other revenues of \$0.9 million in 2021 was \$14.9 million or 106.1% lower compared to investment earnings and other revenues in 2020.



- Expenses for public transit projects in 2021 increased by \$9.9 million or 21.7% to \$55.4 million compared to 2020. The increase was mainly due to more expenses in the South San Francisco Caltrain Station and Broadway Grade Separation projects, partially offset by less expenses in the San Mateo Local Share JPB CIP project and Caltrain electrification project.
- Spending for streets and highways in 2021 increased by \$45.0 million or 48.3% to \$138.1 million compared to 2020 mainly due to more expenses in the U.S. 101 Express Lanes Project (Whipple Avenue to San Bruno Avenue), Highway 1 Half Moon Bay Polar Wavecrest road Project, U.S. 101 Interchange to Broadway Project and U.S. 101 North of I-380 Managed Lanes Project, partially offset by less expenses in 84/101 Interchange Project, U.S. 101 Interchange to Willow Project and 2015 Pedestrian & Bike Project.



Financial Analysis of the Transportation Authority's Fund

The *General Fund* is the operating fund of the Transportation Authority. The fund balance reached \$575.1 million at June 30, 2021, an increase of \$168.7 million or 41.5% from June 30, 2020. The increase was mainly due to the bond proceeds of \$100.0 million from the 2020 Series A and B Subordinate Sales Tax Revenue Bonds and an increase of project reimbursement of \$118.2 million, partially offset by increases in project expenses. The total fund balance at June 30, 2021 is restricted for debt service, Measure A and Measure W projects and is available for spending at the discretion of the Transportation Authority's Board of Directors in accordance with the Transportation Expenditure Plan. Since the Transportation Authority principally passes funding through to other organizations, the most accurate indicator of the Transportation Authority's ability to meet its current and future obligations is a comparison of its fund balance to its future commitments. At June 30, 2021, the estimated cost to complete on-going projects is \$158.3 million or 27.5% of total fund balance.

General Fund Budgetary Highlights

Generally Accepted Accounting Principles (GAAP) requires a discussion of the budget-to-actual performance for the general fund. The *General Fund* employs the same accounting basis and principles for both its budget and actual revenues and expenditures, except that proceeds from the sale of capital assets, unrealized investment gains and losses and inter-fund transfers are not included in the budget. Sales tax represented 93.3% of the *General Fund's* total budgeted revenue for Fiscal Year 2021. Actual sales tax revenue for the year was \$140.5 million, which is greater than the budget by \$20.5 million or 17.0%.

Total program expenses excluding capital outlay, other services and supplies and professional and legal fees for the *General Fund* were slightly over budget.

The Transportation Authority spent \$149.9 million or 87.1% of its final 2021 budget for capital outlays, which included the cost of completing on-going capital projects. Since capital projects normally span more than one year, the Transportation Authority carries over unexpended budgets to succeeding years. However, to enhance understanding of the Transportation Authority's fund balance for the *General Fund*, the carry-over amount from 2020 is not included in the 2021 *Budgetary Comparison Schedule*.

Capital Projects

The Transportation Authority spent \$149.9 million on capital projects in 2021, an increase of \$53.6 million or 55.6% compared to 2020. Following are the major capital expenditures:

- Caltrain Electrification project (\$3.5 million).
- San Mateo Local Share Caltrain CIP project (\$6.0 million).
- Construction costs associated with the U.S. 101/Willow Interchange project (\$3.3 million).
- Construction costs associated with the Highway 1 Half-Moon Bay Polar Wavcrest Road project (\$2.6 million).
- Construction costs associated with the U.S. 101/HOV Lane Whipple - San Bruno project (\$87.9 million).
- Construction costs associated with the 25th Avenue Grade Separation project (\$19.9 million).
- Construction costs associated with South San Francisco Caltrain Station project (\$10.5 million).
- Construction costs associated with the U.S. 101 Managed Lanes (I-380) project (\$1.9 million).

More information on the Transportation Authority's project activity appears in the *Supplementary Information Projects since Inception and Construction Commitments* in the *Notes to the Financial Statements*.

Debt

In September 2020, the Transportation Authority issued \$50,000,000 2020 Series A Bonds and an additional \$50,000,000 Series B Bonds (together the "Bonds"). The Bonds are variable rate bonds with Series A Bonds are issued with a weekly rate reset and the Series B Bonds are issued with a daily rate reset. Interest is due payable on the Bonds every June 1 and December 1 with interest to be calculated on a 365/366-day basis. Proceeds were used to make a Project Loan to the San Mateo County Express Lanes Joint Powers Authority. The Project Loan will be repaid to the Transportation Authority from revenues generated by the Express Lanes. Mandatory redemption in the form of a Mandatory Sinking Fund payments being June 1, 2027 for both Bond Series.

The 2020 SMCTA Subordinate Sales Tax Revenue Variable Rate Demand Bonds are limited obligations of the Transportation Authority and are payable from sales tax revenues generated by Measure A and Measure W. More information on the debt activity appears in Note #11 to the Financial Statements.

Economic Factors and Next Year's Budget

The Transportation Authority's Board adopted the Fiscal Year 2022 Budget of \$148.9 million on June 3, 2021. The Transportation Authority's role is to administer the proceeds from Measure A and Measure W to fund a broad spectrum of transportation-related projects. In accordance with the 2004 Transportation Expenditure Plan, annual allocations have been budgeted to four plan categories based on a percentage of projected sales tax revenues. The total annual allocations are approximately \$44.9 million. The Transportation Authority's projected program expenditures are approximately \$98.9 million and compose the funding requirements for Alternative Congestion Relief, Dumbarton, Caltrain, Pedestrian and Bicycle, Local Shuttle, Streets and Highways programs, Grade Separation and the San Mateo County Ferry Service, and Regional Transit Connections.

Of the \$1 million budgeted for the Alternative Congestion Relief program, \$0.6 million was proposed to be set aside for Peninsula Traffic Congestion Relief Alliance's Transportation Demand Management (TDM) Program. A budget of \$7.7 million has been set aside to fund system-wide capital improvements for the Caltrain system. These include State of Good Repair rolling stock, signal, track and station work. The Streets and Highways program includes a budget of \$16.7 million for key congested corridors and \$9.8 million for the supplemental roadway projects. Grade Separation program has a budget of \$14.5 million. Under Measure W, the Countywide Highway Congestion Improvement program has a budget of \$21.7 million and Regional Transit Connections program has a budget of \$9.6 million. The Transportation Authority will put out a call for projects in order to allocate these funds to eligible recipients.

Requests for Information

This financial report intends to provide our citizens, taxpayers, customers and creditors with a general overview of the Transportation Authority's finances and to demonstrate accountability for resources received. If you have questions about this report or need additional financial information, contact the Chief Financial Officer, 1250 San Carlos Avenue, P.O. Box 3006, San Carlos, California, 94070-1306.

San Mateo County Transportation Authority
Statement of Net Position
June 30, 2021 (with Comparative Totals for 2020)(in thousands)

	Governmental Activities	
	2021	2020
Assets		
Cash and investments (Note 2)	\$ 508,829	\$ 433,979
Sales tax receivables	28,508	20,644
Interest receivables	1,458	2,475
Accounts receivables (Note 4)	10,454	5,052
Operating loan receivable from SMCELJPA (Note 12)	1,774	126
Long term project loan receivable from SMCELJPA (Note 12)	100,000	-
Long term note receivable (Note 3)	4,343	4,343
Capital assets, nondepreciable (Note 5)	11,682	11,682
Total Assets	667,048	478,301
Liabilities		
Accounts payable (Note 6)	10,652	4,846
Accrued liabilities (Note 7)	27,767	41,913
Unearned revenues	36,303	8,029
Long-term liabilities (Note 11) Due in more than one year	100,000	-
Total Liabilities	174,722	54,788
Net Position		
Investment in capital assets	11,682	11,682
Restricted for congestion management (Note 1J)	480,644	411,831
Total Net Position	\$ 492,326	\$ 423,513

San Mateo County Transportation Authority
Statement of Activities
June 30, 2021 (with Comparative Totals for 2020)(in thousands)

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position	
		Charges for Services	Operating Contributions and Grants	2021	2020
Governmental Activities					
Public Transit					
Upgrades and extensions	\$ 20,520	\$ -	\$ -	\$ (20,520)	\$ (15,488)
Grade separations	21,400	1,029	-	(20,371)	(16,889)
Dumbarton spur	45	-	-	(45)	(134)
BART	1,877	-	-	(1,877)	(1,833)
Caltrain	7,507	-	-	(7,507)	(7,331)
Projects funding	4,060	-	-	(4,060)	(2,810)
Street and highways					
Distributions to local entities	34,190	-	-	(34,190)	(33,115)
Projects funding	103,886	-	123,887	20,001	(54,303)
Program administration	2,211	-	-	(2,211)	(1,844)
Total Governmental Activities	\$ 195,696	\$ 1,029	\$ 123,887	(70,780)	(133,747)
General Revenues					
Sales tax revenue				140,453	135,793
Investment gain/(loss) and other (Note 8)				(860)	14,033
Total General Revenues				139,593	149,826
Change in net position				68,813	16,079
Net position, beginning of year				423,513	407,434
Net Position, End of Year				\$ 492,326	\$ 423,513

San Mateo County Transportation Authority
Governmental Funds – General Fund Balance Sheet
June 30, 2021 (with Comparative Totals for 2020)(in thousands)

	2021	2020
Assets		
Cash and investments (Note 2)	\$ 508,829	\$ 433,979
Sales tax receivables	28,508	20,644
Interest receivables	1,458	2,475
Accounts receivables (Note 4)	10,454	5,052
Operating loan receivable from SMCELJPA (Note 12)	1,774	126
Long term project loan receivable from SMCELJPA (Note 12)	100,000	-
Total Assets	\$ 651,023	\$ 462,276
Liabilities, Deferred Inflows, and Fund Balance		
Liabilities		
Accounts payable (Note 6)	10,652	4,846
Accrued liabilities (Note 7)	27,767	41,913
Unearned revenues	36,303	8,029
Total Liabilities	74,722	54,788
Deferred Inflows of Resources		
Unavailable revenues	1,157	1,060
Fund Balance		
Restricted for congestion management (Note 1K)	575,144	406,428
Total Fund Balance	575,144	406,428
Total Liabilities, Deferred Inflows, and Fund Balance	\$ 651,023	\$ 462,276

San Mateo County Transportation Authority
 Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
 Year Ended June 30, 2021 (with Comparative Totals for 2020)(in thousands)

	2021	2020
Total Fund Balances - Governmental Fund	\$ 575,144	\$ 406,428
<p>Amounts reported for governmental activities in the statement of net position are different because</p>		
Capital assets of governmental activities are not current financial resources and, therefore, are not reported in the governmental fund.	11,682	11,682
Long term note receivable is not a financial resource and, therefore, is not reported in the governmental fund.	4,343	4,343
Accrued interest on long-term note receivable is not available to pay for current period expenditures and therefore are deferred in the governmental fund.	1,157	1,060
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the governmental fund.	(100,000)	-
Net Position Of Governmental Activities	\$ 492,326	\$ 423,513

San Mateo County Transportation Authority

Governmental Funds – General Fund Statement of Revenues, Expenditures and Changes in Fund

Balances

Year Ended June 30, 2021 (with Comparative Totals for 2020)(in thousands)

	2021	2020
Revenues		
Sales tax revenue	\$ 140,453	\$ 135,793
Investment income (loss) (Note 8)	(957)	13,955
Rental income	1,029	1,050
Reimbursements from other agencies	123,877	5,669
Other income	10	4
	264,412	156,471
Total Revenues		
Current Expenditures		
Public Transit		
Upgrades and extensions	20,520	15,488
Grade separations	21,400	17,939
Dumbarton spur	45	134
BART	1,877	1,833
Caltrain	7,507	7,331
Projects funding	4,060	2,810
Street and highways		
Distributions to local entities	34,190	33,115
Projects funding	103,886	59,976
Program administration	2,211	1,844
	195,696	140,470
Total Expenditures		
Other Financing Sources		
Proceeds of bond issuance	100,000	-
	168,716	16,001
Net Change in Fund Balance		
Beginning Fund Balance	406,428	390,427
Ending Fund Balance	\$ 575,144	\$ 406,428

San Mateo County Transportation Authority
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund
 Balances to the Government-Wide Statement of Activities
 Year Ended June 30, 2021 (with Comparative Totals for 2020)(in thousands)

	2021	2020
Amounts reported for governmental activities in the statement of activities are different because of the following:		
Net Change In Fund Balances - Total Governmental Fund	\$ 168,716	\$ 16,001
Accrual of interest revenue on the note receivable for the sale of land is recorded as revenue in the government-wide statement of activities, but is not recorded in the governmental fund.	97	78
Proceeds from sale of bonds is reported as revenues and other financing sources in the governmental funds but do not impact the statement of activities.	(100,000)	-
Change In Net Position Of Governmental Activities	\$ 68,813	\$ 16,079

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Index to the Notes		Pages
(1)	Reporting Entity and Significant Accounting Policies	18
(2)	Cash and Investments	25
(3)	Long Term Note Receivable	31
(4)	Accounts Receivables	31
(5)	Capital Assets	32
(6)	Accounts Payable	32
(7)	Accrued Liabilities	33
(8)	Investment Income (loss)	33
(9)	Commitments and Contingencies	34
(10)	Insurance Programs	35
(11)	Long-Term Liabilities	35
(12)	Related Parties and Jointly Governed Organizations	37

Note 1 - Reporting Entity and Significant Accounting Policies

A. Financial Reporting Entity

The San Mateo County Transportation Authority (Transportation Authority) was formed in June 1988 as a result of the approval of Measure A (one-half cent county sales tax and Transportation Expenditure Plan) by the voters of San Mateo County pursuant to the Bay Area County Traffic and Transportation Funding Act. The Transportation Authority is responsible for the administration of funds collected through the one-half cent county sales tax, initially for a period of 20 years from its formation. In November 2004, the voters reauthorized the sales tax to be administered by the Transportation Authority and a new publicly developed Expenditure Plan for an additional 25 years beyond the original expiration date of 2008. In 2018, the voters of San Mateo County adopted Measure W, "An Ordinance of the San Mateo County Transit District Imposing a One-Half of One Percent Retail Transactions and Use Tax to Implement the San Mateo County Congestion Relief Plan." Measure W authorized the District to administer the new tax in its entirety or to transfer the proceeds of the tax to the Transportation Authority. By District Resolution No. 2020-27, and reflecting the split of funds set forth in the Congestion Relief Plan (50% reserved for SamTrans use, 50% available for other uses), the District expressed its desire to "designate the Authority to administer 50% of the Measure W Sales Tax Revenues as provided in the San Mateo County Congestion Relief Plan, and to irrevocably dedicate such revenues to the Authority for such purposes, for so long as the Authority is in existence." This desire was formalized through two agreements authorized by the same resolution, with each agreement subsequently signed by the District, the Transportation Authority and one or both of the California Department of Tax and Fee Administration and the Bank of New York Mellon.

B. Implementation of Governmental Accounting Standards Board (GASB) Statements

Effective this Fiscal Year

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance related to fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Implementation of this statement did not have material impact on the Transportation Authority's financial statements.

GASB Statement No. 90 – In August 2018, GASB issued Statement No. 90, *Majority Equity Interest, an amendment of GASB statement No. 14 and No. 61*. The objective of this Statement is to improve how majority equity interest is reported. The Statement specifies that a majority equity interest in a legally separate organization should be reported as an investment using the equity method if a government's holding of the equity interest meets the definition of an investment and for all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit. Implementation of this statement did not have material impact on the Transportation Authority's financial statements.

Effective in Future Fiscal Years

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2020, or FY 2021/2022. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in the financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020 or FY 2021/2022. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021 or FY 2022/2023. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objective of this Statement is to establish accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except for Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments were effective upon issuance. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 93 – In May 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and reporting implications resulting from the replacement of an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except the removal of LIBOR as a benchmark interest rate which is effective for periods beginning after December 31, 2022 or FY 2022/2023. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or FY 2022/2023. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84*, and a supersession of GASB Statement No. 32. The objective of this Statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022. The Transportation Authority is evaluating the impact of this Statement on the financial statements.

C. Basis of Presentation

Government-wide Financial Statements

The Statement of Net position and Statement of Activities report the financial activities of the Transportation Authority. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Transportation Authority. Direct expenses are those that are specifically associated with a program or a function and therefore, are clearly identifiable to a particular function. Program revenues refer to charges paid by the recipients of goods or services offered by the program. Revenues that are not classified as program revenues, including sales tax revenues, are presented instead as general revenues.

Fund Financial Statements

The Transportation Authority accounts for its sales tax revenue in the General Fund. Sales tax proceeds are legally restricted to improve, construct, maintain, and operate certain transportation projects and facilities contained in the 2004 Transportation Expenditure Plan (TEP) adopted by the Board of Supervisors of San Mateo County, all of the Cities in the County, and the voters in San Mateo County with the approval of the sales tax. That Plan may be amended from time to time pursuant to the Plan and applicable law.

D. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Sales taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered available when their receipt occurs within 180 days after the end of the accounting period. Sales tax and investment earnings are recorded when measurable and available. Expenditures are generally recognized in the accounting period in which the liability is incurred. Capital asset acquisitions are reported as expenditures in governmental funds.

