



## Item No. 10 Town of Atherton

### **CITY COUNCIL STAFF REPORT – CONSENT AGENDA**

**TO: THE HONORABLE MAYOR AND CITY COUNCIL  
GEORGE RODERICKS, CITY MANAGER**

**FROM: ROBERT OVADIA, PUBLIC WORKS DIRECTOR**

**DATE: OCTOBER 16, 2019**

**SUBJECT: SAN MATEO COUNTY MEASURE W FUNDING AGREEMENT**

### **RECOMMENDATION**

Adopt a resolution authorizing the City Manager to execute an agreement with the San Mateo County Transportation Authority for the distribution of San Mateo County Measure W funds.

### **BACKGROUND**

On November 6, 2018, the voters of San Mateo County approved Measure W which authorized a new half-cent sales tax for thirty years to fund investment for transportation and public transit in accordance with the San Mateo County Congestion Relief Plan (Congestion Relief Plan). The agreement between the San Mateo County Transportation Authority and the Town for the distribution of Measure W funds outlines the requirements for distribution, use and reporting of the funds.

### **ANALYSIS**

The Congestion Relief Plan allocates 10% of the annual revenue to the County of San Mateo and the cities of the County for transportation investments. The distribution formula for these funds is based 50% on population and 50% on road miles (adjusted annually). The Town's FY 19/20 allocation of the available funds is 1.74% which is projected to be approximately \$157,000.

The Town may use Measure W funds for street paving and pothole repair, bicycle/pedestrian safety projects, promoting alternative modes of transportation, planning and implementing traffic and safety projects including signal coordination, and implementing advanced technologies and communications of the roadway system. The agreement requires that if the Town has a Pavement Condition Index score (PCI) of less than 70, that funds be exclusively used for projects that will increase its PCI until such time as it reaches 70 or greater. The latest pavement assessment conducted in 2018 indicated the City's overall PCI was 74.

The agreement also requires the Town to submit a summary report outlining the projects and programs funded in whole or in part with Measure W funds every fiscal year. An annual audit is also required to substantiate that the City has complied with the requirements of the agreement.

### **POLICY FOCUS**

The Council policy focus discussion should center around the desire to accept Measure W funding for the improvement of the Town's roadways.

### **FISCAL IMPACT**

Measure W funds are anticipated to be available beginning October 2019. Distributions will typically occur monthly, but not less than twice each quarter, evidencing Transaction and Use Tax revenues for the previous month(s). For FY 2019/20, the Town's apportionment is estimated at \$157,000.

### **PUBLIC NOTICE**

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

### **COMMISSION/COMMITTEE FEEDBACK/REFERRAL**

This item \_\_\_ has or X has not been before a Town Committee or Commission.

- Audit/Finance Committee (meets every other month)
- Bicycle/Pedestrian Committee (meets as needed)
- Civic Center Advisory Committee (meets as needed)
- Environmental Programs Committee (meets every other month)
- Park and Recreation Committee (meets each month)
- Planning Commission (meets each month)
- Rail Committee (meets every other month)
- Transportation Committee (meets every other month)

### **ATTACHMENT**

- Attachment A – Agreement for Distribution of Measure W Funds for Local Transportation Purposes

**AGREEMENT FOR DISTRIBUTION OF SAN MATEO COUNTY MEASURE W FUNDS  
FOR LOCAL TRANSPORTATION PURPOSES IN ACCORDANCE WITH  
THE SAN MATEO COUNTY CONGESTION RELIEF PLAN, EFFECTIVE JULY 1, 2019**

This Agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by and between the SAN MATEO COUNTY TRANSPORTATION AUTHORITY (Authority), a political subdivision, and the Town of Atherton (["City" or "County"]), a municipal corporation, with reference to the following:

**WHEREAS**, effective January 1, 2018, California Public Utilities Code Section 103350 authorized the San Mateo County Transit District (District) to seek voter approval to enact a new retail transactions and use tax, and to permit the District to administer the new tax in its entirety or to transfer proceeds of such tax to the Authority for administration, with such administration to be consistent with the expenditure plan developed for such tax; and

**WHEREAS**, pursuant to Public Utilities Code Section 103350, the District enacted Ordinance No. 105 to impose a new half-cent sales tax for thirty years (Transactions and Use Tax) to fund investment for transportation and public transit in accordance with the San Mateo County Congestion Relief Plan (Congestion Relief Plan), subject to voter approval at the General Election of November 6, 2018; and

**WHEREAS**, the voters of San Mateo County approved the Ordinance, known as "Measure W," to take effect on July 1, 2019; and

**WHEREAS**, the Congestion Relief Plan includes an annual allocation of 12.5% of the total revenue generated by the Transactions and Use Tax for the Local Safety, Pothole & Congestion Relief Improvements Program Category, of which 10% will be allocated annually to the County of San Mateo (County) and the cities of the County (Tax Proceeds) for eligible investments in accordance with the formula specified in Exhibit A attached and incorporated herein by this reference; and

**WHEREAS**, the Authority and the [City] desire to adopt this Agreement to formalize the process, terms and conditions governing the allocation and expenditure of Tax Proceeds provided to the [City] for improving safety, reducing congestion, and supporting all modes of travel on the County's roadway system, in accordance with the Congestion Relief Plan (Measure W Funds).

