



July 1, 2005

**BOARD OF DIRECTORS MEETING**  
**FRIDAY, JULY 8, 2005**

**5. CONSENT CALENDAR:**

**A.** Approve the Minutes of the Regular Meeting of the Board of Directors of June 24, 2005 **Motion**

**B. Attorney's Report**  
**Denial of Claims**

1. Insufficient Claim of Brenda R. Arvie **Motion**
2. Insufficient Claim of Flora Lawson **Motion**
3. Subrogation Claim of Allstate Insurance Company  
(Insured: William Deane) **Motion**

**C. Meeting of the Finance-Auditing Committee/Committee of the Whole**  
**June 23, 2005**  
**Chair J. Dietrich Stroeh**

1. Ratification of Actions by the Auditor-Controller
  - a. Ratify Commitments and/or Disbursements
  - b. Ratify Previous Investments
  - c. Authorize Investments
  - d. Investment Report, May 2005 **Resolution**

Attachments

**GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT**

**PENDING APPROVAL**

**MEMORANDUM OF MINUTES**

**BOARD OF DIRECTORS MEETING**

**JUNE 24, 2005**

**PENDING APPROVAL**

The Board of Directors of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Friday, June 24, 2005, at 10:00 a.m., President Middlebrook presiding.

**ROLL CALL**

**Directors Present (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**Directors Absent (2):** Directors Kerns and Sandoval

**[Note: On this date, there was one vacancy on the Board of Directors.]**

**Staff Present:** General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Secretary Janet S. Tarantino; Attorneys David J. Miller and Jerrold C. Schaefer; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Division Susan C. Chiaroni; Deputy General Manager/Ferry Division James P. Swindler; Public Affairs Director Mary C. Currie; Human Resources Director Larry Daniel; Maintenance Manager Gene Walker; DBE Programs Administrator Aida Caputo; Executive Assistant to the General Manager Amorette Ko; Assistant Clerk of the Board Patsy Whala; Captain Locati; Sergeant Gomez

**Visitors Present:** Michael Lehman, The Furth Firm

**PLEDGE OF ALLEGIANCE**

Director Gerald D. Cochran led the Board of Directors in the Pledge of Allegiance to the Flag.

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JUNE 24, 2005, PAGE 2**

**PUBLIC COMMENT**

There was no public comment.

**CONSENT CALENDAR**

**Directors EDDIE/MOYLAN** moved approval of the Consent Calendar. All items were approved by the following vote of the Board of Directors:

**AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None

**ABSENT (2):** Directors Kerns and Sandoval

1. **Approve the Minutes of the Regular Meeting of the Board of Directors of June 10, 2005** **Carried**
2. **Denial of Claims**
  1. Claim of Enterprise Rent-a-Car **Carried**
  2. Claim of John Plutino **Carried**
  3. Claim of Carrie Lyn Miller **Carried**
  4. Claim of Frank H. Almquist **Carried**

**GENERAL MANAGER'S REPORT**

3. **Presentation of Thirty Year Service Award to Salvatore Ramos, Trimmer, Bus Division**

President Middlebrook presented a Thirty Year Service Award to Salvatore Ramos, Trimmer, Bus Division, for thirty years of service, and expressed her congratulations on behalf of the Board of Directors.

4. **Presentation of Twenty-Five Year Service Award to James Territo, Bus Mechanic, Bus Division**

President Middlebrook presented a Twenty-Five Year Service Award to James Territo, Bus Mechanic, Bus Division, for twenty-five years of service, and expressed her congratulations on behalf of the Board of Directors.

5. **Presentation of Twenty Year Service Award to Margo DeCook, Administrative Receptionist, District Division**

President Middlebrook presented a Twenty Year Service Award to Margo DeCook, Administrative Receptionist, District Division, for twenty years of service, and expressed her congratulations on behalf of the Board of Directors.

**6. Presentation of Employee of the Month Award for June 2005 to Cynthia Amadea, Operations Supervisor, Ferry Division**

President Middlebrook presented the Employee of the Month Award for June 2005 to Cynthia Amadea, Operations Supervisor, Ferry Division, and expressed her congratulations on behalf of the Board of Directors.