E. Fair Value Measurement

Generally accepted accounting principles provides guidance for determining a fair value measurement for reporting purposes, applying fair value to investments, and disclosures related to a hierarchy established by generally accepted accounting principles. The Transportation Authority's fair value hierarchy, which has three levels, is based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs include inputs that are directly observable for the investment including quoted price for similar investments and inputs that are not directly observable but are derived from observable market data through correlation; Level 3 inputs are significant unobservable inputs.

F. Prepaid Items

Prepaid items represent amounts paid in advance of receiving goods or services. The Transportation Authority has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The Transportation Authority has chosen to report the expenditures during the benefiting period. As of June 30, 2021 and 2020, the Transportation Authority did not have any prepaid items.

G. Cash and Investments

All highly liquid investments with maturities of three months or less when purchased are considered cash equivalents. Investments are reported at fair value. Cash deposits are reported at carrying amount.

H. Capital Assets

Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation plus ancillary charges, if any. All capital asset purchases are recorded as expenditures at the time of acquisition in the governmental funds. Such amounts are then capitalized and reported in the government-wide financial statements. Construction projects financed by the Transportation Authority from the one-half cent county sales tax include highways, streets and grade separations. These infrastructure assets are of value only to the local government units in whose jurisdiction they are constructed and are not recorded as capital assets on the Transportation Authority's books. The Transportation Authority does not have depreciable capital assets. The Transportation Authority's policy is to capitalize all capital assets with a cost greater than \$5,000 and a useful life of more than one year.

I. Deferred Inflows of Resources

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources from unavailable revenues.

J. Net Position

Net position is measured on the full accrual basis for the government-wide reporting. Net Position is the excess of all the Transportation Authority's assets over all its liabilities. Net position is divided into two captions. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

Investment in Capital Assets – The investment in capital assets reported on the statement of net position, represents the Transportation Authority's ownership of right of way classified as nondepreciable land under capital assets.

Restricted – The restricted net position reported on the statement of net position represents the resources available to the Transportation Authority that are legally restricted to improve, construct, maintain, and operate certain transportation projects and facilities contained in the 2004 Transportation Expenditure Plan adopted by the Board of Supervisors of San Mateo County and all of the Cities in the County. That TEP may be amended from time to time pursuant to the TEP and applicable law.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

K. Fund Balance

In governmental fund types, the fund balance is measured on the modified accrual basis. The General Fund (the Fund) balance is classified in accordance with generally accepted accounting principles, which require the Transportation Authority to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Transportation Authority prioritizes and expends funds in the following order, as applicable: restricted, committed, assigned, and unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint.

Nonspendables - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. The restricted fund balance reported on the governmental fund balance sheet represents the resources available to the Transportation Authority that are legally restricted to improve, construct, maintain, and operate certain transportation projects and facilities contained in the 2004 Transportation Expenditure Plan (Measure A) and the San Mateo County Congestion Relief Plan (Measure W). Those Plans may be amended from time to time pursuant to their terms and applicable law.

L. Use of Estimates

The Transportation Authority's management has made a number of estimates and assumptions relating to the reported amounts of the financial statements and the related disclosures in conformity with Generally Accepted Accounting Principles (GAAP). Actual results could differ from those estimates.

M. Summarized Data

The summarized partial data provided in these financial statements for Fiscal Year ended June 30, 2020 is not a requirement for fair presentation of the financial statements, but is being presented as additional analysis. Such information does not provide sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Transportation Authority's financial statements for the year ended June 30, 2020 from which such comparative partial information was derived.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Note 2 - Cash and Investments

The Transportation Authority pools cash from all sources and funds so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

The Transportation Authority records investment transactions on the trade date. Investments are reported at fair value. Fair value is defined as the amount that the Transportation Authority could reasonably expect to receive for an investment in a current sale between a willing buyer and seller, and is generally measured by quoted market prices. The Transportation Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end. The effects of changes in market value are reflected as a component of investment income. Deposits and investments as of June 30 are categorized as follows:

(in thousands)	June 30, 2021	June 30, 2020
Cash and Investments		
Cash in bank	\$ 67,758	\$ 38,261
Restricted cash with fiscal agent	34,588	-
Investments	406,483	395,718
Total cash and investments	\$ 508,829	\$ 433,979

Authorized Investments by the Transportation Authority

In accordance with the California Government Code or its investment policy when more restrictive, the Transportation Authority may acquire investments as identified in the table below:

Authorized Investment Type	Minimum Credit Rating	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	15 years	100%	N/A
U.S. Agency Securities	None	15 years	100%	N/A
Banker's Acceptances	None	180 days	40%	30%
Commercial Paper	A1/P1/F1	270 days	40%	10%
Negotiable Certificates of Deposit	None	5 years	30%	N/A
Repurchase Agreements	None	1 year	100%	N/A
Reverse Repurchase Agreements	None	92 days	20%	N/A
Medium-term Notes	A	5 years	30%	10%
Shares of beneficial interest issued by diversified management companies	None	N/A	20%	10%
Local Government Investment Pools	None	N/A	100%	N/A
Asset-backed and Mortgage-backed securities	AA	5 years	20%	N/A
Municipal Obligations	None	10 years	100%	N/A
Supranational Obligations	AA	5 years	30%	N/A
Local Agency Investment Fund (LAIF)	None	N/A	None	\$75M
San Mateo County Investment Pool	None	Up to the current state limit		

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk incurred when market interest rates adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Transportation Authority manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The Transportation Authority monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. With respect to this metric, the Transportation Authority's policies are as follows:

The Transportation Authority's weighted average maturity of its investment portfolio at June 30, 2021 was as follows:

Investment Type	Amount (in thousands)	Weighted Average Maturity (in years)
U.S. Treasury Bonds/Notes	\$ 105,174	3.07
Federal Agency Collateralized and Agency Bonds/Notes	35,633	0.93
Certificates of Deposit	6,433	1.12
Corporate Bonds and Notes	15,418	2.37
Asset Back Securities	1,990	0.64
Municipal Debt Securities	389	2.97
Money Market Mutual Funds	20,688	-
LAIF	74,209	0.80
San Mateo County Pool	146,549	1.81
Total	\$ 406,483	
Portfolio Weighted Average Maturity		1.79

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

The Transportation Authority's weighted average maturity of its investment portfolio at June 30, 2020 was as follows:

Investment Type	Amount (in thousands)	Weighted Average Maturity (in years)
U.S. Treasury Bonds/Notes	\$ 76,391	2.52
Federal Agency Collateralized and Agency Bonds/Notes	23,588	2.32
Commercial Paper	9,258	0.24
Certificates of Deposit	14,043	1.44
Corporate Bonds and Notes	30,888	2.19
Asset Back Securities	9,260	2.11
Municipal Debt Securities	396	4.09
Money Market Mutual Funds	1,651	-
LAIF	70,027	0.52
San Mateo County Pool	160,216	1.75
Total	\$ 395,718	
Portfolio Weighted Average Maturity		1.49

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of the fiscal year end for each investment type.

The Transportation Authority's investment portfolio credit quality ratings at June 30, 2021 were as follows:

Investment Type	Amount (in thousands)	S&P Rating as of June 30, 2021			
		AAA	AA	A	Not Rated
U.S. Treasury Bonds/Notes	\$ 105,174	\$ -	\$ 105,174	\$ -	\$ -
Federal Agency Collateralized and Agency Bonds/Notes	35,633	-	35,633	-	-
Certificates of Deposit	6,433	-	3,272	3,161	-
Corporate Bonds and Notes	15,418	-	7,040	8,378	-
Asset-Backed Security	1,990	1,913	-	-	77
Municipal Debt Securities	389	-	389	-	-
Money Market Mutual Funds	20,688	20,688	-	-	-
LAIF	74,209	-	-	-	74,209
San Mateo County Pool	146,549	-	-	-	146,549
Total	\$ 406,483	\$ 22,601	\$ 151,508	\$ 11,539	\$ 220,835

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

The Transportation Authority's investment portfolio credit quality ratings at June 30, 2020 were as follows:

Investment Type	Amount (in thousands)	S&P Rating as of June 30, 2020				Not Rated
		AAA	AA	A	BBB*	
U.S. Treasury Bonds/Notes	\$ 76,391	\$ -	\$ 76,391	\$ -	\$ -	\$ -
Federal Agency Collateralized and Agency Bonds/Notes	23,588	-	23,588	-	-	-
Commercial Paper	9,258	-	-	9,258	-	-
Certificates of Deposit	14,043	-	9,393	4,650	-	-
Corporate Bonds and Notes	30,888	-	3,193	21,295	6,400	-
Asset-Backed Security	9,260	9,260	-	-	-	-
Municipal Debt Securities	396	-	396	-	-	-
Money Market Mutual Funds	1,651	1,651	-	-	-	-
LAIF	70,027	-	-	-	-	70,027
San Mateo County Pool	160,216	-	-	-	-	160,216
Total	\$ 395,718	\$ 10,911	\$ 112,961	\$ 35,203	\$ 6,400	\$ 230,243

*A rating at time of acquisition.

Concentration of Credit Risk

There were no investments in any one issuer that exceeded 5% of the Transportation Authority's total investment portfolio for the years ended June 30, 2021 or June 30, 2020.

Custodial Credit Risk

The custodial credit risk for deposit is the risk that, in the event of the failure of a depository financial institution, the Transportation Authority will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g., broker-dealer) to a transaction, the Transportation Authority will not be able to recover the value of its investment or collateral securities that are in possession of another party.

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the cash on deposit in the name of the pool, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law, this collateral is held in a separate investment pool by another institution and places the pool ahead of general creditors of the institution in which the Transportation Authority is a participant.

The Transportation Authority invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the Transportation Authority employs the Trust Department of a bank or trustee as the custodian of certain Transportation Authority managed investments, regardless of their form.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Fair Value Measurements

The Transportation Authority 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.

The Transportation Authority has the following recurring fair value measurements as of June 30, 2021:

- Debt classified as Level 2 inputs are valued using price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors.
- Equities classified as Level 2 inputs are valued using fair value per share.
- Certificates of deposit classified as Level 2 inputs are valued using quoted price for directly observable inputs.

Investments in the San Mateo County Pool and the State Local Agency Investment Fund are not measured using the input levels above because the Transportation Authority's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share. The following is the Transportation Authority's fair value hierarchy table as of June 30, 2021:

Investment Type (in thousands)	Level 1	Level 2	Total
Investment securities			
U.S. Treasury Bonds/Notes	\$ 105,174	\$ -	\$ 105,174
Federal Agency Collateralized and Agency Bonds/Notes	-	35,633	35,633
Certificates of Deposit	-	6,433	6,433
Corporate Bonds and Notes	-	15,418	15,418
Asset Back Securities	-	1,913	1,913
Municipal Debt Securities	-	389	389
Money Market Mutual Funds	20,688	-	20,688
Total	\$ 125,862	\$ 59,786	185,648
Uncategorized:			
Local Agency Investment Fund			74,209
San Mateo County Investment Pool			146,549
Cash			67,758
Asset Back Securities			77
Restricted cash with fiscal agents			34,588
Total Investments By Fair Value Type			\$ 508,829

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

The following is the Transportation Authority's fair value hierarchy table as of June 30, 2020:

Investment Type (in thousands)	Quoted Prices (Level 1)	Observable Inputs (Level 2)	Total
Investment securities			
U.S. Treasury Bonds/Notes	\$ 76,391	\$ -	\$ 76,391
Federal Agency Collateralized and Agency Bonds/Notes	-	23,588	23,588
Commercial Paper	-	9,258	9,258
Certificates of Deposit	-	14,043	14,043
Corporate Bonds and Notes	-	30,888	30,888
Asset Back Securities	-	9,260	9,260
Municipal Debt Securities	-	396	396
Money Market Mutual Funds	1,651	-	1,651
Total	\$ 78,042	\$ 87,433	165,475
Uncategorized:			
LAIF			70,027
San Mateo County Investment Pool			160,216
Cash			38,261
Total Investments By Fair Value Type			\$ 433,979

Methods and Assumptions Used to Estimate Fair Value: The Transportation Authority maintains investment accounting records on amortized cost and adjusts those records to "fair value" on an annual basis. Unrealized gains and losses are recorded on an annual basis and the carrying value of its investments is considered "fair value." The Transportation Authority's investment custodian provides the market value on each investment instrument. The investments held by the Transportation Authority are widely traded in the financial markets and trading values are readily available from numerous published sources.

San Mateo County Treasurer's Investment Pool: The Transportation Authority holds investments in the County Pool that are subject to adjustments to "fair value." The Transportation Authority had a contractual withdrawal value (which is reported using the amortized cost) of \$145,669,746 and \$157,106,141, at June 30, 2021 and 2020, respectively, that is recorded at \$146,548,624 and \$160,216,953 on the balance sheet after the adjustment for unrealized gains/losses for fiscal years ending June 30, 2021 and 2020, respectively. The fair value change in these investments for the year just ended is included in investment income in the statement of revenues, expenditures and changes in fund balance as well as in the statement of activities via inclusion in the amount of Investment Income.

The Transportation Authority is a voluntary participant in the San Mateo County Treasurer's Investment Pool. The Pool is a governmental investment pool managed and directed by the elected San Mateo County Treasurer. The County Pool is not registered with the Securities and Exchange Commission. An oversight committee comprised of local government officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of the pool fall under auspices of the County Treasurer's office.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

State of California State Treasurer’s Local Authority Investment Fund (LAIF): The Transportation Authority holds an investment in LAIF that is subject to “fair value” adjustments. The Transportation Authority had a contractual withdrawal value of \$74,142,791 and \$69,560,289 (which is reported using the amortized cost) after the adjustment for unrealized gains/losses for fiscal year 2021 and 2020, respectively. LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer’s office. The Transportation Authority is a voluntary participant in the investment pool.

Note 3 - Long Term Note Receivable

In July 2007, the Transportation Authority transferred 174,047 square feet of development and railroad corridor property owned by the Transportation Authority and located at the northeast corner of Holly Street and El Camino Real in the City of San Carlos to San Mateo County Transit District (District). On December 27, 2007, the Transportation Authority conveyed right of way on the land located on Holly Street to the District for a promissory note of \$4,343,404. The original acquisition cost of the property was \$4,570,000. The property was transferred to the District and the Transportation Authority holds a note for the payments due. The District is required to make the principal and interest payments before December 1, 2033.

Note 4 - Accounts Receivables

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

(in thousands)	2021	2020
Metropolitan Transportation Commission	\$ 26	\$ 26
Bay Area Infrastructure Financing Authority	3,954	-
California Department of Transportation	4,302	4,302
Facebook	1,665	-
Other	507	724
Total accounts receivables	\$ 10,454	\$ 5,052

San Mateo County Transportation Authority
Notes to the Financial Statements
June 30, 2021 (with Comparative Totals for 2020)

Note 5 - Capital Assets

Capital assets activities for the years ended June 30, 2020 and 2021 are as follows:

(in thousands)	Balance at June 30, 2020	Acquisitions	Dispositions	Balance at June 30, 2021
Capital Assets - Land	\$ 11,682	\$ -	\$ -	\$ 11,682

(in thousands)	Balance at June 30, 2019	Acquisitions	Dispositions	Balance at June 30, 2020
Capital Assets - Land	\$ 11,682	\$ -	\$ -	\$ 11,682

Land represents the cost of right of way acquisition for future grade separation projects, as well as for corridor preservation purposes.

Note 6 - Accounts Payable

Accounts payable at June 30 are as follows:

(in thousands)	2021	2020
District - Salaries and benefits	\$ 1,971	\$ 574
Shuttle program	-	23
Paratransit program	788	910
Caltrain	1,595	2,463
Capital project	6,171	832
Other	127	44
Total	\$ 10,652	\$ 4,846

San Mateo County Transportation Authority
Notes to the Financial Statements
June 30, 2021 (with Comparative Totals for 2020)

Note 7 - Accrued Liabilities

Accrued liabilities at June 30 are as follows:

(in thousands)	<u>2021</u>	<u>2020</u>
Disbursements to local entities for transportation projects	\$ 9,155	\$ 6,800
Capital projects	18,153	34,640
BART	408	306
Other	51	167
Total	<u>\$ 27,767</u>	<u>\$ 41,913</u>

Note 8 - Investment Income (loss)

Investment income (loss) activity for the fiscal year ended June 30 is as follows:

(in thousands)	<u>2021</u>	<u>2020</u>
Interest income	\$ 5,478	\$ 8,185
Net increase (decrease) in fair value of investments	(6,338)	5,848
Investment income (loss) - Statements of Activities	(860)	14,033
Increase in long-term interest receivable	(97)	(78)
Investment income (loss) - Statements of Revenues, Expenditures and Changes in Fund Balance	<u>\$ (957)</u>	<u>\$ 13,955</u>

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Note 9 - Commitments and Contingencies

Construction Commitments

At June 30, the Transportation Authority estimated the cost to complete the following committed projects:

Projects (in thousands)	2021	2020
Caltrain	\$ 12,547	\$ 82,194
Ferry	858	383
Local Shuttle	7,068	15,098
Railroad Grade Separations	38,315	35,147
Streets and Highways	83,705	98,539
Oversight and Bicycle	15,758	11,118
Total	\$ 158,251	\$ 242,479

Litigation

From time to time, the Transportation Authority is involved in litigation arising from the normal course of business. In the opinion of management and legal counsel, as of June 30, 2021, the disposition of any litigation that may be pending is not expected to have a material adverse effect on the overall financial position of the Transportation Authority.