**NOW, THEREFORE**, the parties agree as follows:

I

**AUTHORITY** agrees:

That it shall, within ten (10) days of receipt by the Authority or its fiscal agent of Transactions and Use Tax revenues from the District, typically occurring monthly but not less than twice each quarter, and evincing Transactions and Use Tax revenues for the previous month(s), remit or instruct its fiscal agent to remit to the [City] the [City's] portion of the revenues, calculated by the Authority or its fiscal agent according to the formula set forth in Exhibit A.

## II

[CITY] agrees:

1. To use any Measure W Funds to supplement (and not replace) its current public transportation investments.

2. To use any Measure W Funds to invest in major arterial and local roadway improvements in key congested areas throughout the County, focusing on improving safety, reducing congestion, and supporting all modes of travel on the County's roadway system.

3. If the [City] has a Pavement Condition Index score (PCI) of less than 70, it will use Tax Proceeds under this Category exclusively for projects that will increase its PCI score until such time as it reaches 70 or greater.

4. The [City] may use Measure W Funds for investments including, but not limited to, the following: implementing advanced technologies and communications on the roadway system; improving local streets and roads by paving streets and repairing potholes; promoting alternative modes of transportation, which may include funding shuttles or sponsoring carpools, bicycling and pedestrian programs; planning and implementing traffic operations and safety projects, including signal coordination, bicycle/pedestrian safety projects, and separating roadways crossing the Caltrain rail corridor.

5. [City] will invest W Funds with guidance from the following core principles of the Congestion Relief Plan (Core Principles), as applicable:

- Relieve traffic congestion countywide;
- Invest in a financially-sustainable public transportation system that increases ridership, embraces innovation, creates more transportation choices, improves travel experience, and provides quality, affordable transit options for youth, seniors, people with disabilities, and people with lower incomes;
- Implement environmentally-friendly transportation solutions and projects that incorporate green stormwater infrastructure and plan for climate change;
- Promote economic vitality, economic development, and the creation of quality jobs;
- Maximize opportunities to leverage investment and services from public and private partners;
- Enhance safety and public health;
- Invest in repair and maintenance of existing and future infrastructure;
- Facilitate the reduction of vehicle miles travelled, travel times and greenhouse gas emissions;
- Incorporate the inclusion and implementation of complete street policies and other strategies that encourage safe accommodation of all people using the roads, regardless of mode of travel;
- Incentivize transit, bicycle, pedestrian, carpooling and other shared-ride options over driving alone; and

- Maximize potential traffic reduction associated with the creation of housing in high-quality transit corridors.

6. [City] will satisfy all applicable environmental reporting, review, and approval procedures as provided under the National Environmental Policy Act, the California Environmental Quality Act, or other applicable laws when implementing any project that utilizes Measure W Funds.

7. No later than ninety (90) days from the end of each of its fiscal years during the term of this Agreement, to submit to the Authority a summary of the projects and/or programs funded in whole or in part with Measure W Funds during the prior fiscal year, using the template in Exhibit B. Such summary shall provide: (a) a brief description of the various projects and/or programs, including, where appropriate and applicable, project and/or program locations; (b) a list of other sources of funding leveraged/matched with Measure W Funds; (c) how the funded projects and/or programs met one or more of the Core Principles; and (d) how the [City] considered or addressed its Complete Streets policy.

8. No later than one hundred eighty (180) days from the end of each fiscal year during the term of this Agreement, to submit to the Authority a compliance audit prepared by the [City's] own internal independent auditor or by a Certified Public Accountant, to substantiate that the City has complied with the requirements of this Agreement, including the Congestion Relief Plan, concerning the purpose for which Measure W Funds have been spent.

### III

**AUTHORITY and CITY agree:**

If the Authority determines, based on the information provided as detailed above, that the [City] has used Measure W Funds for projects or purposes other than those contemplated in this Agreement and the Congestion Relief Plan, the Authority will notify the [City] of its determination. The [City] shall, within thirty (30) days of notification of the Authority's determination, either (a) repay such funds to the Authority, or (b) provide to the Authority an answer detailing the [City's] understanding of how the funds in question were spent for projects or purposes contemplated in this Agreement and the Congestion Relief Plan, to which the Authority will respond within thirty (30) days of receipt. If after considering the [City's] response, the Authority determines that the [City] has used Measure W Funds for projects or purposes other than those contemplated in this Agreement and the Congestion Relief Plan, the [City] must repay such funds to the Authority within the time period specified in the Authority's response. The Authority's response will be final, unless otherwise stated in the response.

