

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

Meeting No. 52
January 12, 2024

This meeting of the SMCEL-JPA Board of Directors was held in person and by teleconference pursuant to Government Code Section 54953(e). Members of the public was able to participate in the meeting remotely via the Zoom platform or in person.

Board of Directors: Alicia Aguirre (Chair), Emily Beach (Vice Chair), Rico E. Medina, Gina Papan, Carlos Romero and Michael Salazar.

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Executive Council, Sean Charpentier made two announcements for the record, the first is that subsequent to the release of the Express Lane JPA agenda, the City of Millbrae replaced Gina Papan on the C/CAG Board with Mayor Anders Fung and accordingly she is no longer the primary representative to C/CAG, and accordingly no longer C/CAG's representative to the Express Lane JPA. The roll call will omit her name. The second announcement is that Carlos Romero is in route to the teleconference location that is listed on the agenda, and he will be there 5 to 10 min late and will join us at that time.

1.0 CALL TO ORDER/ ROLL CALL

Chair Alicia Aguirre called the meeting to order at 9:07 a.m. Roll call was taken.

AGENCY:	IN-PERSON:	ABSENT:	REMOTE AB 2449:	REMOTE Publicly Accessible Teleconference Location:
C/CAG	Alicia Aguirre			
C/CAG	Michael Salazar			
SMCTA				Carlos Romero
SMCTA	Emily Beach			
SMCTA	Rico E. Medina			

Staff Present (In-Person):	Staff Present (Remote):
Sean Charpentier – C/CAG Executive Council	
Mima Crume – Clerk of the Board	Members of the Public (In-Person):
Tim Fox – Legal Counsel	
Kaki Cheung – C/CAG	Members of the Public (Remote):
Van Ocampo – C/CAG	Joe Escobar
Samantha Soules – HNTB	Ahmad Gharaibeh
Peter Skinner – TA	Christa Cassidy
Annie To	Grant Martinez
	Ladi Millard-Olmeda

Other members of staff and members of the public were in attendance via in-person or

remote using zoom.

2.0 PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Note: Public comment is limited to two minutes per speaker. Members of the public who wish to address the Board should complete a speaker's slip to make a public comment in person or raise their hand in Zoom to speak virtually.

Clerk Crume reported that there were no public comments.

3.0 APPROVAL OF CONSENT AGENDA

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff, or public request specific items to be removed for separate action.

- 3.1 Approval of the minutes of Board of Directors regular business meeting No. 51 dated November 17, 2023.

Staff received a comment on this item and requested removing it from this consent agenda and bringing it back at the next SMCEL-JPA Board meeting.

Item 3.1 was removed from the consent agenda.

- 3.2 Accept the Sources and Uses of Funds for the FY2023 Period Ending October 31, 2023. APPROVED

- 3.3 Accept the Sources and Uses of Funds for the FY2023 Period Ending November 30, 2023. APPROVED

Director Medina MOVED to approve the consent agenda items 3.2 and 3.3.
Director Romero SECONDED. **MOTION CARRIED 5-0-0**

4.0 REGULAR AGENDA

- 4.1 Acceptance of the Annual Financial Report for the Fiscal Year ended June 30, 2023. APPROVED

The Board received a presentation on the Annual Financial Report for the Fiscal Year ended June 30, 2023. The value of the JPA assets is increasing in an upward trend. The total assets for FY2023 are approximately 51.7 million, compared to the FY 2022 value at \$23.6 million. The liabilities have experienced an increase in FY 2023, totaling \$3.9 million compared to \$1.4 million in FY 2022. While liabilities have increased, the growth in assets has outpaced this rise. The net position for FY 2023 reflects a total deficit of \$58.2 million, compared to a deficit of \$83.4 million in FY 2022.

Vice Chair Beach asked if this considers the \$100 million dollar loan when discussing the deficit. Ms. To responded yes.