Peninsula Corridor Electrification Project

In its role as a primary source of San Mateo County funds for the Peninsula Corridor Joint Powers Board ("JPB"), the Transportation Authority is a party to a series of funding agreements for the funding of the Peninsula Corridor Electrification Project ("PCEP" or "Project").

For over two decades, the JPB has been preparing to electrify the Caltrain railroad corridor. The \$1.98 billion PCEP funding plan includes \$647 million in Federal Transit Administration ("FTA") Core Capacity Grant funds under a Full Funding Grant Agreement ("FFGA").

In late 2016, the FTA informed the JPB that it would not issue the FFGA without evidence that the JPB will have access to an additional 10% contingency (or \$200 million) beyond the budgeted 16.5% for potential cost over-runs or funding shortfalls.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

To address this requirement, on January 5, 2017, the Transportation Authority passed a resolution committing to provide up to \$135 million of additional contingency, with Santa Clara Valley Transportation Authority ("VTA") making a similar commitment in the amount of \$65 million. These actions were conditioned upon and memorialized in an executed memorandum dated January 5, 2017 among VTA, the San Francisco County Transportation Authority and the Metropolitan Transportation Commission accepting the obligation to each share equally with the Transportation Authority in funding whatever amount of additional contingency is called upon, up to \$200 million, to complete the Project.

Note 10 - Insurance Programs

The Transportation Authority is exposed to various risks of loss including but not limited to those related to torts; theft of, damage to, and destruction of assets; errors and omissions, and natural disasters. As of June 30, 2021, coverage provided by self-insurance and excess coverage (purchased by or for the Transportation Authority) is generally summarized as follows:

Type of Coverage	Self-Insured Retention (in thousands)	Excess Insurance (in thousands)
Commercial General Liability	\$50 self-insured retention	\$11,000 per occurrence/ aggregate
Public Officials Liability	\$50 self-insured retention	\$3,000 per occurrence/ aggregate (\$100,000 excess carried by the San Mateo County Transit District on behalf of the Transportation Authority)

To date, there have been no significant reductions in any of the Transportation Authority's insurance coverage. Settlements have not exceeded coverages for each of the past three fiscal years.

Note 11 - Long-Term Debt

2020 Transportation Authority Subordinate Sales Tax Revenue Variable Rate Demand Bonds

In September 2020, the TA issued \$50,000,000 2020 Series A Bonds and an additional \$50,000,000 Series B Bonds (together the "Bonds"). The Bonds are variable rate bonds with Series A Bonds are issued with a weekly rate reset and the Series B Bonds are issued with a daily rate reset. Interest is due payable on the Bonds every June 1 and December 1 with interest to be calculated on a 365/366-day basis. From issue through June 30, 2021, the Daily Rate has been issued at a high of 0.15% (or 15 basis points), a low of 0.01% (or 1 basis point) with an average rate of 0.03% (or 3 basis points). Over the same period, the Weekly Rate has been issued at a high of 0.13% (or 13 basis points), a low of 0.01% (or 1 basis point) with an average rate of 0.056% (or 5.6 basis points) on an annual 365/366-day basis. Though the rate is variable it is reasonably presented in the debt service requirements schedule with an effective interest rate as of the fiscal year ended June 30, 2021 of 2% for each of the subsequent years.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Bond proceeds were used to make a Project Loan to the San Mateo County Express Lanes Joint Powers Authority (SMCELJPA) for the construction of express lanes on U.S. 101 in San Mateo County. The Project Loan will be repaid to the Transportation Authority from revenues generated by the Express Lanes. Mandatory redemption in the form of a Mandatory Sinking Fund payments being June 1, 2027 for both Bond Series.

The 2020 SMCTA Subordinate Sales Tax Revenue Variable Rate Demand Bonds are limited obligations of the Transportation Authority and are payable from a lien on revenue of (i) the measure A sales tax revenues pursuant to the Bay Area County Traffic and Transportation Funding Act and (ii) the Measure W sales tax revenues pursuant to the San Mateo County Transit District Act.

The sales tax revenues are pledged to pay the scheduled principal and interest payments on the subordinate sales tax revenue variable rate demand bonds. In the event that a deficiency exists because of unpaid or delinquent collections at the time a debt service payment is due, the Transportation Authority must provide resources to cover the deficiency until other resources, are received. Debt service payments of \$259,366 as a ratio of pledged sales tax revenue of \$140,452,710 for the year ended June 30, 2021, was 541.52%.

As of June 30, 2021 \$100,000,000 of subordinate sales tax revenue variable rate demand bonds are outstanding. The subordinate sales tax revenue variable rate demand bonds mature on June 1, 2049.

Changes in long-term liabilities

Changes in the Transportation Authority's long-term liabilities for the year ended June 30, 2021, are as follows:

(in thousands)	Balance at July 1, 2020	Additions	Retirements	Balance June 30, 2021	Current Portion
2020 Sales Tax					
Variable Rate Debt	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ -

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

The debt service requirements for the Transportation Authority’s sales tax revenue variable rate demand bonds are as follows:

Year Ending June 30: (in thousands)	Principal	Interest	Total
2022	\$ -	\$ 2,000	\$ 2,000
2023	-	2,000	2,000
2024	-	2,000	2,000
2025	-	2,000	2,000
2026	-	2,000	2,000
2027-2031	20,000	9,400	29,400
2032-2036	25,680	6,789	32,469
2037-2041	19,250	4,677	23,927
2042-2046	21,270	2,673	23,943
2047-2049	13,800	556	14,356
Total	\$ 100,000	\$ 34,095	\$ 134,095

Note 12 - Related Parties and Jointly Governed Organizations

San Mateo County Express Lanes Joint Powers Authority

The San Mateo County Transportation Authority and the City/County Association of Governments of San Mateo County (“C/CAG”) are co-sponsors of the San Mateo County U.S. 101 Express Lanes Project (“Project”). The Project includes (i) the conversion of the existing High Occupancy Vehicle (“HOV”) lanes into express lanes from the northern terminus of the Santa Clara County express lanes to the Whipple Road Interchange and (ii) the construction of new express lanes from Whipple Road to north of 1-380 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 U.S. 101. Resulting toll revenues will fund transportation and transit improvements in the corridor, as well as Project operations and maintenance.

In May of 2019, the Transportation Authority and the C/CAG formed the San Mateo County Express Lanes Joint Powers Authority (“JPA”) through a Joint Exercise of Powers Agreement to exercise their shared rights to own, administer and manage the Project. Under that agreement, the San Mateo County Transit District (as managing agency for the Transportation Authority) and C/CAG both will provide staff support to the JPA. The District’s staff will 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 JPA’s website). The Transportation Authority will compensate the District for staff time spent in support of the JPA; the JPA will reimburse the Transportation Authority such costs.

San Mateo County Transportation Authority

Notes to the Financial Statements

June 30, 2021 (with Comparative Totals for 2020)

Operating Loan Receivable

In Fiscal Year 2021, the Transportation Authority and the C/CAG authorized operating funds of up to \$917,244 and \$1,270,463 respectively from each agency, for the JPA through loans which will be repaid when Project operations commence and toll revenues become available, which is estimated to begin in 2022 for the southern segment. As of June 30, 2021, the Transportation Authority had an operating loan receivable of \$1,774,727 from the SMCELJPA.

In Fiscal Year 2020, the Transportation Authority and the C/CAG authorized operating funds of up to \$1,744,911, or \$872,456 from each agency, for the JPA through loans which will be repaid when Project operations commence and toll revenues become available, which is estimated to begin in 2022 for the southern segment. As of June 30, 2020, the Transportation Authority had loan receivables of \$125,785 from the SMCELJPA.

Long Term Project Loan Receivable

On September 1, 2020, the Transportation Authority entered a non-revolving loan agreement with the SMCELJPA. The Transportation Authority will use the proceeds of its 2020 Series A and B Limited Tax Bonds to fund a portion of U.S. 101 Express Lane Project construction. The SMCELJPA agrees to apply future toll revenues to repay the Transportation Authority in accordance with the terms and provisions of the bond loan agreement. The initial bond loan balance was \$100,000,000 (calculated as the amount of bond proceeds deposited to the funds and accounts under the Bond Indenture plus the underwriters' discount upon initial sale of the Bonds to the underwriters thereof). The Principal is payable on May 1, 2024 and annually thereafter on May 1 of each year through in accordance with the loan agreement. Interest is accrued on the bond loan at a rate equal to the interest rate of the Transportation Authority's 2020 Series A and B Limited Tax Bonds.

As of June 30, 2021, the Transportation Authority has spent \$65.5 million bonds proceeds on the U.S. 101 Express Lane Project. The unspent bond proceeds of \$34.5 million was presented as an obligation to fund future project cost.

San Mateo County Transit District

As discussed in Note 1A, the San Mateo County Transit District has been designated as the entity responsible for overall management of the Transportation Authority. The Transportation Authority reimburses the District for staff support services.

Staff support expenditures for the year ended June 30 are as follows:

(in thousands)	2021	2020
Salaries and benefits	\$ 708	\$ 922
Indirect costs	503	60
Total	\$ 1,211	\$ 982



Required Supplementary Information
June 30, 2021

San Mateo County Transportation Authority

San Mateo County Transportation Authority
 General Fund – Budgetary Comparison Schedule
 Year Ended June 30, 2021 (in thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive/ (Negative)
	Original	Final		
Resources (inflows)				
Sales tax	\$ 120,000	\$ 120,000	\$ 140,453	\$ 20,453
Investment income	7,572	7,572	5,381	(2,191)
Rental income	1,031	1,031	1,029	(2)
Reimbursements from other agencies	-	-	123,877	123,877
Other Income	-	-	10	10
Amounts available for appropriation	<u>128,603</u>	<u>128,603</u>	<u>270,750</u>	<u>142,147</u>
Charges to appropriations (outflows)				
Program Administration				
Staff support	1,112	1,038	1,527	(489)
Board compensation	8	8	10	(2)
Professional and legal fees	318	313	275	38
County services				-
Other services and supplies	567	1,508	399	1,109
Travel and meeting	31	31	-	31
Total program administration	<u>2,036</u>	<u>2,898</u>	<u>2,211</u>	<u>687</u>
Distributions to local entities	29,200	29,200	34,190	(4,990)
BART	1,600	1,600	1,877	(277)
Caltrain	6,400	6,400	7,507	(1,107)
Measure A information	5	5	-	5
Capital outlays	<u>172,814</u>	<u>172,137</u>	<u>149,912</u>	<u>22,225</u>
Other sources and uses				
Proceeds of bond issuance	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total other sources and uses	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Charges to Appropriations	<u><u>\$ 212,056</u></u>	<u><u>\$ 212,240</u></u>	<u>195,696</u>	<u><u>\$ 16,544</u></u>
Fund balances				
Beginning of Year			397,386	
End of Year			<u><u>\$ 572,440</u></u>	
Reconciliation to the Statement of Revenues, Expenditures and Fund Balances				
Cumulative unrealized gains under GASB 31			<u>2,704</u>	
Total Revenues in the Statement of Revenues, Expenditures and Changes in Fund Balances - GAAP Basis			<u><u>\$ 575,144</u></u>	

Budgets and the Budgetary Process

The Transportation Authority Board adopts an annual operating budget in accordance with Section 131265(a) of the Public Utilities Code. Budget amounts may be revised by Board Resolutions. The budget and actual revenues and expenditures are presented as required supplementary information. The basis the Transportation Authority uses to prepare the budget is consistent with the basis used to reflect the actual revenues and expenditure, except that proceeds from sale of capital assets and unrealized gains and losses on investment are not included in the budget for the General Fund. The excess of FY2021 actual expense over FY2021 Budget for both Grade Separation and San Mateo County Ferry Service is funded by balances from previous years' Measure A allocations.

Management is authorized to exceed budget for individual categories provided that there is sufficient fund balance.



Supplementary Information
June 30, 2021

San Mateo County Transportation Authority

San Mateo County Transportation Authority

Expenditures of Capital Projects from Inception to Date

June 30, 2021

The expenditures on public transportation projects during fiscal years 2021 and 2020 were \$149.9 million and \$96.3 million, respectively. Total expenditures on such projects from inception through June 30, are as follows (in Thousands):

Projects	2021	2020
Dumbarton Spur	\$ 33,876	\$ 33,831
Caltrain	352,916	332,396
Paratransit	7	6
Ferry	8,217	8,170
Local Shuttle	23,693	19,680
Railroad Grade Separations	332,679	311,280
Streets and Highways	575,547	474,903
Alternative Congestion Relief	4,435	3,742
Administration	2	2
Oversight and Bicycle	29,080	26,530
Total	\$ 1,360,452	\$ 1,210,540

Of the total expenditures of \$1,360.5 million for capital projects, \$141.8 million was funded by contributions from external entities.



Statistical
June 30, 2021

San Mateo County Transportation Authority

Statistical

Financial Trends

- Net Position and Change in Net Position
- Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance

Revenue Capacity

- Revenue Base and Revenue Rate
- Principal Revenue Payers

Debt Capacity

- Ratio of Outstanding Debt by Type
- Ratio of General Bonded Debt Outstanding
- Direct and Overlapping Debt and Limitations
- Pledged Revenue Coverage

Demographics and Economic Information

- Population, Income and Unemployment Rates
- Principal Employers

Operating Information

- Capital Outlay
- Employees
- Capital Assets

The Statistical Section of the Transportation Authority's Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements, notes disclosure, required supplementary information and other supplemental information and assessing the Transportation Authority's economic condition.

Financial Trends

These schedules contain trend information to assist readers in understanding and assessing how the Transportation Authority's financial position has changed over time.

Revenue Capacity

These schedules contain information to assist readers in understanding and assessing the factors affecting the Transportation Authority's ability to generate its most significant local revenue source, sales tax.

Debt Capacity

These schedules contain information to assist readers in understanding and assessing the affordability of the Transportation Authority's current level of outstanding debt and the Transportation Authority's ability to issue debt in the future.

Demographic and Economic Information

These schedules present socioeconomic indicators to assist readers in understanding the environment within which the Transportation Authority's financial activities take place.

Operating Information

These schedules contain contextual information about the Transportation Authority's operations and resources to assist readers in using financial statement information as a tool to understand and assess the Transportation Authority's economic condition.

San Mateo County Transportation Authority
Net Position and Change in Net Position
Fiscal Years 2012 Through 2021 (in thousands)

Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities										
Program Revenues										
Grade Separations	\$ 1,029	\$ 1,050	\$ 708	\$ 708	\$ 916	\$ 874	\$ 895	\$ 888	\$ 839	\$ 819
Dumbarton Spur	-	-	-	366	308	293	324	397	694	1,916
Projects Funding	123,887	5,672	7,730	3,040	1,210	-	5,672	52	2,408	1,979
Total Program Revenues	124,916	6,722	8,438	4,114	2,434	1,167	6,891	1,337	3,941	4,714
Program Expenses										
Upgrades and Extension	20,520	15,488	25,071	62,257	13,364	15,682	14,573	7,671	4,270	3,574
Grade Separations	21,400	17,939	24,114	18,042	821	4,142	6,525	27,553	21,421	9,157
Dumbarton Spur	45	134	40	210	138	205	210	329	674	2,044
BART	1,877	1,833	2,015	1,756	1,687	1,594	1,619	1,552	1,477	1,390
Caltrain	7,507	7,331	8,892	6,191	6,748	6,376	6,478	6,210	5,909	5,558
Distribution to local entities	34,190	33,115	26,819	23,612	22,938	21,596	21,902	20,573	19,982	18,808
Projects funding	107,946	62,786	48,624	66,666	24,733	23,909	25,336	11,155	28,681	13,521
Caltrain Shuttle Program	-	-	-	-	-	-	-	-	-	1,448
Program Administration	2,211	1,844	2,253	1,689	1,316	1,211	1,208	838	666	825
Total Program Expenditures	195,696	140,470	137,828	180,423	71,745	74,715	77,851	75,881	83,080	56,325
Net Program Revenues (Expenses)	(70,780)	(133,748)	(129,390)	(176,309)	(69,311)	(73,548)	(70,960)	(74,544)	(79,139)	(51,611)
General revenues										
Sales tax	140,453	135,793	100,728	87,818	84,354	79,704	80,974	77,626	73,858	69,476
Unrestricted investment earnings	(860)	14,033	14,692	3,841	1,488	6,786	4,106	3,065	378	3,569
Other income	-	-	-	-	-	6	669	7,172	2,239	1,528
Change In Net Position	68,813	16,078	(13,970)	(84,650)	16,531	12,948	14,789	13,319	(2,664)	22,962
Net Position Components										
Invested in capital assets	11,682	11,682	11,682	11,682	11,682	11,682	11,682	13,591	13,591	13,591
Restricted	480,644	411,832	395,752	409,721	494,372	477,842	464,893	453,869	440,549	443,213
Net Position	\$ 492,326	\$ 423,514	\$ 407,434	\$ 421,403	\$ 506,054	\$ 489,524	\$ 476,575	\$ 467,460	\$ 454,140	\$ 456,804

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents Governmental activity program revenues and expenditures, general revenues, sales tax and other income.

