



BOARD OF DIRECTORS 2018

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December 12, 2018

Maryann Moise Derwin, Chair  
City/County Association of Governments of San Mateo County  
555 County Center, 5th Floor  
Redwood City, CA 94063

Dear Chair Derwin,

I'd like to first thank you for the CCAG board and your staff's support in working in partnership with the TA on the US101 Express Lanes project. Since the project's inception, the two agencies have worked well together, regardless it is the partnership we've formed to study the project alternatives, or the management of the project during the design and environmental review phases, or seeking and assembling the funding sources needed to complete the project.

The collaboration is evidenced by the November 16, 2018 joint workshop we've held to provide information and to solicit feedback amongst board members on the future ownership and operation of the US101 express lanes.

As you know, we have two viable options, either 1) San Mateo County ownership with VTA operation, or 2) vesting ownership and operation at the regional level with the Bay Area Infrastructure Financing Authority (BAIFA). At the joint workshop, the two boards were provided information to assist us in reaching a joint decision at our respective December 2018 board meetings.

The TA Board met on December 6, 2018, and after significant discussion amongst the board members, and receiving testimonies from VTA and BAIFA, we've reached the following decision in the form of two motions:

Motion 1: Authorized the TA Executive Director or his designee, subject to C/CAG doing the same, to retain ownership of the managed lane facility and to enter into an agreement with the Santa Clara Valley Transportation Authority to operate the facility. (Vote: 5-2)

Motion 2: Directed staff to explore another alternative in the relationship structure between C/CAG and Transportation Authority to consider a structure where one board or the other retains the authority, subject to what is required by statute to simplify and streamline the ownership governance structure. (Vote: 7-0)

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY**

1250 San Carlos Ave. – P.O. Box 3006  
San Carlos, CA 94070-1306 (650) 508-6200

As you know, the state legislation pertaining to the express lane facility required that both the TA and CCAG reach two decisions in tandem: 1) the two agencies must approve the agreement with VTA, if that is the choice selected by the two agencies, and 2) TA and CCAG must approve an expenditure plan for the net toll revenues. These are two significant decisions that require collaboration and a single voice from both of our Boards.

I'd like to emphasize it was a difficult and momentous vote the TA board took at the meeting, recognizing the pros and cons of the two options available to San Mateo County. The board engaged in a lengthy but healthy discussion weighing all aspects of what the decision will mean for San Mateo County, and we'd like to ask CCAG to give weight to the decision reached by the TA Board.

Following the CCAG vote on December 13, 2018, we look forward to having the two staffs to continue to work on implementing the project, and to work expeditiously on reaching agreements in order to keep the project on schedule. Time is of the essence.

Sincerely,



Don Horsley, Chair  
San Mateo County Transportation Authority

cc: Jim Hartnett, SMCTA  
Sandy Wong, CCAG