### IV

**TERM:**

The term of this Agreement shall commence upon receipt by the Authority, or its fiscal agent, of its first transfer of Transactions and Use Tax revenues under the Congestion Relief Plan. The term of this Agreement shall end when the Authority, or its fiscal agent, has disbursed, and the [City] has spent, its last disbursement under the Congestion Relief Plan, the reporting and audit processes contemplated in Sections II.7 and II.8 of this Agreement have been completed, and the Authority has accepted the [City's] final audit concerning the Measure W Funds.

**IV**

**MODIFICATION:**

The parties may modify or amend this Agreement, in writing, by mutual consent.

IN WITNESS WHEREOF, the Parties have hereunder subscribed their names the day and year indicated above.

**SAN MATEO COUNTY TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_  
Name: Jim Harnett  
Its: Executive Director

Attest: \_\_\_\_\_  
Authority Secretary

Approved as to Form:

\_\_\_\_\_  
Attorney for the Authority

**TOWN OF ATHERTON**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Attorney for the Town of Atherton

**EXHIBIT A**

**FUNDS DISTRIBUTION TO CITIES AND COUNTY FOR  
LOCAL SAFETY, POTHOLE AND CONGESTION RELIEF IMPROVEMENTS  
SAN MATEO COUNTY CONGESTION RELIEF PLAN**

Formula: The distribution shall be based 50% on population and 50% on road miles, which shall be adjusted annually.

Estimated annual distribution illustrating application of the Formula, based on 2019 data:

<b>CITY</b>	<b>ROAD MILES</b>	<b>% OF MILES</b>	<b>POPULATION</b>	<b>% OF POPULATION</b>	<b>% OF TOTAL ALLOCATION</b>
Atherton	50.5	2.55%	7,167	0.94%	1.74%
Belmont	70.9	3.58%	27,218	3.56%	3.57%
Brisbane	30.5	1.54%	4,282	0.56%	1.05%
Burlingame	74.9	3.78%	30,459	3.98%	3.88%
Colma	9.0	0.45%	1,571	0.21%	0.33%
Daly City	130.4	6.59%	106,562	13.93%	10.26%
East Palo Alto	40.7	2.05%	29,662	3.88%	2.97%
Foster City	63.9	3.23%	33,477	4.38%	3.80%
Half Moon Bay	43.7	2.21%	12,657	1.65%	1.93%
Hillsborough	85.0	4.30%	11,451	1.50%	2.90%
Menlo Park	100.4	5.07%	33,449	4.37%	4.72%
Millbrae	54.7	2.76%	22,795	2.98%	2.87%
Pacifica	101.0	5.10%	39,260	5.13%	5.12%
Portola Valley	46.5	2.35%	4,353	0.57%	1.46%
Redwood City	159.7	8.07%	85,288	11.15%	9.61%
San Bruno	85.2	4.31%	43,185	5.64%	4.97%
San Carlos	92.6	4.68%	29,931	3.91%	4.29%
San Mateo	199.2	10.06%	105,536	13.79%	11.93%
South San Francisco	144.4	7.29%	67,271	8.79%	8.04%
Woodside	46.3	2.34%	5,561	0.73%	1.53%
San Mateo County Unincorporated	350.4	17.70%	64,000	8.37%	13.03%
<b>Total</b>	<b>1,979.82</b>	<b>100%</b>	<b>765,135</b>	<b>100%</b>	<b>100%</b>

**Sources:**

Road Miles Information: <http://www.dot.ca.gov/hq/tsip/hpms/datalibrary.php>

Population Information: [https://www.smcgov.org/sites/smcgov.org/files/documents/files/County\\_Profile\\_2017\\_19.pdf](https://www.smcgov.org/sites/smcgov.org/files/documents/files/County_Profile_2017_19.pdf)

**EXHIBIT B**



**Reporting of San Mateo County Measure W Funds  
for Local Safety, Pothole and Congestion Relief Improvements**

Sponsor Name:

**1. Contact Information:**

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

**2. Total amount of Measure W funding received in FY \_\_\_\_:**  
(If the amount expended is different than the funds received, please explain)

**3. Projects/Programs funded with Measure W (Double click on table to enter information)**

Name	Description	Total Cost	Measure W Funding	Other Funding	Source of Other Funding	Measure W Share (%)
Example	pot holes	\$1,700	\$900	\$800	Taxes	53%
<b>TOTAL</b>						

\*\* If the funding is used for a street program, please include an inventory of streets receiving the repair in the below chart.

Street Name	Limits	Type of Works
(example) Main Street	Washington St-Jefferson Ave	Slurry Seal



Street Name	Limits	Type of Works

**4. Describe below how the funded project(s) and/or program(s) met one or more of the Measure W Core Principles.**

**5. Describe below how the City/County considered or addressed its Complete Streets policy with these projects.**