San Mateo County Transportation Authority
Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances
Fiscal Years 2012 Through 2021 (in thousands)

Fiscal year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
Sales tax revenue	\$ 140,453	\$ 135,793	\$ 100,728	\$ 87,818	\$ 84,354	\$ 79,704	\$ 80,974	\$ 77,626	\$ 73,858	\$ 69,475
Investment income (loss)	(957)	13,955	14,614	3,787	1,447	6,744	4,181	3,019	319	3,503
Rental income	1,029	1,050	708	1,074	1,224	1,167	1,219	1,204	1,142	1,108
Project reimbursements	123,877	5,672	7,730	3,040	1,210	6	669	7,184	2,241	1,527
Proceeds from sale of properties	-	-	-	-	-	-	1,793	-	-	-
Other income	10	-	-	-	-	-	-	121	2,796	3,607
Total Revenue	264,412	156,470	123,780	95,719	88,235	87,621	88,836	89,154	80,356	79,220
Expenditures										
Public Transit										
Upgrades and extensions	20,520	15,488	25,071	62,257	13,364	15,682	14,573	7,671	4,270	3,574
Grade separations	21,400	17,939	24,114	18,042	821	4,142	6,525	31,003	21,421	9,157
Dumbarton spur	45	134	40	210	138	205	210	329	674	2,044
BART	1,877	1,833	2,015	1,756	1,687	1,594	1,619	1,552	1,477	1,390
Caltrain	7,507	7,331	8,892	6,191	6,748	6,376	6,478	6,210	5,909	5,558
Project funding	4,060	2,810	3,856	2,209	3,042	1,940	2,205	1,646	2,420	5,664
Street and highways										
Distributions to local entities	34,190	33,115	26,819	23,612	22,938	21,596	21,902	20,573	19,982	18,809
Projects funding	103,886	59,976	44,767	64,457	21,691	21,969	23,131	9,509	26,260	7,856
Caltrain shuttle program	-	-	-	-	-	-	-	-	-	1,448
Program administration	2,211	1,844	2,253	1,689	1,316	1,211	1,209	838	666	825
Total Expenditures	195,696	140,470	137,828	180,423	71,745	74,715	77,852	79,331	83,079	56,325
Net Change In Fund Balance	68,716	16,000	(14,048)	(84,704)	16,490	12,906	10,984	9,823	(2,723)	22,895
Fund Balance										
Non-Spendable	-	-	-	-	355	-	1,786	3	3	3
Restricted	575,144	406,428	390,427	404,474	488,823	472,689	457,997	448,796	438,973	441,696
Total Ending Fund Balance	\$ 575,144	\$ 406,428	\$ 390,427	\$ 404,474	\$ 489,178	\$ 472,689	\$ 459,783	\$ 448,799	\$ 438,976	\$ 441,699

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents revenues, expenditures, other financing sources and changes in fund balance.

San Mateo County Transportation Authority

Fund Balances of Governmental Funds

Fiscal Years 2012 Through 2021 (in thousands)

Fiscal year ended	General Fund		
	Non-Spendable	Restricted	Total
2021	\$ -	\$ 575,144	\$ 575,144
2020	-	406,428	406,428
2019	-	390,427	390,427
2018	-	404,474	404,474
2017	355	488,823	489,178
2016	-	472,689	472,689
2015	1,786	457,997	459,783
2014	3	448,796	448,799
2013	3	438,973	438,976
2012	3	441,696	441,699

Source: Current and prior years' Annual Comprehensive Financial Reports.

San Mateo County Transportation Authority
Revenue Base and Revenue Rate
Fiscal Years 2012 Through 2021 (in thousands)

Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
The Sales Tax Rate ^[2]	0.75%	0.75%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Total Sales Tax Revenue	\$ 140,453	\$ 135,793	\$ 100,728	\$ 87,818	\$ 84,354	\$ 79,704	\$ 80,974	\$ 77,626	\$ 73,858	\$ 69,476
Total Taxable Sales in San Mateo County ^[1]	\$ 18,727,067	\$ 18,105,733	\$ 19,700,000	\$ 17,900,000	\$ 16,600,000	\$ 15,941,000	\$ 16,194,800	\$ 15,298,434	\$ 14,611,618	\$ 13,906,978

^[1] 2021 taxable sales are estimates based on sales tax revenues received; 2020 taxable sales amount is the most current information available on the County of San Mateo Annual Comprehensive Financial Report.

^[2] Includes 0.25% Tax Rate for Measure W, effective on 7/1/2019.

This table presents total sales tax revenue and total taxable sales in San Mateo County.

Source: California State Board of Equalization and County of San Mateo County FY2020 Annual Comprehensive Financial Report.

San Mateo County Transportation Authority

Principal Revenue Payers

Fiscal Years 2020 and 2011

Major Industry Group	FY2020			FY2011		
	Rank	Sales Receipts	Amount	Rank	Sales Receipts	Amount
County & State Pool	1	22.8%	39,205,976	5	11.3%	14,198,762
General Consumer Goods	2	17.0%	29,206,762	1	23.0%	29,003,522
Autos And Transportation	3	15.4%	26,478,311	3	14.7%	18,486,009
Restaurants And Hotels	4	12.6%	21,646,555	4	12.1%	15,219,747
Business And Industry	5	11.2%	19,329,374	2	14.4%	18,077,457
Building And Construction	6	8.8%	15,108,417	7	7.8%	9,772,560
Fuel And Service Stations	7	6.7%	11,449,306	6	11.2%	14,115,919
Food And Drugs	8	5.4%	9,278,058	8	5.5%	6,962,725
Transfers & Unidentified	9	0.1%	203,474	9	0.0%	23,364
Total			171,906,233			125,860,065

Source: County-wide sales tax data provided by the County of San Mateo and Major Industry Group provided by Hinderliter, de Llamas and associates (HdL).

San Mateo County Transportation Authority

Ratios of Outstanding Debt by Type

Fiscal Years 2021 Through 2012 (in thousands)

Fiscal Year	Revenue Bonds for Transportation Authority ^[1]	Personal Income for San Mateo County ^[2]	As a Percent of Personal Income
2021	\$ 100,000	\$ 109,063,703 *	0.09%

^[1] Current Annual Comprehensive Financial Report and prior years' Annual Comprehensive Financial Reports.

^[2] Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

*Personal Income and Per Capital Personal Income data for 2021 is based on an estimated three percent annual increase over 2018.

This table presents the relationship between the revenue bonds and the total personal income of the residents of San Mateo County.

Historical information is not applicable prior to 2021 as the Transportation Authority did not have any outstanding bonds.

San Mateo County Transportation Authority
 Ratios of General Bonded Debt Outstanding
 Fiscal Years 2021 Through 2012 (in thousands)

Fiscal Year	Revenue Bonds for Transportation Authority	Total Taxable Sales in San Mateo County	As a Percent of Total Taxable Sales in San Mateo County
2021	\$ 100,000	\$ 18,727,067 ^[1]	0.53%

^[1] Taxable sales are estimates based on sales tax revenues received.

This table presents the capacity of the Authority to issue revenue bonds based on total taxable sales in San Mateo County.

Source: Annual Comprehensive Financial Reports and California State Board of Equalization.

Historical information is not applicable prior to 2021 as the Transportation Authority did not have any bonded debt.

San Mateo County Transportation Authority
Direct and Overlapping Debt and Limitations
Fiscal Years 2021 Through 2012

The Transportation Authority does not have overlapping debt with other governmental agencies. Additionally, the Transportation Authority does not have a legal debt limit.

San Mateo County Transportation Authority

Pledged-Revenue Coverage

Fiscal Years 2021 Through 2012 (in thousands)

Fiscal Year	Sales Tax	Principal *	Interest *	Total	Coverage
2021	\$ 140,453	\$ -	\$ 259	\$ 259	542

This table presents the relationship between total sales tax revenue, debt service payments and the capacity of the Authority to meet its debt obligations.

Source: Current years' Annual Comprehensive Financial Reports.

Historical information is not applicable prior to 2021 as the Transportation Authority did not have any pledged revenue.

San Mateo County Transportation Authority
Population, Income and Unemployment Rates
Fiscal Years 2012 Through 2021

Year	Population ^[1]	Total Personal Income (in millions) ^[2]	Per Capita Personal Income ^[2]	Average Unemployment Rates ^[3]
2021	776,337 *	\$ 109,064 *	\$ 142,274 *	5.0%
2020	773,244	105,887 *	138,130 *	10.8%
2019	774,485	102,803	134,107	2.2%
2018	772,372	98,568	128,230	2.5%
2017	770,256	90,766	118,047	2.9%
2016	765,895	82,046	107,670	3.3%
2015	759,155	78,607	102,639	3.3%
2014	758,581	71,111	93,802	4.2%
2013	750,489	65,656	87,501	5.7%
2012	740,738	64,765	87,523	7.0%

[1] Data include retroactive revisions by the State of California Department of Finance, Demographic Research Unit.

[2] Data include retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

[3] Data include retroactive revisions by the State of California Employment Development Department.
Unemployment rates are non-seasonally adjusted for June.

*2021 Population growth is base on 0.4% growth from 2020.

*Personal Income and Per Capital Personal Income data for 2018, 2019, and 2020 is based on an estimated three percent annual increase over 2017. Source data for table is FY19 San Mateo County Annual Comprehensive Financial Report.

This table highlights San Mateo County's total population, total personal and per capita income, and percentage of unemployed residents.

Source: County of San Mateo FY2020 Annual Comprehensive Financial Report.

San Mateo County Transportation Authority

Principal Employers
Fiscal Years 2019 and 2011

Employers in San Mateo County	Business Type	2019*			2011		
		Number of Employees	Rank	Percent of Total County Employment	Number of Employees	Rank	Percent of Total County Employment
Facebook Inc.	Social Network	15,407	1	3.91%	2,000	10	0.57%
Genentech Inc.	Biotechnology	10,023	2	2.54%	8,600	1	2.43%
Oracle Corp.	Hardware and Software	7,656	3	1.94%	7,000	3	1.98%
County of San Mateo	Government	5,640	4	1.43%	5,979	2	1.69%
Gilead Sciences Inc	Biotechnology	4,000	5	1.02%			
YouTube	Online Video-Streaming Platform	2,384	6	0.61%			
Sony Interactive Entertainment	Interactive Entertainment	1,650	7	0.42%			
Robert Half International Inc.	Personnel Services	1,642	8	0.42%			
Electronic Arts Inc.	Interactive Entertainment	1,478	9	0.38%	2,000	9	0.57%
SRI International	Nonprofit Research Institute	1,418	10	0.36%			
Kaiser Permanente	Health Care				3,855	4	1.09%
Visa Inc	Global Payments Technology				3,100	5	0.88%
Mills-Peninsula Health Services	Health Care				2,500	6	0.71%
San Mateo Community College District	Public Education				2,115	7	0.60%
Safeway Inc	Retail Grocer				2,075	8	0.59%
Total		51,298		13.03%	39,224		11.11%

* The latest information available for principal employers in the County.

San Mateo County Transportation Authority
 Capital Outlay
 Fiscal Years 2012 Through 2021 (in thousands)

Cumulative Capital Projects	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Dumbarton Spur	\$ 33,876	\$ 33,831	\$ 33,697	\$ 33,657	\$ 33,447	\$ 33,309	\$ 33,104	\$ 32,894	\$ 32,565	\$ 31,891
Caltrain-Downtown Extension	352,916	332,396	316,908	291,837	229,908	216,918	201,236	186,663	178,993	174,723
Paratransit	7	7	7	7	7	7	7	2	-	-
Ferry	8,217	8,170	8,097	8,090	8,090	8,090	8,090	8,088	8,087	7,393
Local Shuttle	23,693	19,680	16,951	13,101	10,892	7,850	5,910	3,707	2,269	543
Railroad Grade Separations	332,679	311,280	293,341	269,226	251,184	250,363	246,221	239,697	212,143	190,722
Streets and Highways	575,547	474,903	418,793	377,040	314,829	294,845	275,287	253,794	245,552	223,100
Alternative Congestion Relief	4,435	3,742	2,973	2,269	1,811	1,366	897	456	10	-
Admin, Oversight and Bicycle	29,082	26,531	23,428	21,117	18,541	16,321	13,911	12,272	11,005	7,197
Total	\$ 1,360,452	\$ 1,210,540	\$ 1,114,195	\$ 1,016,344	\$ 868,709	\$ 829,069	\$ 784,663	\$ 737,573	\$ 690,624	\$ 635,569

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents the total cumulative capital outlay on public transportation projects for the past 10 years.

San Mateo County Transportation Authority
Employees
Fiscal Years 2012 Through 2021

Division	Full-Time Equivalents									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Caltrain Modernization Program			-	-	0.20	-	-	-	0.02	-
Customer Service and Marketing	2.56	3.02	1.39	1.50	1.50	0.15	0.15	0.17	0.13	0.14
Executive	0.35	0.35	0.50	0.50	0.50	0.40	0.57	0.60	0.55	0.57
Finance and Administration	2.89	2.65	3.07	2.80	2.75	2.17	2.10	2.29	3.76	4.39
Operations, Engineering and Construction	0.07	0.12	0.14	0.08	0.08	4.16	4.34	4.35	4.43	4.47
Planning and Development	8.71	9.07	7.94	7.59	7.59	3.39	3.35	3.30	2.63	1.97
Public Affairs		-	-	-	-	1.40	1.20	1.20	1.40	1.10
Total Employees	14.58	15.21	13.04	12.47	12.62	11.67	11.71	11.91	12.92	12.64

Note: Caltrain Modernization Program division was added in FY2013 as a replacement for the Peninsula Rail department.

Source: TA's annual operating and capital budgets.

This table presents total full-time equivalents by division.

San Mateo County Transportation Authority
 Capital Assets
 Fiscal Years 2012 Through 2021 (in thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Capital Assets										
Land	\$ 11,682	\$ 11,682	\$ 11,682	\$ 11,682	\$ 11,682	\$ 11,682	\$ 11,682	\$ 13,591	\$ 13,591	\$ 13,591
Total	<u>\$ 11,682</u>	<u>\$ 11,682</u>	<u>\$ 11,682</u>	<u>\$ 11,682</u>	<u>\$ 11,682</u>	<u>\$ 11,682</u>	<u>\$ 13,591</u>	<u>\$ 13,591</u>	<u>\$ 13,591</u>	<u>\$ 13,591</u>

Source: Current and prior years' Annual Comprehensive Financial Reports.

This table presents capital assets for the past 10 years.



Independent Auditor's Reports
June 30, 2021

**San Mateo County Transportation
Authority**



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors of the
San Mateo County Transportation Authority
San Carlos, California

We have audited, in accordance with the 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, the financial statements of the governmental activities and the general fund of the San Mateo County Transportation Authority (Transportation Authority) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Transportation Authority’s basic financial statements, and have issued our report thereon dated October 11, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Transportation Authority’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Transportation Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Transportation Authority’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Transportation Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Transportation Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Menlo Park, California

October 11, 2021

San Mateo County Transportation Authority
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

None reported.

Annual Comprehensive Financial Report

Fiscal Year 2020-2021

Board of Directors
November 4, 2021 – Agenda Item #11a



SAN MATEO COUNTY
**Transportation
Authority**

AGENDA

- Auditor's Communication
- Highlights from the ACFR for FY 2020-21



AUDITOR'S COMMUNICATION



SCOPE OF THE AUDIT

- Audit of the Authority's financial statements
- Audit of Federal grant compliance
- Reporting on identified internal control deficiencies, if any

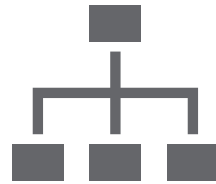


SCOPE OF THE AUDIT



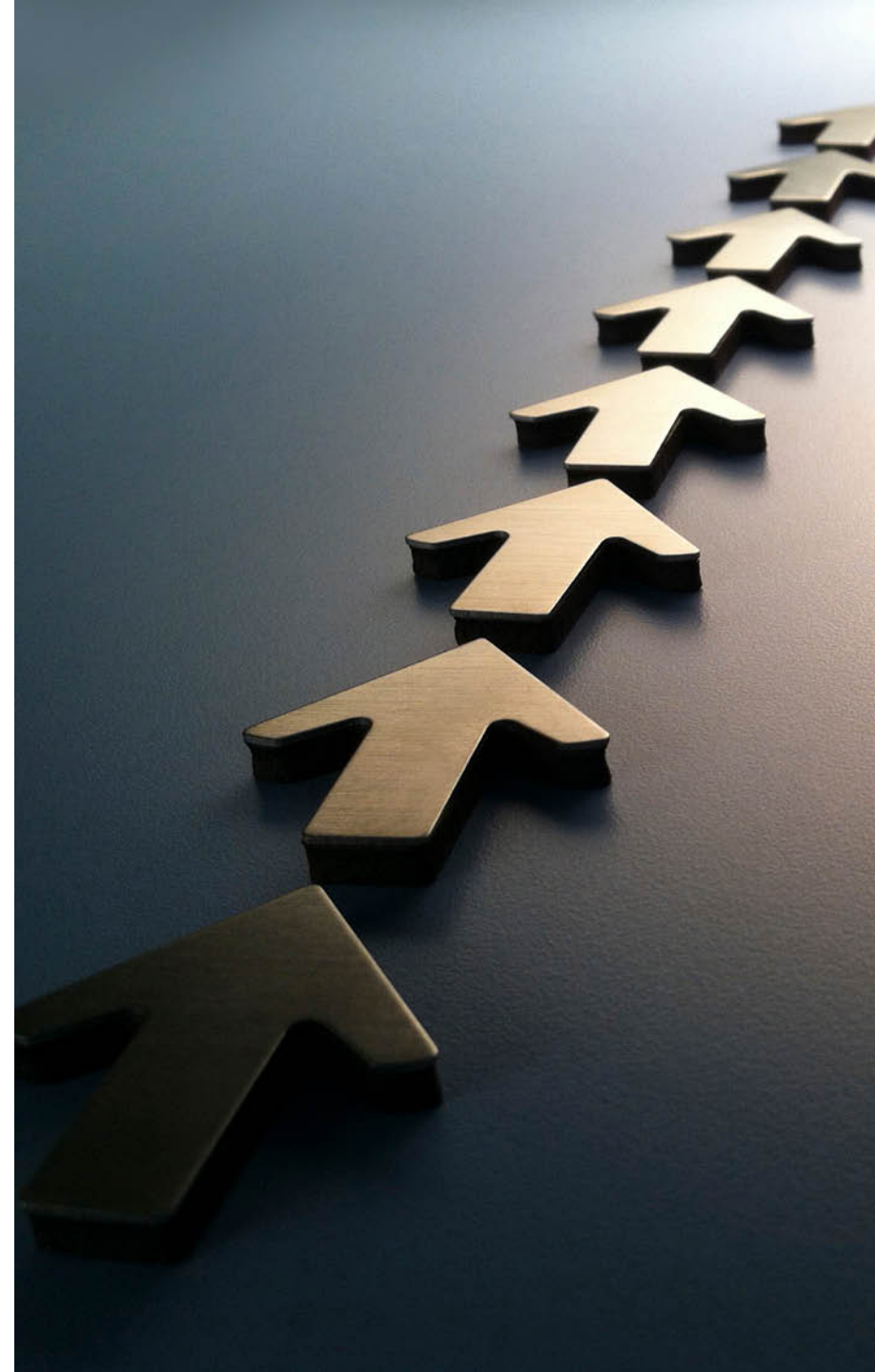
Auditor's responsibilities

Forming and expressing opinions based on the results of our audit of the **financial statements**, and audit of **compliance**.