**7. Approve Actions Relative to Petition from International Union of Operating Engineers, Local No. 3 for Recognition of Employee Unit Comprised of Bridge Sergeants**

Celia Kupersmith reported that a petition for recognition of an employee unit comprised of Bridge Sergeants to be represented by the International Union of Operating Engineers, Local No. 3. Ms. Kupersmith stated that having reviewed the petition from International Union of Operating Engineers, Local No. 3, she is satisfied that the unit in question is an appropriate one for bargaining purposes. She also stated that there is an adequate showing of interest for the petition by the members of the employee unit. She recommended that the Board of Directors ratify the determination that the Bridge Sergeants constitute an appropriate bargaining unit and authorize that a secret ballot election be conducted by the State Conciliation Service, in keeping with customary practice at the District.

**Directors STROEH/MURRAY**

**Resolution No. 2005-053** approves actions relative to a petition from the International Union of Operating Engineers, Local No. 3, for recognition of an employee unit comprised of Bridge Sergeants, as follows:

- a. Ratify the General Manager's determination as appropriate for collective bargaining, a unit of Bridge Sergeants; and,
- b. Authorize a secret ballot election to be conducted by the State Conciliation Service to determine whether or not Bridge Sergeants desire to be represented by the Operating Engineers, Local No. 3.

**Adopted**

**AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None

**ABSENT (2):** Directors Kerns and Sandoval

**8. Authorize Execution of a Memorandum of Understanding with International Union of Operating Engineers, Local No. 3, Representing Bridge Patrol Officers**

The Board of Directors, by Resolution No. 2005-010 at its meeting of February 25, 2005, approved the recognition of a Bridge Patrol Officer bargaining unit to be represented by the International Union of Operating Engineers, Local No. 3. Celia Kupersmith reported that the International Union of Operating Engineers, Local No. 3 and the District have reached a tentative agreement on a Memorandum of Understanding (MOU), which will be effective upon ratification by the International Union of Operating Engineers, Local

**BOARD OF DIRECTORS MEETING  
JUNE 24, 2005, PAGE 4**

No. 3 and approval by the Board of Directors. The MOU incorporates the existing terms and conditions of employment for the Bridge Patrol Officers, the terms and conditions of the Union Coalition Agreement and will be effective until June 30, 2006. Ms. Kupersmith stated that if the tentative agreement is approved before June 30, 2005, it will include the 3% wage increase effective July 1, 2005.

**Directors MURRAY/BORO**

**Resolution No. 2005-054** authorizes execution of a Memorandum of Understanding with International Union of Operating Engineers, Local No. 3, representing Bridge Patrol Officers, effective June 27, 2005 through June 30, 2006, contingent upon ratification of agreement by the union membership on or before July 1, 2005.

**Adopted**

**AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None

**ABSENT (2):** Directors Kerns and Sandoval

**ATTORNEY'S REPORT**

9. Attorney David Miller reported that all items contained in the Attorney's Report were informational. Mr. Miller also reported that a closed session would be held just prior to the conclusion of the meeting to discuss one matter of pending litigation, as listed on the Agenda as Item No. 6.B.1., *Golden Gate Bridge, Highway and Transportation District (District) vs. Marsh and McLennan Companies, Inc., et al.* In addition, he stated that also during closed session, the Board would receive a report from the Real Property Negotiator regarding Agenda Item No. 6.B.2., negotiations with the Sonoma-Marin Area Rail Transit District relative to the transfer of the portion of the Northwestern Railroad Right-of-Way property from Novato Creek South to Corte Madera. Mr. Miller further stated that Item No. 6.B.3., *Public Employee Performance Evaluation for Officers of the District*, would be continued to the July 8, 2005 meeting of the Board of Directors.

**ENGINEER'S REPORT**

10. District Engineer Denis Mulligan reported that all items contained in the Engineer's Report were informational.

**REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF JUNE 9, 2005**

11. All items contained in this report are informational, as the items requiring Board action were acted upon by the Board of Directors at their meeting of June 10, 2005.

**REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE  
WHOLE MEETING OF JUNE 23, 2005**

12. **Approve Actions Relative to Filing an Application with the Bay Area Air Quality Management District for Regional Transportation Fund for Clean Air Program Grant Funds to Support Bus Stop Improvements**

**Directors STROEH/SHAHUM**

**Resolution No. 2005-055** approves the following actions relative to Regional Transportation Fund for Clean Air Program (TFCA) grant funds administered by the Bay Area Air Quality Management District (BAAQMD):

- a. Authorize the General Manager to file an application and execute a funding agreement with BAAQMD for TFCA grant funds in the amount of \$60,000, to support implementation of a new bus stop island on Folsom Street in San Francisco; and,
- b. Authorize the General Manager to enter into an agreement with the San Francisco Department of Parking and Traffic (DPT) to pass through these grant funds, and related grant requirements, for the DPT to construct this bus stop for use by Golden Gate Transit buses.

**Adopted**

**AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None

**ABSENT (2):** Directors Kerns and Sandoval

13. **Approve Renewal of the Health and Benefit Insurance Plans**

**Directors STROEH/BROWN**

**Resolution No. 2005-056** approves the renewal of the Health and Benefit Plans, for a one-year term, effective July 1, 2005, through June 30, 2006, as follows:

- a. Group Life, Accidental Death & Dismemberment and Dependent Life Plan with Principal Mutual, in the amount of \$172,000;
- b. Medical Stop-Loss Coverage with Blue Shield of California, with a deductible of \$150,000, and a special deductible of \$250,000 for two specified beneficiaries, in the amount of \$366,000;
- c. Kaiser Foundation Health Plan, in the amount of \$2,703,000;
- d. Blue Shield of California PPO Plan, on a self-funded basis, in the estimated amount of \$8,016,000;
- e. Blue Shield of California HMO Plan, in the estimated amount of \$893,000;
- f. Caremark Prescription Drug Plan, on a self-funded basis, in the estimated amount of \$3,601,000;
- g. U.S. Behavioral Health Services, in the amount of \$60,900;
- h. Vision Service Plan of California, on a self-funded basis, in the amount of \$282,000; and,
- i. Delta Dental Plan of California, on a self-funded basis, in the amount of \$2,148,000; with the understanding that requisite funds in the amount of \$18,241,900 are available in the FY 05/06 Operating Budget.

**Adopted**

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- AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook
- NOES (0):** None
- ABSENT (2):** Directors Kerns and Sandoval

**14. Director's Comments Regarding Handout by California State Automobile Association Presented to the Finance-Auditing Committee on June 23, 2005**

Director Boro reported that a handout from Lewis Lem, Transportation Policy Manager, California State Automobile Association, was presented to the Finance-Auditing Committee at its meeting of June 23, 2005 during public comments. He stated that the handout reflected statistical data on the relationship of the increase in Bridge tolls to an increase in ferry ridership and a decrease in Bridge traffic. Director Boro emphasized that another contributing factor to the decrease in Bridge traffic could also be the high cost of housing in Marin and Sonoma Counties, which results in more people commuting between jobs in Marin County and Sonoma County, rather than over the Golden Gate Bridge. He noted that the median price of housing in Marin County is \$900,000. Director Boro instructed staff to recommend that Mr. Lem widen the scope to include those factors.

**REPORT OF THE RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/COMMITTEE OF THE WHOLE JUNE 10, 2005**

**15. Approve Proposed FY 05/06 Annual Overall Disadvantaged Business Enterprise (DBE) Goals and Status Report on Overall Project DBE Goals for Golden Gate Bridge Seismic Retrofit Phase IIIA**

**Directors MURRAY/MARTINI**

**Resolution No. 2005-057** approves the following actions relative to the FY 05/06 annual overall Disadvantaged Business Enterprise (DBE) goals:

- a. Establish a seven percent (7%) proposed goal applicable to \$2,616,349 in contracts assisted by the Federal Transit Administration (FTA) and authorize the General Manager to publish notice of the proposed goal in accordance with federal regulations;
- b. Establish a two percent (2%) proposed goal applicable to \$1,200,000 in contract assisted by the Federal Highway Administration (FHWA) and authorize the General Manager to publish notice of the proposed goal in accordance with federal regulations;
- c. Authorize the General Manager to formally adopt the FTA and FHWA goals if no public comments are received that require further consideration or modifications of the proposed goals by the Board; and
- d. Authorize staff to submit the District's annual overall DBE goals for federally-assisted contracting opportunities to FTA and the California Department of Transportation (Caltrans) on behalf of FHWA by August 1, 2005.