Director Romero commented that the decrease in our liabilities is primarily due to the increase in capital assets. He stressed the importance of the outstanding \$100 million dollar bond.

In FY 2023 the total operating revenue is \$14.1 million versus \$1.8 million in 2020. This significant increase in operating revenue is due to the lane operating at full capacity. It is projected that the JPA will have higher revenues in fiscal year 2024. The operating expenses in FY 2023 were \$14.2 million, compared to \$24.8 million last year in fiscal year 2022.

During the recent audit review presented by Mr. Escobar from the auditing firm, it was confirmed that adequate audit evidence has been obtained to formulate their opinion. No significant matters requiring special attention were identified. The audit resulted in an unmodified or clean opinion on the financial statements, indicating no misstatements or significant deficiencies.

Regarding the absence of a management discussion and analysis (MD&A) in written form, Mr. Escobar explained that past discussions with the Transportation Authority deemed the inclusion unnecessary due to limited historical data.

Executive Council member April Chan emphasized the evolution of the organization and the need for a more complete financial understanding now that operations are fully underway. Future considerations include integrating an MD&A into financial statements, a sentiment supported by Director Romero and Director Salazar for forthcoming fiscal years.

Director Beach MOVED to approve items 4.1. Director Romero SECONDED.
MOTION CARRIED 5-0-0

4.2 Receive a quarterly update on the operations of the US 101 Express Lanes.
INFORMATION

The Board received a presentation on the 101 Express Lanes Performance for the 1st Quarter of FY2024, where data showed an increase in overall express lane trips compared to the same period in the previous fiscal year. In Q1 of FY24, daily express lane trips averaged 55,000, totaling 3.5 million trips for the quarter. The breakdown of trip types indicated 36.5% toll-free trips, 63.5% tolled trips, and 11.2% violation trips. The SMCEL-JPA received \$7.2M in toll revenue while incurring \$2M in toll operations and maintenance costs. Data also highlighted traffic speed patterns and enforcement contacts by the CHP.

Discussion points raised included inquiries into FasTrak usage from Vice Chair Beach. Collaboration with FasTrak and efforts to enhance outreach and education were underscored as avenues for increasing FasTrak penetration.

Director Salazar commented on the revenue by user types. The Director was interested in learning more about the amount of revenue generated by single occupancy vehicles versus those that utilized the lane while carpooling. Ms. Soules will investigate further on this topic.

Director Medina inquired about the lane enforcement, and how fines from violations are distributed. Ms. Soules answered that the HOV citations and fines do not go through the toll system. Executive Council April Chan added that the JPA pays for the cost of the CHP enforcement, but fines paid by the motorists do not come through to the JPA.

5.0 **REPORTS**

- a) Chairperson Report.

None.

- b) Member Communication.

None.

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

Executive Council April Chan reported that SamTrans is launching the East Palo Alto Express, the EPX, starting on February 11th. This is a brand-new route that SamTrans will be operating from East Palo Alto to the San Bruno Bart station. Funding for the vehicles on this route comes from a state grant and state funding, in collaboration with the City of East Palo Alto. This partnership enables the operation of an all-day service utilizing the express lane, with buses running every 45 minutes from 6 a.m. to 7 p.m. A launch event was scheduled for February 9th to mark this significant development.

Chair Aguirre asked if this bus will be stopping in Redwood City. Ms. Chan said yes.

- d) Policy/Program Manager Report.

The policy program manager did not have anything else to report.

Vice Chair Beach inquired about the launch timeline for the next iteration of the Community Transportation Benefits Programs. Ms. Soules indicated that a detailed recommendation will be presented to the Board in spring, providing essential data for decision-making, including cost estimations and a potential implementation timeline. Meanwhile, efforts are underway to optimize the efficiency of the existing program.

6.0 **WRITTEN COMMUNICATIONS**

None.

7.0 **NEXT REGULAR MEETING**

February 9, 2024

8.0 **ADJOURNMENT** – 9:58 a.m.