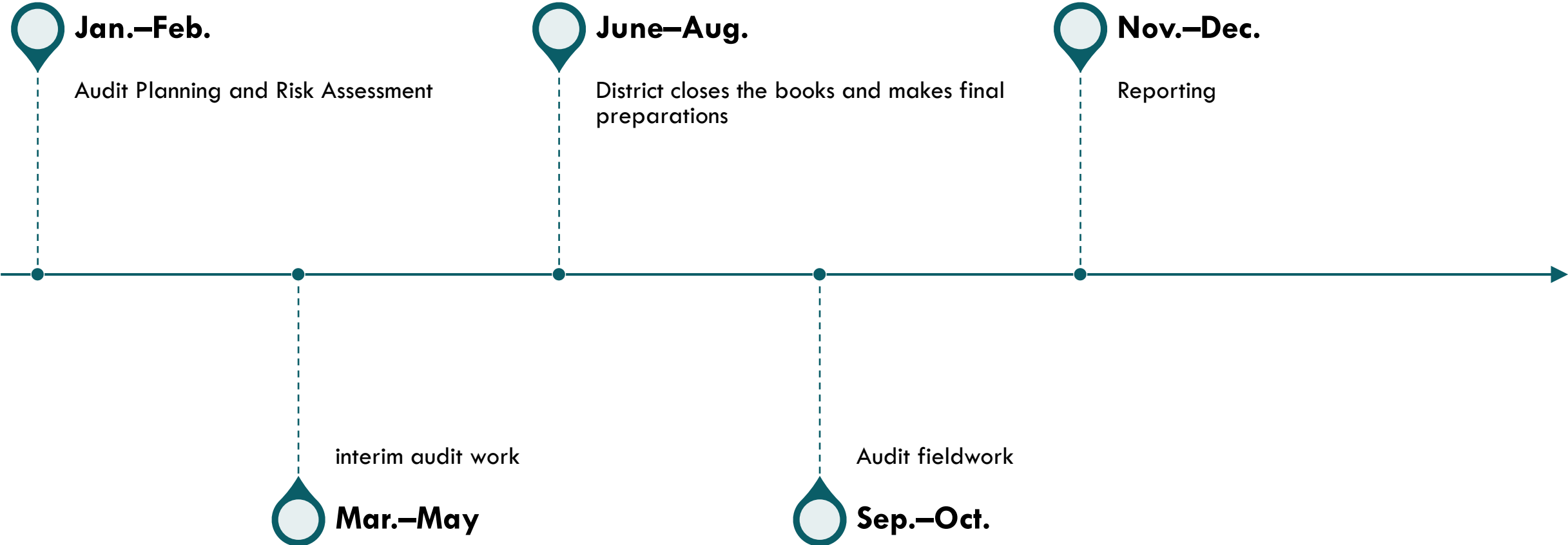


Management's Responsibilities

Completeness and accuracy of the financial statements, maintenance of internal control over financial reporting, and compliance with laws and regulations.



TIMING



1 **OPINION ON THE FINANCIAL STATEMENTS**

“...the financial statements referred to above present fairly, in all material respects, the financial position of the Authority...”

2 **INTERNAL CONTROL**

“...we did not identify any deficiencies in internal control that we consider to be material weaknesses...”

3 **COMPLIANCE**

“...no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards...”

4 **OTHER MATTERS**

Passed adjustments, difficulties



FISCAL YEAR 2020-2021 HIGHLIGHTS

- Issuance of \$100 million Sales Tax Revenue Bonds
- Construction loan of \$100 million between the TA and the SMCELJPA
- Spending for streets and highways in 2021 increased by \$45.0 million or 48.3%



Questions



**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting General Manager/CEO

FROM: Derek Hansel
Chief Financial Officer

SUBJECT: **QUARTERLY INVESTMENT REPORT AND FIXED INCOME MARKET REVIEW AND
OUTLOOK**

ACTION

Staff recommends the Board accept and enter into the record the Quarterly Investment Report and Fixed Income Market Review and Outlook for the quarter ended September 30, 2021.

SIGNIFICANCE

The San Mateo County Transportation Authority (TA) Investment Policy contains a requirement for a quarterly report to be transmitted to the Board within 30 days of the end of the quarter. This staff report was forwarded to the Board of Directors under separate cover in order to meet the 30-day requirement.

BUDGET IMPACT

As this reports on the Quarterly Market Review and Outlook, there is no budget impact.

BACKGROUND

The TA is required by State law to submit quarterly reports within 30 days of the end of the quarter covered by the report to the Board of Directors. The report is required to include the following information:

1. Type of investment, issuer, and date of maturity, par and dollar amount invested in all securities, investments and money held by the local agency.
2. Description of any of the local agency's funds, investments or programs that are under the management of contracted parties, including lending programs;
3. For all securities held by the local agency or under management by any outside party that is not a local agency or the State of California Local Agency Investment Fund (LAIF), a current market value as of the date of the report and the source of this information.
4. Statement that the portfolio complies with the Investment Policy or the way the portfolio is not in compliance; and,
5. Statement that the local agency has the ability to meet its pool's expenditure requirements (cash flow) for the next six months or provide an explanation as to

why sufficient money shall or may not be available.

A schedule, which addresses the requirements of 1, 2, and 3 above, is included in this report on pages 9 through 11. The schedule separates the investments into two groups: the Investment Portfolio managed by Public Trust Advisors (PTA), and Liquidity funds, which are managed by TA staff. The Investment Policy governs the management and reporting of the Investment Portfolio and Liquidity funds.

PTA provides the TA a current market valuation of all the assets under its management for each quarter. Generally, PTA's market prices are derived from closing bid prices as of the last business day of the quarter as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

The Liquidity funds managed by TA staff are considered to be cash equivalents and therefore market value is considered to be equal to book value (i.e., cost). The shares of beneficial interest generally establish a nominal value per share. Because the Net Asset Value is fixed at a nominal value per share, book and market value are equal and rate of income is recalculated daily.

The portfolio and this Quarterly Investment Report comply with the Investment Policy and the provisions of Senate Bill 564 (1995). The TA has the ability to meet its expenditure requirements for the next six months.

DISCUSSION

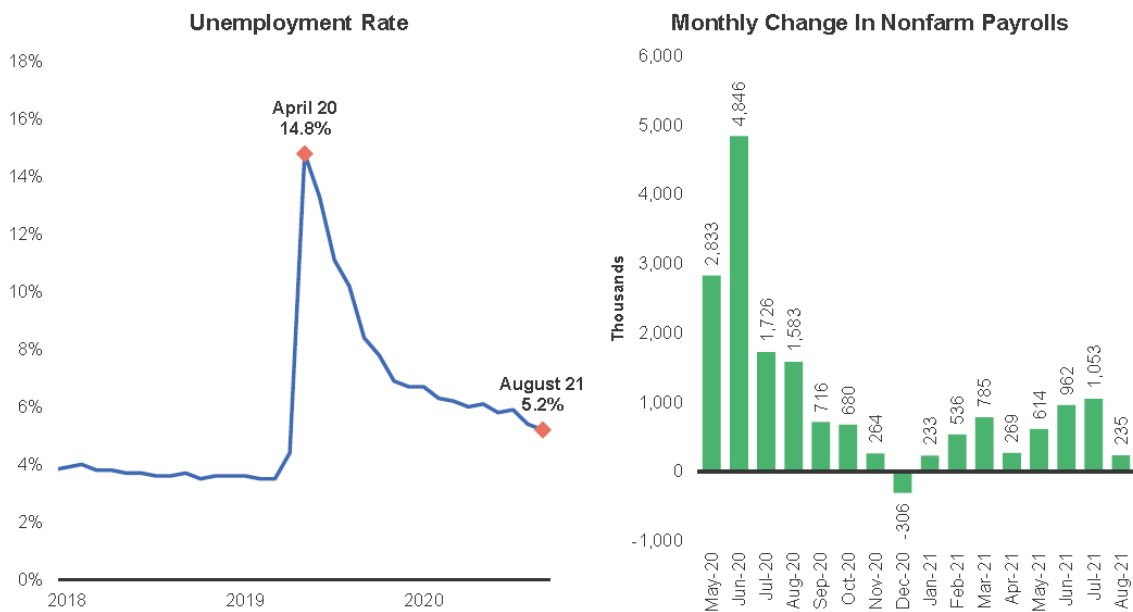
Market Conditions

As we wrap up the first quarter of FY 2022, the U.S. economy continues to show signs of recovery and resilience:

- Stocks continued to rally in the second quarter of CY 2021, with the S&P 500 returning +3.04% in August and ending the quarter at an all-time high (which was subsequently surpassed to begin Q3). Numerous positive catalysts helped propel stocks higher, including ongoing accommodative central bank policies, massive fiscal (government) stimulus, and success of the vaccine roll-out, economic reopening momentum, and a very strong corporate profit backdrop. At the same time, still elevated cash levels underpinned robust equity inflows
- All eyes were focused on inflation for much of the second quarter. Many businesses have cited upward pricing pressures from supply chain disruptions, rising commodity costs, and labor shortage. Surveys of purchasing managers for August have signaled slowing manufacturing and services activity, albeit both still expansionary.

- The Fed, for its part, is contemplating the near-term tapering of the asset purchase program. The Fed Funds Rate hike now seems most likely in end 2022 or early 2023. Increased near-term pricing pressures led the Fed to update its “dot plot” forecasts, which now indicates two fed funds rate hikes in 2023, up from zero in March.
- Regarding monetary policy, at the Jackson Hole symposium the Fed Chair Jerome Powell has stated that the central bank will not be in a hurry to raise interest rates. He also reiterated the Fed's belief that the current spike in inflation to be transitory.

U.S. Hiring Slowed in August as New Covid-19 Cases Impede Job Gains



Portfolio Recap

- Economic Growth: The U.S. economy continues to expand despite ongoing virus concerns and persistent supply chain bottlenecks and labor shortages. Amidst a surge in COVID-19 cases over the quarter, economists downgraded their forecasts for growth over the remainder of the year as rising public health concerns weigh on consumer confidence and threaten to derail the developing service sector recovery. While the pace of growth is expected to moderate from last quarter's 6.7% annualized rate, it is expected to remain well above trend in coming quarters as the economic reopening continues and then moderate to a more sustainable long-term growth trajectory. The Institute for Supply Management's manufacturing and service sector indices provide a range of important insights into the breadth and vitality of underlying economic momentum. While readings above 50 denote expansion, current index levels are consistent with expectations for continued above-trend near-term growth. Importantly, survey respondents continue to report that persistent supply chain disruptions and labor scarcity continue to

impede their ability to meet growing demand and represent significant barriers to more robust growth.

- Labor Markets: The pace of job growth slowed dramatically in the final two months of the quarter as concerns over surging COVID-19 cases likely weighed on hiring. Following job gains of nearly 1.1 million in July, the pace of hiring stalled in August and September with payrolls rising a much less- than-expected 366K and 194K, respectively. While the unemployment rate fell sharply to 4.8% in September from 5.2% the prior month, much of that drop is due to declines in the labor force participation rate which indicates a number of workers displaced during the pandemic remain on the sidelines. Businesses continue to report that hiring challenges continue to represent a significant headwind to meeting customer demand and the recent slowdown in hiring likely reflects, in part, the struggle between businesses striving to meet demand and job candidates seeking better opportunity and remaining slow to re-enter the labor force.
- Inflation: Measures of consumer price inflation have risen sharply in recent months as logistical challenges associated with reviving previously shuttered global supply chains collided with resurgent consumer demand as global economies began to reopen. While the moderating pace of price gains in August is consistent with the Fed's contention that current price flare ups are transitory, mounting wage pressures stemming from persistent labor scarcity and record home price appreciation and related rent increases may prove more enduring and keep core inflation above the Fed's 2% target for some time. Through August, the core consumer price index and personal consumption expenditure index are up 4.0% and 3.6%, respectively.
- Fed Policy: Speaking at the Federal Reserve's August policy summit, Chair Jerome Powell said the U.S. central bank may begin tapering its monthly asset purchases by the end of the year as the economy continues to recover from the pandemic. Striking a cautiously optimistic tone, Powell reiterated that the Fed's framework for raising interest rates includes a "different and substantially more stringent test." This message was clearly received by the market, with a rate hike still not anticipated until the end of 2022. While the median of the Fed's so-called "dot plot" is consistent with current market expectations for the first rate hike next December, pricing of federal funds futures contracts indicate that market participants are less optimistic in the Fed's ability to reach their perceived longer-term neutral rate of 2.50%. As of the September 22nd FOMC meeting, fed funds futures markets reflect expectations of the overnight reaching only 1.0% by the end of 2024, well short of the Fed's median dots.
- Interest Rate & Markets: Although Treasury yields were little changed over the quarter, the net change over the period masks the volatility that characterized fixed income markets over the period. In response to the surge in virus cases that took place in August through mid-September, Treasury yields traded lower as rising economic uncertainties resulted in a wave of downgraded third quarter growth forecasts. As new cases crested in mid-September and began to retreat, yields rose dramatically in the final two weeks of the quarter on the improving public

health backdrop and on the expectation that the Federal Reserve would commence the balance sheet taper in November. Over the quarter, 2-, 5-, and 10- year Treasury yields traded in ranges of between, 0.13% - 0.30% (2-2ear), 0.57% - 1.02% (5-year) and 1.17% - 1.54% (10-year), respectively. While uncertainties to the outlook remain, continued public health progress coupled with persistent fiscal deficits and the likely tapering of the Fed's balance sheet support expectations for higher interest rates and a steeper yield curve in the quarters ahead.