**Adopted**

**BOARD OF DIRECTORS MEETING  
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- AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook
- NOES (0):** None
- ABSENT (2):** Directors Kerns and Sandoval

**REPORT OF THE BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF JUNE 23, 2005**

**16. Approve the Design and Location of Toll Plaza Transfer Point Bus Stop and Crosswalk Improvements**

**a. Discussion by the Board**

- Attorney Miller stated that, for the record, the safety issues and tradeoffs regarding the design and location of Golden Gate Bridge Toll Plaza transfer point bus stop and crosswalk improvements were discussed at the June 23, 2005 meeting of the Building and Operating Committee. He further stated that the Committee found that those safety issues and tradeoffs warrant such improvements, and those findings are formalized in the recommended Resolution being presented to the Board of Directors.
- Director Shahum commended the Engineering Department staff for the time and effort invested in developing this safety project and stated that she looks forward to using the new, improved crosswalks.

**b. Action by the Board**

**Directors EDDIE/SHAHUM**

**Resolution No. 2005-058** approves the design and location of five bus stops, changes to multiple crosswalks, and related pedestrian safety improvements, all located in the vicinity of the Golden Gate Bridge Toll Plaza.

**Adopted**

- AYES (16):** Directors Ammiano, Brown, Cochran, Dufty, Eddie, Hernández, Martini, McGoldrick, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook
- NOES (0):** None
- ABSENT (2):** Directors Kerns and Sandoval

**CLOSED SESSION**

**17. Attorney's Report**

Attorney David Miller, at the request of President Middlebrook, stated that the Board of Directors would convene in closed session to receive a report from the Real Property Negotiator regarding negotiations with the Sonoma-Marín Area Rail Transit District relative to the transfer of the portion of the Northwestern Railroad Right-of-Way property

**BOARD OF DIRECTORS MEETING  
JUNE 24, 2005, PAGE 8**

from Novato Creek South to Corte Madera, and to discuss one matter of pending litigation, *District vs. Marsh and McLennan Companies, Inc.*, et al.

After closed session, President Middlebrook called the meeting to order in open session with a quorum present. Attorney Miller reported that the Board of Directors met in closed session, as permitted by the Brown Act, to consider the two matters as noted above. He stated that with the recommendation of the Building and Operating Committee at its meeting of June 23, 2005, and with the concurrence of the Board of Directors during closed session, it would be appropriate at this time for the Board to consider the action of, *Authorize Execution of a Memorandum of Understanding with the Golden Gate Bridge, Highway and Transportation District, the County of Marin, the Marin County Transit District and the Sonoma-Marín Area Rail Transit District (SMART)*.

- a. **Authorize Execution of a Memorandum of Understanding between the Golden Gate Bridge, Highway and Transportation District, the County of Marin, the Marin County Transit District and the Sonoma-Marín Area Rail Transit District (SMART)**

**Directors STROEH/MARTINI**

**Resolution No. 2005-059** authorizes execution of a Memorandum of Understanding between the Golden Gate Bridge, Highway and Transportation District, the County of Marin, the Marin County Transit District and the Sonoma-Marín Area Rail Transit District, to effectuate the transfer of the District's Railroad Right-of-Way property from Novato Creek south to Corte Madera, on the terms and conditions that are contained in the Memorandum of Understanding.

**Adopted**

**AYES (13):** Directors Brown, Cochran, Eddie, Hernández, Martini, McGoldrick, Moylan, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None

**ABSENT (5):** Directors Ammiano, Dufty, Kerns, Murray and Sandoval

- b. **Pending Litigation: Golden Gate Bridge, Highway and Transportation District vs. Marsh and McLennan Companies, Inc.**

Mr. Miller stated that in the matter listed as Agenda Item No. 6.B.1., *The District vs. Marsh and McLennan Companies, Inc.*, et al., report was presented by special counsel and that this matter will be continued to the July 8, 2005 meeting of the Board of Directors.

**SPECIAL ORDER OF BUSINESS**

18. **Authorize Preparation of a Resolution of Appreciation for First Vice President Maryanne P. Harrison, in Recognition of her Dedicated Service to the Golden Gate Bridge, Highway and Transportation District Board of Directors**

**Directors REILLY/MARTINI**

**Resolution No. 2005-060** authorizes preparation of a Resolution of Appreciation for First Vice President Maryanne P. Harrison, in recognition of her dedicated service to the Golden Gate Bridge, Highway and Transportation District Board of Directors.

