

Metropolitan Transportation Commission

January 28, 2026

Agenda Item 7b - 26-0147

Appointment of SB 63 Financial Efficiency Review Oversight Committee Members

Subject:

With the establishment of the Public Transit Revenue Measure District (the “District”), Senate Bill (SB) 63 includes provisions aimed at ensuring accountability to taxpayers, transit riders, and local government partners through various mechanisms, one of which is the SB 63 Financial Efficiency Review Oversight Committee. This committee is comprised of an MTC Commissioner (either the Chair or their designee), transit agency board members, and four independent experts appointed by the Commission with expertise in public transit operations and finance. The Committee will also have one representative from the California State Transportation Agency (CalSTA), and one representative from the Department of Finance (DOF), as ex officio, nonvoting members.

Background:

As prescribed in the legislation, this Oversight Committee will review, revise and adopt the analysis of a third-party consultant as part of the financial efficiency review, which includes AC Transit, BART, Caltrain, and Muni. The committee consists of nine voting members: four independent experts appointed by the Commission, one board member from each of the four subject operators, and the Chair of the Commission (so long as they reside in the jurisdiction of the District). There are also two ex officio, nonvoting members from CalSTA and the Department of Finance. Each of the subject operators has already designated their board representative for the Oversight Committee as follows: Murphy McCalley for AC Transit, Melissa Hernandez for Bay Area Rapid Transit (BART), Jeff Gee for Caltrain, and Steve Heminger for the San Francisco Municipal Transportation Agency (SFMTA, or MUNI).

Phase one of the financial efficiency review is time-bound and currently underway, with a final analysis that must be transmitted to the Oversight Committee by April 1, 2026 for review, revision, and adoption. Staff expect the Oversight Committee to convene approximately three times for phase one to onboard, review the draft analysis, and adopt the final analysis.

Should the revenue measure pass at the general election on November 3, 2026, a third-party consultant (identified through a separate procurement process) will conduct phase two of the

financial efficiency review. Phase two would be a multi-year effort, with 480 days for the consultant to deliver the final analysis. Staff expect the Oversight Committee would convene bi-monthly through 2027 to monitor the consultant's work before receiving the final analysis in early 2028. Following review, revision, and adoption, the Oversight Committee would terminate around the end of 2028.

Due to the geographic diversity of the proposed Committee membership, staff also recommends that any member who resides more than 400 miles from the District be entitled to reimbursement of necessary travel costs incurred to attend a SB 63 Financial Efficiency Review Oversight Committee meeting in-person. Staff proposes that reimbursement be limited to roundtrip airfare on a major carrier, as well as lodging and per-diem at GSA rates for San Francisco that are in place at the time of travel. Staff recommends reimbursement be limited to the economy class roundtrip rate on a major carrier, and that no more than two nights stay be permitted for attendance at a single meeting.

Selection Process:

MTC staff developed a skills-based framework to identify four independent experts with expertise in public transit operations and finance, as required under SB 63. The goal was to assemble a complementary set of perspectives that together balance practical operational judgement with strong financial and governance expertise.

Staff prioritized two primary areas of expertise:

- **Transit executive/operational efficiency**, to ensure deep, hands-on experience assessing what is realistic, implementable, and service-aware in constrained operating environments; and
- **Finance/oversight/governance**, to provide rigor around fiscal accountability, implementation planning, and funding-linked compliance requirements under SB 63.

Across candidates, staff also considered credibility and independence (including screening for recent ties to subject operators), ability to operate effectively in politically complex environments, availability and commitment, as well as Bay Area or California experience.

Outreach was conducted to a set of qualified individuals, followed by screening for availability,

independence, and potential conflicts of interest. Although there were many very well-qualified candidates, the resulting recommended slate reflects the best mix of expertise designed to support the Oversight Committee's formal responsibilities in reviewing, directing revisions to, and adopting consultant deliverables for the Financial Efficiency Review.

Proposed Appointees:

- **Debra Johnson:** General Manager and CEO, Denver Regional Transportation District (RTD); former Chief Operating Officer, LA Metro; and former Director of Administration, SFMTA.
- **Nancy Whelan:** Former General Manager, Marin Transit; and former owner of a transit financial planning and management consulting firm.
- **Lou Thompson:** Member, California High-Speed Rail Peer Review Group; and former leadership roles at the World Bank and Federal Railroad Administration.
- **Ben Rosenfield:** Former Controller, City and County of San Francisco

Issues:

None identified.

Recommendations:

As Chair of the Metropolitan Transportation Commission, I recommend that the Commission approve the appointment of Debra Johnson, Nancy Whelan, Lou Thompson, and Ben Rosenfield to the SB 63 Financial Efficiency Review Oversight Committee. I further recommend that you approve the prospective reimbursement of necessary travel expenses for Committee members, as detailed in the staff report.

Attachments:

Attachment A – SB 63 Financial Efficiency Review Oversight Committee Roster

Attachment A – SB 63 Financial Efficiency Review Committee Roster

Name	Title	Appointed By	Voting Status
Sue Noack	Chair of the Commission	MTC	Voting
Murphy McCalley	Vice President of the AC Transit Board of Directors	AC Transit	Voting
Melissa Hernandez	President of the BART Board of Directors	BART	Voting
Jeff Gee	Director of the Caltrain Board of Directors	Caltrain	Voting
Steve Heminger	Director of the SFMTA Board of Directors	SFMTA	Voting
Debra Johnson*	General Manager and CEO of Denver RTD	MTC	Voting
Nancy Whelan*	Former General Manager of Marin Transit	MTC	Voting
Lou Thompson*	Member of CA High Speed Rail Peer Review Group	MTC	Voting
Ben Rosenfield*	Former Controller for the City and County of SF	MTC	Voting
Teresa Calvert	Program Budget Manager	DOF	Non-Voting
Vacant	Deputy Secretary for Transit	CalSTA	Non-Voting

* Denotes proposed appointees.