Investment Strategy Outlook

In his remarks at the Kansas City Fed's annual Jackson Hole Symposium, Fed chair Powell all but cemented market expectations for the November tapering of the Fed's large scale asset purchase program. In our view, the reduction in liquidity stemming from the tapering asset purchases has the potential to reawaken volatility in credit markets and exert upward pressure on still extraordinarily narrow credit spreads. As credit markets eventually normalize to reflect less Fed intervention, robust credit analysis and thoughtful issuer selection will remain important drivers of risk-adjusted returns. Against this backdrop, we anticipate maintaining a somewhat defensive posture in the portfolio summarized as follows:

- **Duration:** We anticipate to maintain portfolio duration generally neutral to the portfolio benchmark as market participants and policy makers seek to determine whether recent economic momentum and related inflationary pressures reflect a more enduring improvement in underlying economic fundamentals or the transitory effects of the highly accommodative monetary and fiscal policies. As incoming data alters the perceived likelihood of potential economic and policy outcomes, we may implement certain tactical duration adjustments as bouts of volatility present opportunities to improve risk-adjusted returns.
- **Yield Curve Positioning:** The Federal Reserve has stated tolerance for currently well above-target inflation coupled with still extraordinarily accommodative monetary policy, expectations for persistent federal budget deficits, and an improving public health outlook support expectation for the continued steepening of the yield curve. As incoming data shapes inflation and policy expectations, we will review opportunities to tactically underweight or overweight certain maturity tenors to capitalize on anticipated changes in the slope of the yield curve.
- **Asset Allocation:** Credit spreads available on corporate bonds and other credit-sensitive sectors (e.g., ABS & CD's) remain deeply compressed in response to the Federal Reserve's aggressive actions to support market liquidity and financial conditions more generally. In our view, such credit-sensitive sectors continue to warrant caution as credit spreads remain extraordinarily compressed and provide little protection against modest spread widening. Corporate bond allocation is expected to be maintained in a range of between 10% to 15% with a focus on issuer and maturity selection. Other credit-sensitive sectors, such as CD's and ABS, are expected to be maintained at 10% or less of total portfolio market value given

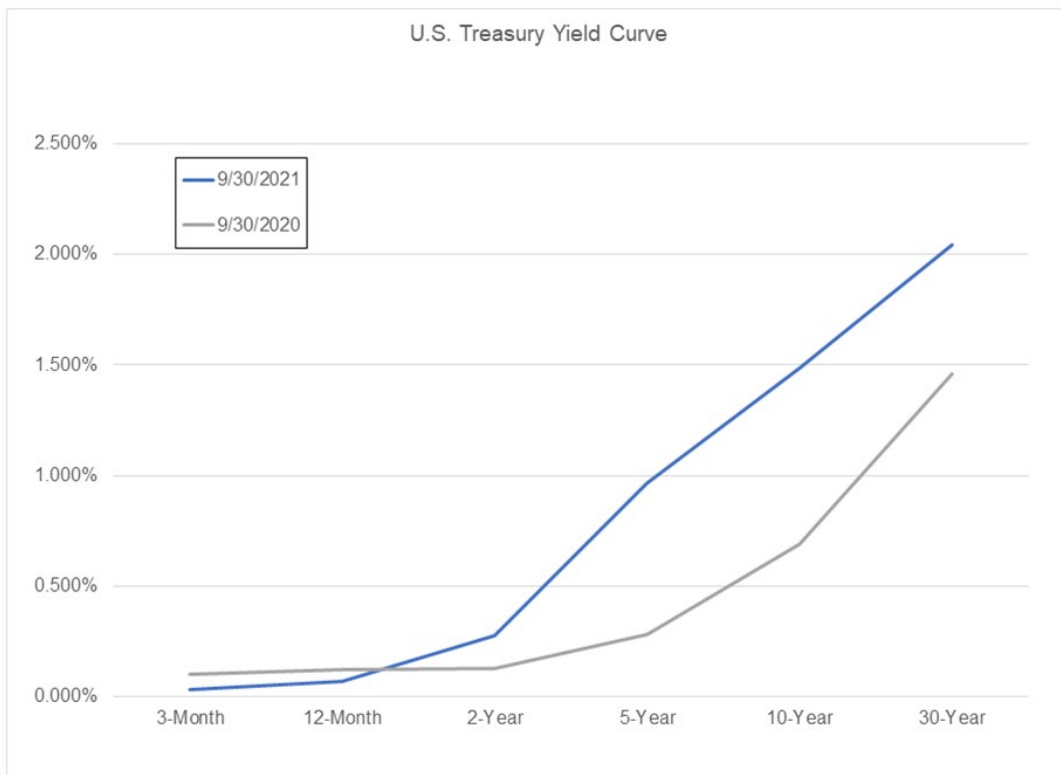
narrow credit spreads and market liquidity considerations.

BUDGET IMPACT

Total return is interest income plus capital gains (or minus losses) on an investment and is the most important measure of performance as it is the actual return on investment during a specific time interval. For the quarter ending September 30 the total return of the portfolio was **-0.003 percent**. This compares to the benchmark return of **0.005 percent**. The Performance graph on page 13 shows the relative performance of the TA over the last 12 months.

The yield at cost represents the yield on a fixed-income security at its current rate (at the time of purchase) of return until maturity equivalent to the annual percentage rate of interest an investor would receive for investing the purchase price of a given security in a bank account that paid interest semiannually. As of the end of the quarter, the portfolio's yield to maturity at cost was **1.12 percent**.

The yield at market is the yield that an investor can expect to receive in the current interest rate environment utilizing a buy-and-hold investment strategy. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending September 30 the portfolio's market yield to maturity was **0.51 percent**.



Prepared by Ashok Deshmukh, Acting Treasury Manager

650-508-6405

Investment Glossary:

Asset-Backed Securities - An asset-backed security (ABS) is a financial security backed by a loan, lease or receivables against assets other than real estate and mortgage-backed securities. For investors, asset-backed securities are an alternative to investing in corporate debt.

Certificate of Deposit - A certificate of deposit (CD) is a savings certificate with a fixed maturity date, specified fixed interest rate and can be issued in any denomination aside from minimum investment requirements. A CD restricts access to the funds until the maturity date of the investment. CDs are generally issued by commercial banks and are insured by the FDIC up to \$250,000 per individual.

Collateralized Mortgage Obligation - Collateralized mortgage obligation (CMO) refers to a type of mortgage-backed security that contains a pool of mortgages bundled together and sold as an investment. Organized by maturity and level of risk, CMOs receive cash flows as borrowers repay the mortgages that act as collateral on these securities. In turn, CMOs distribute principal and interest payments to their investors based on predetermined rules and agreements.

Commercial Mortgage-Backed Securities (CMBS) - Commercial mortgage -backed securities are fixed-income investments backed by mortgages on commercial properties rather than residential real estate.

Commercial Paper - Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts receivable, inventories and meeting short-term liabilities. Maturities on commercial paper rarely range any longer than 270 days. Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.

Credit Spreads - The spread between Treasury securities and non-Treasury securities that are identical in all respects except for quality rating.

Duration - The term duration has a special meaning in the context of bonds. It is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows. It is an important measure for investors to consider, as bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

Excess Returns - Excess returns are a finance measure of performance where the portfolio returns are larger than the return of a benchmark index.

Mortgage-Backed Securities - Mortgage-backed securities are variations of asset-backed securities that are formed by pooling together mortgages exclusively.

Net Asset Value - Net asset value (NAV) is value per share of a mutual fund or an exchange-traded fund (ETF) on a specific date or time. With both security types, the per-

share dollar amount of the fund is based on the total value of all the securities in its portfolio, any liabilities the fund has and the number of fund shares outstanding.

Roll-down - A roll-down return is a form of return that arises when the value of a bond converges to par as maturity is approached. The size of the roll-down return varies greatly between long and short-dated bonds. Roll-down is smaller for long-dated bonds that are trading away from par compared to bonds that are short-dated.

Roll-down return works two ways in respect to bonds. The direction depends on if the bond is trading at a premium or at a discount. If the bond is trading at a discount the roll-down effect will be positive. This means the roll-down will pull the price up towards par. If the bond is trading at a premium the opposite will occur. The roll-down return will be negative and pull the price of the bond down back to par.

Volatility - Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

Yield Curve - A yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates, and it is also used to predict changes in economic output and growth.

Yield to Maturity - Yield to maturity (YTM) is the total return anticipated on a bond if the bond is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate. In other words, it is the internal rate of return of an investment in a bond if the investor holds the bond until maturity and if all payments are made as scheduled.

**EXHIBIT 1
SAN MATEO COUNTY TRANSPORTATION AUTHORITY
REPORT OF INVESTMENTS
FOR QUARTER ENDED SEPTEMBER 30, 2021**

Identifier	Asset Backed Securities	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
14313FAD1	CARMX 2018-3 A3	159,417.87	06/15/2023	159,396.14	160,378.73	160,600.50
36255JAD6	GMCAR 2018-3 A3	115,033.58	05/16/2023	115,006.76	115,592.50	115,737.25
65479CAD0	NAROT 2020-B A3	635,000.00	07/15/2024	634,982.60	636,517.98	636,673.20
92348TAA2	VZOT 2020-A A1A	800,000.00	07/22/2024	799,906.32	810,517.95	810,970.18

Identifier	Agency Bonds	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
3130A8HK2	FEDERAL HOME LOAN BANKS	3,275,000.00	06/14/2024	3,452,930.75	3,387,951.48	3,404,986.02
3130AJHU6	FEDERAL HOME LOAN BANKS	1,600,000.00	04/14/2025	1,592,064.00	1,590,824.00	1,594,535.11
3133EMRZ7	FED FARM CREDIT BANKS FUNDING C	3,300,000.00	02/26/2024	3,298,812.00	3,289,407.00	3,290,209.08
3135G03U5	FEDERAL NATL MORTGAGE ASSN	1,600,000.00	04/22/2025	1,596,704.00	1,597,788.80	1,602,205.47
3135G04Z3	FEDERAL NATL MORTGAGE ASSN	1,600,000.00	06/17/2025	1,596,688.00	1,588,041.60	1,590,352.71
3135G05X7	FEDERAL NATL MORTGAGE ASSN	3,800,000.00	08/25/2025	3,787,422.00	3,741,879.00	3,743,304.00
3135G06H1	FEDERAL NATL MORTGAGE ASSN	4,665,000.00	11/27/2023	4,659,681.90	4,657,554.66	4,661,571.74
3137EAER6	FED HOME LOAN MORTGAGE CORP	1,100,000.00	05/05/2023	1,099,538.00	1,102,549.80	1,104,222.72
3137EAES4	FED HOME LOAN MORTGAGE CORP	1,600,000.00	06/26/2023	1,595,328.00	1,600,297.60	1,601,353.16
3137EAEX3	FED HOME LOAN MORTGAGE CORP	3,800,000.00	09/23/2025	3,786,662.00	3,739,268.40	3,739,585.07
3137EAAY1	FED HOME LOAN MORTGAGE CORP	3,900,000.00	10/16/2023	3,885,453.00	3,885,772.80	3,888,007.18

Identifier	Certificates of Deposit	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
22535CDV0	Credit Agricole Corporate & Investment Bank	1,500,000.00	04/01/2022	1,500,000.00	1,520,089.50	1,541,196.58
23341VZT1	DNB Bank ASA, New York Branch	1,600,000.00	12/02/2022	1,600,000.00	1,633,878.40	1,644,849.07
65558TLL7	Nordea Bank Abp, New York Branch	1,600,000.00	08/26/2022	1,600,000.00	1,623,614.40	1,626,574.40
83050PDR7	Skandinaviska Enskilda Banken AB (publ)	1,600,000.00	08/26/2022	1,600,000.00	1,623,758.40	1,626,734.40

Identifier	Corporate Bonds	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
023135BW5	AMAZON.COM INC	2,225,000.00	05/12/2024	2,221,751.50	2,220,558.90	2,224,424.84
037833AS9	APPLE INC	1,475,000.00	05/06/2024	1,605,301.50	1,584,110.18	1,604,606.53
037833DT4	APPLE INC	1,600,000.00	05/11/2025	1,603,216.00	1,609,812.80	1,616,812.80
05531FBH5	TRUIST FINANCIAL CORP	1,550,000.00	08/01/2024	1,552,573.00	1,631,404.45	1,637,862.78
06406RAL1	BANK OF NEW YORK MELLON CORP	650,000.00	10/24/2024	652,860.00	675,320.75	681,273.67
24422ETL3	JOHN DEERE CAPITAL CORP	685,000.00	01/06/2022	681,979.15	689,357.29	693,643.29
24422EUQ0	JOHN DEERE CAPITAL CORP	350,000.00	01/10/2022	349,664.00	353,005.10	355,525.10
46647PBB1	JPMORGAN CHASE & CO	1,500,000.00	04/01/2023	1,500,000.00	1,520,509.50	1,544,562.00
693475AV7	PNC FINANCIAL SERVICES GROUP INC	1,550,000.00	01/23/2024	1,561,036.00	1,648,697.80	1,658,945.02
69371RP75	PACCAR FINANCIAL CORP	570,000.00	03/01/2022	569,498.40	576,149.16	577,502.91
89236TGT6	TOYOTA MOTOR CREDIT CORP	750,000.00	02/13/2025	757,327.50	769,602.75	771,402.75
89236TGT6	TOYOTA MOTOR CREDIT CORP	225,000.00	02/13/2025	227,198.25	230,880.83	231,420.83
89236TGT6	TOYOTA MOTOR CREDIT CORP	225,000.00	02/13/2025	228,132.00	230,880.83	231,420.83
931142DP5	WALMART INC	1,500,000.00	04/22/2024	1,618,200.00	1,598,437.50	1,620,300.00

Identifier	FHLMC	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
3137BGK24	FHMS K-043 A2	1,055,000.00	12/25/2024	1,107,255.47	1,127,330.80	1,130,022.81
3137BM6P6	FHMS K-721 A2	761,829.64	08/25/2022	768,317.10	772,998.06	774,959.77
3137FKK39	FHMS K-P05 A	62,033.50	07/25/2023	62,033.31	63,985.07	64,150.65
3137FQ3V3	FHMS K-J27 A1	344,705.19	07/25/2024	344,696.92	352,354.20	352,955.14

Identifier	Municipal Debt	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
157411TK5	CHAFFEY CALIF JT UN HIGH SCH DIST	375,000.00	08/01/2024	375,000.00	387,787.50	389,100.63

Identifier	US Government Debt	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
9128283J7	UNITED STATES TREASURY	1,675,000.00	11/30/2024	1,793,951.18	1,756,656.25	1,768,618.08
912828N30	UNITED STATES TREASURY	2,450,000.00	12/31/2022	2,389,324.22	2,510,484.38	2,523,641.47
912828N30	UNITED STATES TREASURY	11,000,000.00	12/31/2022	10,841,445.31	11,271,562.50	11,330,635.19
912828N30	UNITED STATES TREASURY	5,700,000.00	12/31/2022	5,609,601.56	5,840,718.75	5,871,329.14
912828R69	UNITED STATES TREASURY	8,850,000.00	05/31/2023	8,528,841.80	9,056,039.06	9,104,369.49
912828R69	UNITED STATES TREASURY	2,850,000.00	05/31/2023	2,781,421.87	2,916,351.56	2,931,915.60
912828W48	UNITED STATES TREASURY	1,525,000.00	02/29/2024	1,624,065.43	1,588,859.38	1,591,634.50
912828XX3	UNITED STATES TREASURY	4,650,000.00	06/30/2024	4,744,089.84	4,844,718.75	4,868,221.47
912828XX3	UNITED STATES TREASURY	6,500,000.00	06/30/2024	6,597,500.00	6,772,187.50	6,805,040.76
912828XX3	UNITED STATES TREASURY	1,500,000.00	06/30/2024	1,522,089.84	1,562,812.50	1,570,394.02
912828XX3	UNITED STATES TREASURY	400,000.00	06/30/2024	410,859.38	416,750.00	418,771.74
912828XX3	UNITED STATES TREASURY	2,600,000.00	06/30/2024	2,726,648.44	2,708,875.00	2,722,016.30
912828YM6	UNITED STATES TREASURY	2,250,000.00	10/31/2024	2,358,808.59	2,316,093.75	2,330,217.39
912828YY0	UNITED STATES TREASURY	3,200,000.00	12/31/2024	3,400,875.01	3,319,500.00	3,333,652.17
912828Z52	UNITED STATES TREASURY	3,200,000.00	01/31/2025	3,352,750.02	3,280,500.00	3,287,913.04
912828ZC7	UNITED STATES TREASURY	3,200,000.00	02/28/2025	3,320,624.99	3,253,000.00	3,256,082.87
912828ZF0	UNITED STATES TREASURY	2,250,000.00	03/31/2025	2,267,753.92	2,237,343.75	2,237,374.66
912828ZL7	UNITED STATES TREASURY	1,600,000.00	04/30/2025	1,594,437.50	1,582,000.00	1,584,510.87
912828ZT0	UNITED STATES TREASURY	1,550,000.00	05/31/2025	1,543,158.21	1,523,601.56	1,524,903.82
912828ZT0	UNITED STATES TREASURY	1,200,000.00	05/31/2025	1,194,281.26	1,179,562.50	1,180,570.70
912828ZW3	UNITED STATES TREASURY	2,250,000.00	06/30/2025	2,240,244.14	2,209,570.31	2,210,991.85
91282CAT8	UNITED STATES TREASURY	1,700,000.00	10/31/2025	1,687,183.60	1,660,687.50	1,662,466.03
91282CAW1	UNITED STATES TREASURY	5,325,000.00	11/15/2023	5,315,847.66	5,317,511.72	5,322,540.08
91282CAZ4	UNITED STATES TREASURY	2,000,000.00	11/30/2025	1,993,906.26	1,961,250.00	1,963,770.49
91282CBC4	UNITED STATES TREASURY	3,725,000.00	12/31/2025	3,686,440.44	3,648,753.91	3,652,284.05
91282CBH3	UNITED STATES TREASURY	2,925,000.00	01/31/2026	2,860,330.09	2,861,015.63	2,862,863.62
91282CBQ3	UNITED STATES TREASURY	4,850,000.00	02/28/2026	4,805,099.62	4,766,640.63	4,768,717.28
91282CBU4	UNITED STATES TREASURY	5,325,000.00	03/31/2023	5,316,887.68	5,320,007.81	5,320,026.10
91282CBW0	UNITED STATES TREASURY	2,350,000.00	04/30/2026	2,343,482.42	2,330,906.25	2,338,281.93
91282CBW0	UNITED STATES TREASURY	1,625,000.00	04/30/2026	1,629,760.75	1,611,796.88	1,616,897.08
91282CCF6	UNITED STATES TREASURY	3,175,000.00	05/31/2026	3,172,147.46	3,146,722.66	3,154,725.22
91282CCF6	UNITED STATES TREASURY	1,625,000.00	05/31/2026	1,628,745.12	1,610,527.34	1,614,623.14
91282CCP4	UNITED STATES TREASURY	2,550,000.00	07/31/2026	2,531,572.27	2,508,164.06	2,510,849.18

Identifier	Money Market Funds	Base Current Units	Final Maturity	Base Original Cost	Base Market Value (MV)	Base MV + Accrued
31846V534	FIRST AMER-US TRS MM Y	236,504.84	09/30/2021	236,504.84	236,504.84	236,504.84
SM - CP N/M A	County Pool New Measure A	123,626,580.15	09/30/2021	123,626,580.15	123,626,580.15	123,626,580.15
SM - CP O/M A	County Pool Old Measure A	23,673,389.53	09/30/2021	23,673,389.53	23,673,389.53	23,673,389.53
SM - LAIF	Local Agency Investment Fund	74,203,327.99	09/30/2021	74,203,327.99	74,203,327.99	74,203,327.99

EXHIBIT 2

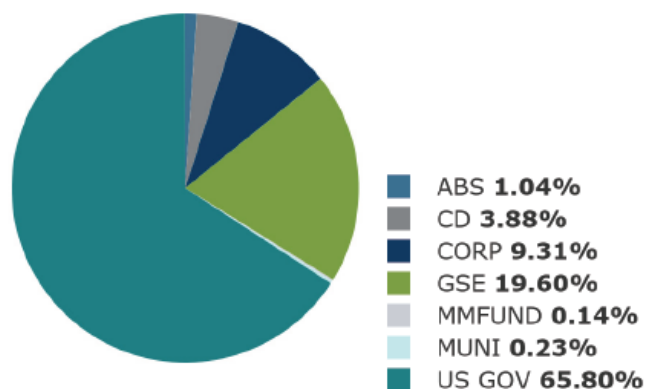
Portfolio Summary

Summary	06/30/21	09/30/21
Historical Cost	\$163,252,315.99	\$164,197,296.29
Book Value	163,677,471.82	164,298,565.43
Accrued Interest	302,416.22	545,371.19
Net Pending Transactions	0.00	0.00
Book Value Plus Accrued	\$163,979,888.04	\$164,843,936.62
Net Unrealized Gain/Loss	2,036,669.71	1,166,280.32
Market Value Plus Accrued	\$166,016,557.76	\$166,010,216.94

Income Summary

Period Income	Income
Interest Income	\$532,962.29
Net Amortization/Accretion Income	(59,823.16)
Net Realized Gain/Loss	392,482.11
Other Income/Expenses	0.01
Net Income	\$865,621.25

Asset Allocation

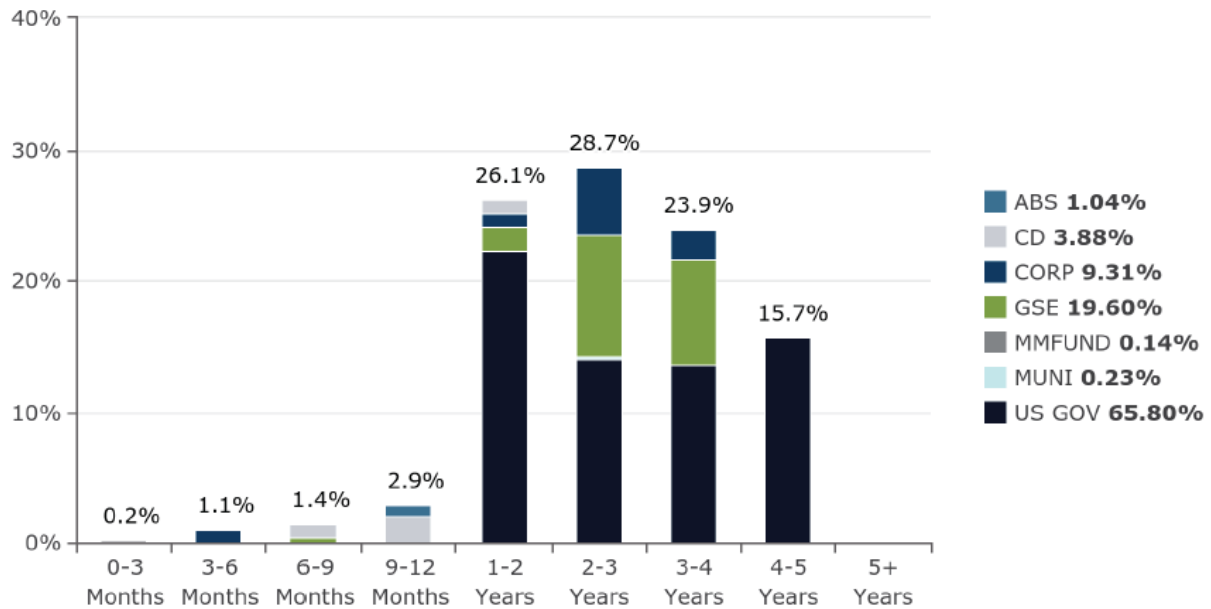


Portfolio Characteristics

	06/30/21	09/30/21
Duration	2.605	2.612
Years to Effective Maturity	2.651	2.657
Years to Final Maturity	2.692	2.696
Coupon Rate	1.429	1.286
Book Yield	1.273	1.118
Market Yield	0.437	0.502
Benchmark Yield	0.434	0.495

EXHIBIT 3

Maturity Distribution by Type



Top Ten Holdings

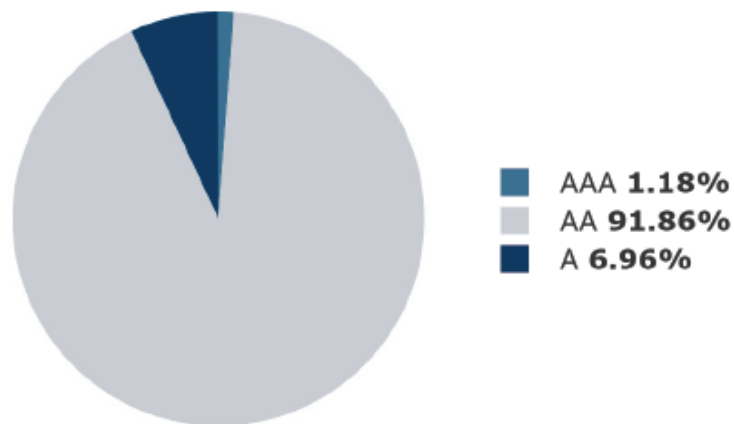
Issuer	Value
United States	65.80%
Federal Home Loan Mortgage Corporation	7.62%
Federal National Mortgage Association	6.98%
Federal Home Loan Banks	3.01%
Farm Credit System	1.98%
Apple Inc.	1.94%
Amazon.com, Inc.	1.34%
The PNC Financial Services Group, Inc.	1.00%
DNB Bank ASA	0.99%
Truist Financial Corporation	0.99%

EXHIBIT 4

S&P Rating Distribution

S&P Rating Distribution	Sep 30, 2021 Ending Balance	Portfolio Allocation
Short Term Rating Distribution		
A-1+	\$0.00	0.00%
A-1		
A-2		
Total Short Term Ratings	\$0.00	0.00%
Long Term Rating Distribution		
AAA	\$1,960,492.72	1.18%
AA	\$152,496,307.41	91.86%
A	\$11,553,416.82	6.96%
Below A		
Not Rated		
Total Long Term Ratings	\$166,010,216.94	100.00%
Portfolio Total	\$166,010,216.94	100.00%

Allocation by Standard and Poor's Rating



**SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STAFF REPORT**

TO: Transportation Authority

THROUGH: Carter Mau
Acting Executive Director

FROM: Casey Fromson
Acting Chief Communications Officer

SUBJECT: **STATE AND FEDERAL LEGISLATIVE UPDATE**

ACTION

Staff proposes the Committee recommend the Board:

1. Receive the attached Federal and State Legislative Updates.

SIGNIFICANCE

The 2021 Legislative Program establishes the principles that will guide the legislative and regulatory advocacy efforts. Based on those principles, staff coordinates closely with our Federal and State advocates on a wide variety of issues that are considered in Congress and the State legislature. The attached reports highlight the recent issues and actions that are relevant to the Board, and specifies those bills on which staff proposes that the Authority take a formal position.

Prepared By: Amy Linehan, Public Affairs Specialist

650-418-0095

KADESH & ASSOCIATES, LLC

Federal Update
San Mateo County Transportation Authority
As of October 8, 2021

Legislative schedule update and overview

- The Senate is in recess all of next week and will return on October 19.
- After a very busy September, the House was officially scheduled to be in recess until October 19. However, House members will be called back to Washington on Tuesday October 12 for a brief session to sync up with the Senate on the debt ceiling.

Infrastructure Investment and Jobs Act / Surface Transportation Reauthorization

The actual status of the Infrastructure Investment and Jobs Act (which includes a surface transportation reauthorization) has not changed since last months' report. It is still pending in the House, and its fate remains intertwined with the reconciliation bill now known as the Build Back Better Act. As the self-imposed deadline of Sept. 27 for the House to consider the IJA approached, it became increasingly clear that the centrist-progressive caucus split was serious enough to threaten the bill's passage.

As a reminder, that intra-Democratic disagreement hinges on whether the House should approve the bipartisan Senate infrastructure bill and then negotiate and complete the Build Back Better Act (which includes child care, tuition-free community college, paid family leave, and sweeping climate provisions), or whether the IJA should wait until the BBBA is also ready for consideration.

Much of late September was taken up by intense caucus meetings, pointed public statements, and behind-the-scenes negotiations, but ultimately the House did not take a vote on the IJA. Instead, the House and Senate passed a short-term reauthorization of the Surface Transportation Act; it was set to expire on September 30 but it has now been extended until October 31.

Earmarks: As a reminder, the Senate's IJA does not include any of the surface transportation reauthorization earmarks (also referred to as Community Project Funding) that the House INVEST Act had included, which is an additional concern for many House members.

Appropriations

As reported last month, the House has approved its versions of most of the annual appropriations bills, but Senate progress has been much slower. Rather than shutting down when the fiscal year ended on September 30, the House and Senate passed a Continuing Resolution (CR) through December 3, 2021.

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Sen. Jack Reed (D-RI), who is a Senate Appropriations subcommittee chair, said this week that he and his colleagues aim to release drafts of at least some annual appropriations bills in the near future. Sen. Jon Tester (D-MT), chairman of the Defense Subcommittee, similarly told reporters he expected his bill and others to be publicly released by Oct. 15.

Republicans haven't agreed to the top-line spending figures, and their opposition could hold the bills up temporarily in the Appropriations Committee, which is tied between Democrats and Republicans. Lawmakers could focus on an omnibus spending package rather than holding individual committee markups, Reed said. Look for final decisions on these annual funding bills to drag well into December.

Earmarks: The status of Congressionally Directed Spending (also referred to as earmark) requests remains unresolved between the two chambers. The CR does not include earmarks, but that does not – by itself – indicate anything about whether they are included in a final appropriations bill for the year.

Reconciliation

All of the House committees participating in the budget reconciliation process spent the first half of September writing, considering, and voting on their components of the reconciliation bill, which is now known as the Build Back Better Act. The Transportation & Infrastructure's portion of this effort includes nearly \$60B for a variety of sustainability initiatives, including:

- **\$10 billion** through FTA to support access to affordable housing and enhance mobility for low-income individuals and residents of disadvantaged or persistent poverty communities.
- **\$10 billion** for high-speed rail planning and development under 49 USC 261
- **\$4 billion** to support neighborhood equity, safety, and affordable transportation access, including reconnecting communities divided by existing infrastructure barriers, a definition that includes grade separations.

Separately, the Financial Services portion of the bill includes \$4.26 billion for housing planning grants, which may include strategies to further access to public transportation. This new program is designed to be carried out in coordination with FTA.

These legislative proposals, along with those of the other House committees, have been submitted to, and approved by, the Budget Committee, which assembled all the pieces into a single bill that funds a variety of social safety net and climate programs.

As a reminder, this reconciliation process will allow the bill to move through the Senate with only Democratic votes, by a simple majority vote. This is the same process that the American Rescue Plan went through earlier this year, as well as the tax law changes under the previous administration.

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In the wake of the intra-party disagreements in late September, President Biden and other administration officials have been meeting frequently with groups of House and Senate Democrats, as well as with key individual lawmakers like Sens. Manchin and Sinema, to discuss a path forward on their infrastructure and budget reconciliation plans.

Biden has said he expects the final Build Back Better act will eventually fall in the range of \$1.9 trillion to \$2.2 trillion—down from the \$3.5 trillion originally proposed. How this will be accomplished is still a matter of significant debate: programs may be reduced proportionally, their timelines may be shortened, or some programs may be jettisoned altogether.

Earmarks: A reconciliation bill cannot contain earmarks. However, the House T&I committee includes \$6 billion “to advance local surface transportation projects” without any additional direction, which is widely believed to be a placeholder for the House’s surface transportation earmarks. That is, DOT would receive \$6 billion without instructions, to comply with parliamentary rules, coupled with a tacit direction from Congress describing how to apply those funds.

Debt ceiling

Treasury Secretary Janet Yellen has said that the U.S. will breach its statutory debt ceiling on October 18. That means Treasury will not be able to pay all the Congressionally-approved bills that have accrued and are due, such as Social Security payments, tax refunds, or interest on Treasuries. We can’t predict all of the repercussions if this were to happen, but the consequences would be dire. President Biden has described it as a “meteor” headed for the economy; Yellen called the consequences “catastrophic.”

This month, Senate Majority Leader Schumer queued up a vote on the House-passed bill to raise the debt ceiling, but Senate Minority Leader McConnell threatened to filibuster the bill (i.e. require a 60-vote threshold, not a simple majority). In a letter, McConnell told President Biden that he should pressure Democratic leaders in Congress to raise the debt limit on their own, using the same filibuster-bypassing reconciliation procedure that they used to enact the \$1.9 trillion pandemic-relief bill in March and are aiming to use for the up-to-\$3.5 trillion Build Back Better bill.

Biden and Schumer have rejected that as too time consuming and risky, and out of sync with the bipartisan process historically used to dispose of the debt ceiling. Shortly before this report was finalized, McConnell offered to facilitate a short-term extension of the debt ceiling until December — likely because he realized the alternative was likely to affect the Senate minority’s ability to invoke a filibuster. This short-term debt limit extension will need to be approved by the House next week, and sets up a very high stakes December session.

TA Earmarks Submitted for Consideration:

As of October 8, 2021

Please note, negotiations continue on the inclusion of earmarks in a variety of key federal legislative packages. Earlier this year, Senate leadership announced that earmarks will not be included in the Senate’s version of the surface transportation reauthorization package, which has been folded into the Senate-led bipartisan infrastructure package, known as the Infrastructure Investment and Jobs Act (IIJA). On the Appropriations side, negotiations regarding the inclusion of earmarks for the Transportation, Housing and Urban Development and Related Agencies Subcommittee Appropriations Bill (THUD) continue. The House and Senate passed a Continuing Resolution (CR) to fund the government through December 3, 2021.

THUD Appropriations

House:

Project	Submitted By	Amount
US/101 SR 92 Area Improvement Project (Speier)	SMCTA	\$1M

Additional Earmarks of Note:

THUD Appropriations

Project	Submitted By	Amount
Additional Mini-highs (Speier)	Caltrain	\$460,000
ZEB charging infrastructure to run an all-electric route service for East Palo Alto (Feinstein)	SamTrans	\$2.5M
Bike/Ped overcrossing (Padilla)	City of East Palo Alto	\$9.3M

Surface Transportation Reauthorization (House T&I):

TA funded projects:

Project	Submitted By	Amount
US 101 North of 380 Managed Lanes (Speier)	C/CAG	\$10M
Half Moon Bay Highway 1 North Bicycle/Pedestrian Improvement (Speier)	City of Half Moon Bay	\$1M
U.S. 101/Woodside Interchange Improvement (Speier)	City of Redwood City	\$2.5M

Other projects:

Project	Submitted By	Amount
Additional Mini-highs (Eshoo)	Caltrain	\$306,000
Additional Mini-highs (Lofgren)	Caltrain	\$550,000
Caltrain Optimization Project (Lofgren)	Caltrain	\$315,000
Middle Avenue Pedestrian/Bicycle Rail Crossing (Eshoo)	City of Menlo Park	\$6.5M
At-grade Caltrain Crossing Safety Project—E. Bellevue Avenue and Villa Terrace (Speier)	City of San Mateo	\$3M



October 11, 2021

TO: Board Members, San Mateo County Transportation Authority
FROM: Gus Khouri, President
Khouri Consulting LLC

RE: STATE LEGISLATIVE UPDATE – NOVEMBER

GENERAL UPDATE

On Tuesday, September 14, voters in California rejected the petition to recall Governor Newsom from office by an overwhelming margin. With approximately 30 days left for Secretary of State Weber to certify the election results, early tallies indicate that approximately 7.9 million votes were cast to reject the recall while 4.9 million votes were cast in favor of removing Governor Newsom from office. As of October 11, there were still about 75,000 ballots left to process. In San Mateo County, the recall is failing 77.9 percent to 22.1 percent, significantly higher than the state average of 61.9 percent.

Governor Newsom had until October 10 to act on bills sent to him in the final weeks of the session. Majority vote bills go into effect January 1, 2022; urgency items become effective immediately upon enactment.

SMCTA acted on three items this year. Below is a status update on each bill:

AB 1499 (Daly), which would extend the sunset date, from January 1, 2024, to January 1, 2034, for the ability to utilize the design-build project delivery system for up to 10 projects on the state highway system was signed by the Governor. SMCTA supports this bill. The bill is sponsored by the Self-Help Counties Coalition.

ACA 1 (Aguiar-Curry), which would lower the vote threshold for investments into public infrastructure and housing is a two-year bill awaiting its first policy committee hearing in the Assembly Local Government Committee. SMCTA supported the bill this past February.

SB 339 (Wiener), which extends the ability of Road User Charge Technical Advisory Committee to continue meeting from January 1, 2023, to January 1, 2027, has been signed by the Governor.. SMCTA supports this bill.

FY 2021-22 STATE BUDGET UPDATE

On July 12, the Governor signed [SB 129 \(Skinner\)](#), a “Budget Bill Jr.” that amends the main budget bill, [AB 128 \(Ting\)](#), signed by Governor Newsom on June 28.

As reported last month, SB 129 includes significant investments in transportation, including \$2.7 billion in funding for zero-emission vehicles and infrastructure and \$2.6 billion for statewide Transit and Intercity Rail Capital Program (TIRCP) funding, funding for the 2028 LA Olympics, and funding for grade separations statewide.

Notably, SB 129 did not include the Governor's proposed \$4.2 billion investment in the California high-speed rail project, which is still the subject of ongoing negotiations between Legislative Leaders and Governor Newsom. Given that the legislature and Governor were unable to come to an agreement on exhausting the \$4.2 billion appropriation of Proposition 1A funds for high-speed rail, General Fund money proposed for the Transit and Intercity Rail Capital Program (TIRCP) (\$2.6 billion), Active Transportation Program (\$500 million), and State and Local Climate Adaption (\$400 million), are no longer available. Conversations are expected to be renewed in January with the release of the 2022-23 State Budget.

STATEWIDE COMPETITIVE GRANT PROGRAMS

At the request of SMCTA staff, we have included in this report a list of major reoccurring competitive grant programs administered by the State from which transit and rail projects are eligible/can be funded. SB 1 Cycle 3 guidelines will be discussed later this Fall through December with guideline adoption and the calls for projects in the various programs occurring in summer of 2022, and applications being due summer of 2023.

Active Transportation Program (ATP)

The ATP was created in 2013 to consolidate five programs (Transportation Alternatives Program, Safe Routes to School Program, Bicycle Transportation Account Program, Recreational Trails Program, and Environmental Enhancement and Mitigation Program) to better leverage resources to provide multi-modal options. The CTC awarded \$450 million this March for Cycle 5.

Solutions for Congested Corridors Program (SCCP)

The SCCP provides funding to achieve a balanced set of transportation, environmental, and community access improvements to reduce congestion throughout the state. The program makes \$250 million available annually (programmed in 2-year increments) for projects that implement specific transportation performance improvements.

Local Partnership Program (LPP)

The LPP is intended to provide local and regional transportation agencies that have passed sales tax measures, developer fees, or other imposed transportation fees with a continuous appropriation of \$200 million annually from the Road Maintenance and Rehabilitation Account to fund road maintenance and rehabilitation, sound walls, and other transportation improvement projects. The Competitive program is funded at \$100 million annually.

Trade Corridor Enhancement Program (TCEP)

The TCEP provides funding for infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network as identified in California Freight Mobility Plan, and along other corridors that have a high volume of freight movement. There is approximately \$300 million provided per year (programmed in 2-year increments) for the competitive program.

Grade Separation Funding

Below is a list of the funding sources that we are aware of and/or that have been used to fund grade separations in the recent years. The funding sources below are managed across various state agencies and departments, including the Public Utilities Commission (PUC), the California State Transportation Agency (CalSTA), the California Transportation Commission (CTC), and Caltrans.

PUC Section 190 Grade Separation Program

The Program is a [state funding program](#) to grade separate crossings between roadways and railroad tracks and provides approximately \$15 million annually, transferred from Caltrans. Agencies apply to the PUC for project funding. The proposed FY 2021-22 budget contains \$500 million in one-time General Fund money that will be administered through the Transit and Intercity Rail Capital Program.

State Transportation Improvement Program

The STIP, managed by Caltrans and programmed by the CTC, is primarily used to fund highway expansion projects throughout the state, but also supports grade separations. The STIP is programmed every two years (currently the 2018 STIP added \$2.2 billion in new funding). Local agencies receive a share of STIP funding, as does the State. The STIP is funded with gasoline excise tax revenues. In January, the STIP was estimated to have a shortfall of \$100 million. The May Revise has decreased that deficit to about \$32 million, which should not have an impact on the county's share.

Proposition 1A

This \$9.9 billion Bond Act is the primary funding source for the high-speed rail project and has been used to fund a very limited number of grade separation projects in the past, including in the City of San Mateo. The legislature is currently deliberating on exhausting the remaining \$4.2 million in appropriation authority.

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>AB 5 Fong (R)</p> <p>Greenhouse Gas Reduction Fund: High Speed Rail Authority: K-12 education: transfer and loan.</p>	<p>3/18/2021</p> <p>Assembly Transportation Committee</p> <p>Two-year bill</p>	<p>This bill would suspend the continuous appropriation made from Cap and Trade auction proceeds to the High-Speed Rail Authority for fiscal years 2022-23 and 2024-25 and would instead require the transfer of those amounts from moneys collected by the California Air Resources Board to the General Fund. The bill would specify that the transferred amounts shall be available, upon appropriation, to support K-12 education and to offset any funding reduction for K-12 education.</p>	<p style="text-align: center;">Watch</p>
<p>AB 43 Friedman (D)</p> <p>Traffic safety.</p>	<p>10/8/2021</p> <p>Chapter 690, Statutes of 2021</p>	<p>The bill would allow for the recalibration of speed limits of order to eliminate fatalities for motorists, bicyclists, and pedestrians.</p>	<p style="text-align: center;">Watch</p>
<p>AB 67 Petrie-Norris (D)</p> <p>Sea-level Rise Working Group</p>	<p>5/20/2021</p> <p>Assembly Appropriations Committee</p> <p>Held in committee</p>	<p>This bill requires a state agency to take into account the current and future impacts of sea level rise when planning, designing, building, operating, maintaining, and investing in infrastructure located in the coastal zone or otherwise vulnerable to flooding from sea level rise or storm surges, or when otherwise approving the allocation of state funds for those purposes. The bill would require, by March 1, 2022, the Ocean Protection Council, in consultation with the Office of Planning and Research, to establish a multiagency working group, consisting of specified individuals, on sea level rise to provide recommended policies, resolutions, projects, and other actions to address sea level rise, the breadth of its impact, and the severity of its anticipated harm. The bill would require the council, in consultation with the working group to, among other things, develop a standardized methodology and template for conducting economic analyses of risks and adaptation strategies associated with sea level rise, as provided. The bill would require a state agency to conduct a sea level rise analysis for any state-funded infrastructure project located in the coastal zone or otherwise vulnerable to flooding from sea level rise or storm surges, and restrict funding as needed, pursuant to that methodology.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>AB 361</p> <p>Rivas, Robert (D)</p> <p>Open meetings: local agencies: teleconferences</p>	<p>9/16/2021</p> <p>Chapter 165, Statutes of 2021</p>	<p>Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that notice and accessibility requirements are met, the public members are allowed to observe and address the legislative body at the meeting, and that a legislative body of a local agency has a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities.</p> <p>This bill provides exemptions from the Ralph M. Brown Act's meeting requirements to allow local jurisdictions to meet virtually during emergencies, provided the legislative body makes certain determinations by majority vote, publishes proper notice, and provides opportunity for public comment.</p>	<p style="text-align: center;">Watch</p>
<p>AB 703</p> <p>Rubio, Blanca (D)</p> <p>Open meetings: local agencies: teleconferences</p>	<p>5/3/2021</p> <p>Assembly Local Government</p> <p>Two-year bill</p>	<p>This bill is similar to AB 361 except that it would allow local jurisdictions to continue using teleconference capabilities provided that access is granted to the public without an emergency being called.</p>	<p style="text-align: center;">Watch</p>
<p>AB 745</p> <p>Gipson (D)</p> <p>Air pollution: Clean cars 4 all program</p>	<p>5/20/2021</p> <p>Assembly Appropriations Committee</p> <p>Two-year bill</p>	<p>This bill would require the California State Air Resources Board, as a part of the Clean Cars 4 All Program, to provide vouchers for the purchase of zero-emission vehicles to persons of low or moderate income, as defined, living in disadvantaged communities to replace those persons' vehicles that have failed a smog check inspection.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>AB 786 Cervantes (D)</p> <p>California Transportation Commission: Executive Director</p>	<p>2/25/2021</p> <p>Assembly Transportation Committee</p> <p>Two-year bill</p>	<p>This bill would require the Governor, rather than the California Transportation Commission (CTC), to appoint the CTC Executive Director. This bill is unnecessary. The Governor already appoints 9 out of the 11 Commissioners, who hire the Executive Director.</p>	<p style="text-align: center;">Watch</p>
<p>AB 1499 Daly (D)</p> <p>Transportation: design-build: highways</p>	<p>9/22/2021</p> <p>Chapter 212, Statutes of 2021</p>	<p>This bill would remove the sunset date of January 1, 2024, for the ability to utilize the design-build project delivery system for up to 10 projects on the state highway system. This bill is co-sponsored by the Self-Help Counties Coalition and California Professional Engineers in California Government. <u>Amendments made in Assembly Appropriations Committee added a ten-year sunset and additional review.</u></p>	<p style="text-align: center;">Supported on 5/6/2021</p>
<p>ACA 1 Aguiar-Curry (D)</p> <p>Local government financing: affordable housing and public infrastructure: voter approval.</p>	<p>12/7/2020</p> <p>Introduced</p>	<p>The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. The measure would specify that these provisions apply to any city, county, city and county, or special district measure imposing an ad valorem tax to pay the interest and redemption charges on bonded indebtedness for these purposes that is submitted at the same election as this measure.</p>	<p style="text-align: center;">Supported on 2/4/2021</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>SB 7 Atkins (D)</p> <p>Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021.</p>	<p>5/21/2021</p> <p>Chapter 19, Statutes of 2021</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that the lead agency proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA authorizes the preparation of a master EIR and authorizes the use of the master EIR to limit the environmental review of subsequent projects that are described in the master EIR, as specified.</p> <p>This bill would require a lead agency to prepare a master EIR for a general plan, plan amendment, plan element, or specific plan for housing projects where the state has provided funding for the preparation of the master EIR. The bill would allow for limited review of proposed subsequent housing projects that are described in the master EIR if the use of the master EIR is consistent with specified provisions of CEQA. This bill contains other related provisions and other existing laws.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>SB 10</p> <p>Wiener (D)</p> <p>Planning and zoning: housing development: density.</p>	<p>9/16/2021</p> <p>Chapter 163, Statutes of 2021</p>	<p>The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. Existing law requires an attached housing development to be a permitted use, not subject to a conditional use permit, on any parcel zoned for multifamily housing if at least certain percentages of the units are available at affordable housing costs to very low income, lower income, and moderate-income households for at least 30 years and if the project meets specified conditions relating to location and being subject to a discretionary decision other than a conditional use permit. Existing law provides for various incentives intended to facilitate and expedite the construction of affordable housing.</p> <p>This bill would, notwithstanding any local restrictions on adopting zoning ordinances, authorize a local government to pass an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site, as those terms are defined. In this regard, the bill would require the Department of Housing and Community Development, in consultation with the Office of Planning and Research, to determine jobs-rich areas and publish a map of those areas every 5 years, commencing January 1, 2022, based on specified criteria. The bill would specify that an ordinance adopted under these provisions is not a project for purposes of the California Environmental Quality Act. The bill would prohibit a residential or mixed-use residential project consisting of 10 or more units that is located on a parcel rezoned pursuant to these provisions from being approved ministerially or by right. This bill contains other related provisions.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p><u>SB 44</u> Allen (D) California Environmental Quality Act: streamlined judicial review: environmental leadership transit projects.</p>	<p>10/7/2021 Chapter 633, Statutes of 2021</p>	<p>The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA establishes a procedure by which a person may seek judicial review of the decision of the lead agency made pursuant to CEQA. This bill would establish specified procedures for the administrative and judicial review of the environmental review and approvals granted for environmental leadership transit project, as defined, undertaken by a public agency.</p> <p>This bill requires the Judicial Council, on or before April 1, 2022, to adopt rules of court establishing procedures requiring actions or proceedings seeking judicial review pursuant to CEQA or the granting of project approvals, including any appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the court to an action or proceeding seeking judicial review of the lead agency's action related to an environmental leadership transit project. The bill would require the environmental leadership transit project to meet certain labor requirements.</p>	<p style="text-align: center;">Watch</p>
<p><u>SB 66</u> Allen (D) California Council on the Future of Transportation: advisory committee: autonomous vehicle technology.</p>	<p>8/26/2021 Assembly Appropriations Committee Held In Committee</p>	<p>This bill requires the California State Transportation Agency Secretary to establish an advisory committee, the California Council on the Future of Transportation, to provide the Governor and the Legislature with recommendations for changes in state policy to ensure that as autonomous vehicles are deployed, they enhance the state's efforts to increase road safety, promote equity, and meet public health and environmental objectives. The bill would require the council to be chaired by the secretary and consist of at least 22 additional members, selected by the chair or designated, as specified, who represent, among others, transportation workers, various state and local agencies, and a disability rights organization.</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>SB 210 Wiener (D)</p> <p>Automated license plate recognition systems: use of data</p>	<p>5/20/2021</p> <p>Senate</p> <p>Appropriations</p> <p>Held in committee</p>	<p>This bill would require automated license plate recognition system (ALPR) operators and end-users to conduct annual audits to review ALPR searches and require most public ALPR operators and end-users to destroy all ALPR data within 24 hours that does not match information on a “hot list.” It also would require the Department of Justice (DOJ) to make available model ALPR policies and issues guidance to local law enforcement agencies</p>	<p>Watch</p>
<p><u>SB 339</u> Wiener (D)</p> <p>Road User Charge</p>	<p>9/24/2021</p> <p>Chapter 308, Statutes of 2021</p>	<p>Existing law requires the CTC to create a Road Usage Charge (RUC) Technical Advisory Committee to guide the development and evaluation of a pilot program to assess the potential for mileage-based revenue collection as an alternative to the gas tax system and report its work to the Legislature. The existing authorization sunsets on January 1, 2023. This bill would extend the sunset date to January 1, 2027 because the CTC requested an extension to run another pilot with actual fee collection. <u>Amendments made in Senate Appropriations Committee extended the deadlines for the mandatory reports to the Legislature by six months.</u></p>	<p>Supported on 4/1/2021</p>
<p><u>SB 475</u> Cortese (D)</p> <p>Transportation planning: sustainable communities strategies</p>	<p>4/27/2021</p> <p>Senate</p> <p>Transportation Committee</p> <p>Two-year bill</p>	<p>This bill would require the State Air Resources Board, on or before June 30, 2023, and in coordination with the California Transportation Commission and the Department of Housing and Community Development, to issue new guidelines on sustainable communities strategies and require these guidelines to be updated thereafter at least every 4 years.</p>	<p>Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p><u>SB 623</u> Newman (D)</p> <p>Electronic toll and transit fare collection systems</p>	<p>3/10/2021</p> <p>Senate Judiciary Committee</p> <p>Two-year bill</p>	<p>This bill provides clarification with respect to the collection of data from electronic transmitters for bridge toll facilities. The aim is to protect privacy of subscribers to the system and make the information more readily accessible to the subscriber.</p>	<p style="text-align: center;">Watch</p>
<p><u>SB 635</u> Gonzalez (D)</p> <p>Cleanup activities on state highways, rights-of-way, off ramps, and homeless encampments</p>	<p>5/20/2021</p> <p>Senate Appropriations Committee</p> <p>Held in committee</p>	<p>This bill would require Caltrans, in collaboration with the Inspector General, to review, audit, and efficiently coordinate cleanup activities related to state highways, rights-of-way, off ramps, and homeless encampments. This bill would also require Caltrans to establish an advisory board in coordination with state and local agencies for the ongoing planning and coordination of cleanup activities related to state highways, rights-of-way, off ramps, and homeless encampments. The bill would require each Caltrans local district to develop cleanup schedules once every two weeks and post these schedules on their internet website.</p>	<p style="text-align: center;">Watch</p>
<p><u>SB 771</u> Becker (D)</p> <p>Sales and Use Tax Law: zero emissions vehicle exemption</p>	<p>5/26/2021</p> <p>Assembly Desk</p> <p>Two-year bill</p>	<p>This bill provides a sales tax exemption on the purchase of an electric or a hybrid electric vehicle valued at \$25,000 or less. This bill has been amended to provide an exemption from the state sales tax for zero emission or hybrid vehicles purchased under two programs that seek to assist income-eligible individuals purchase them. The bill could potential imoact the State Transit Assitance program, which funds transit capital and operations, and is funded by the sales tax on diesel and ¼ general sales tax, which makes up the other component of the Transportation Development Act (\$1.7 billion statewide pot).</p>	<p style="text-align: center;">Watch</p>

SMCTA Bill Matrix –November 2021

Measure	Status	Bill Summary	Recommended Position
<p>SB 792</p> <p>Glazer (D)</p> <p>Sales and use tax: retailers: reporting</p>	<p>10/4/2021</p> <p>Vetoed by the Governor</p>	<p>This bill would require a retailer whose annual sales of tangible personal property transacted online exceeded \$1,000,000 for the previous calendar year to track and report to the department the city or ZIP code where the purchaser resides for each sale within the state that is transacted online. Tracking the location of online purchases may help Measure W revenues. <u>Amendments made in Senate Appropriations Committee clarify (1) what sales are required to be reported to CDTFA, (2) how a retailer would be required to report each sale and (3) the information that must be included in the report. Also, the amendments specify that sales initially transacted online, but ultimately picked up in-store by the purchaser are not subject to the reporting requirement.</u></p>	<p>Watch</p>