**Adopted**

**AYES (13):** Directors Brown, Cochran, Eddie, Hernández, Martini, McGoldrick, Moylan, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None

**ABSENT (5):** Directors Ammiano, Dufty, Kerns, Murray and Sandoval

**ADJOURNMENT**

19. All business having been concluded, the meeting was adjourned at 11:35 a.m., in the memory of First Vice President Maryanne P. Harrison, Eunice Smith, Edith Stahl and Burt Borman.

Respectfully submitted,

Janet S. Tarantino  
Secretary of the District

JST:PLW:plw

# Memorandum

333 Market Street, Suite 2300, San Francisco, CA 94105-2173  
Tele: (415) 777-3200, Facsimile: (415) 541-9366

HANSON  
BRIDGETT  
MARCUS  
VLACHOS  
RUDY-LLP

**TO:** Board of Directors  
**FROM:** David J. Miller  
**DATE:** June 28, 2005  
**RE:** Board Meeting on July 8, 2005

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## **Insufficient Claim of Brenda Arvie**

The District received an insufficient claim on behalf of Brenda Arvie. The claim is insufficient in that it fails to state the place of the incident or occurrence and a general description of the indebtedness, obligation, injury, damage or loss incurred. The claim arises from an incident on March 25, 2005 in which she was a passenger on a District bus when the driver stopped suddenly, causing her to fall. Claimant was notified of the insufficiency of her claim. The claim has been forwarded to John Glenn Adjusters.

**Recommend the claim be denied as insufficient and on its merits.**

## **Insufficient Claim of Flora Lawson**

The District received an insufficient claim on behalf of Flora Lawson. The claim is insufficient in that it fails to state the place of the incident or occurrence. The claim arises from an incident on March 25, 2005 in which she was a passenger on a District bus when the driver stopped suddenly, causing her to fall. Claimant was notified of the insufficiency of her claim. The claim has been forwarded to John Glenn Adjusters.


**Recommend the claim be denied as insufficient and on its merits.**

## **Subrogation Claim of Allstate Insurance Company (Insured: William Deane)**

The District received a subrogation claim on behalf of Allstate Insurance Company (Insured: William Deane) alleging property damages in the amount of \$2,026.03. Claimant alleges that, on December 14, 2004, the insured's vehicle was damaged when a District bus made contact with it on Samson Street in San Francisco. As a result of the incident, the insured's vehicle sustained damage to the right front side. The claim has been forwarded to John Glenn Adjusters.

**Recommend denial of the claim.**

Respectfully submitted,

  
DAVID J. MILLER

DJM:lec

**EXCERPT FROM THE MINUTES OF THE JUNE 23, 2005 FINANCE-AUDITING COMMITTEE MEETING**

**1. Ratify Actions by the Auditor-Controller**

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith outlined disbursements and investments. A copy of the report is available in the Office of the District Secretary.

At the meeting, Nancy Jones reported on the latest economic news and described current interest rates in the District's portfolio. Ms. Jones stated that the Federal Reserve Bank is on a path towards increasing interest rates, and although interest rates will continue to increase through the end of the year, it is expected that the rate of increase will slow down. She further stated that the interest rate for short-term securities is anticipated to reach 3.75%, or 4% by December 2005. She noted that this month, the District's Portfolio Manager purchased a longer-term security for the first time in several months. Ms. Jones described how recent financial troubles experienced by the big automakers, General Motors and Ford Motor Company, affected the entire corporate security market, providing an opportunity to purchase a 3-1/2 year corporate note at a very favorable rate for the District. She further noted that the District has enough liquidity to take advantage of longer-term securities as they become available.

Staff recommended and the Committee concurred by motion made and seconded by **Directors SHAHUM/COCHRAN** to forward the following recommendation to the Board of Directors for its consideration:

**RECOMMENDATION**

The Finance-Auditing Committee recommends that the Board of Directors authorize the following actions by the Auditor-Controller:

- a. Ratify commitments and/or expenditures totaling \$95,208.93;
- b. Ratify investments made by the Auditor-Controller during the period May 17, 2005 through June 13, 2005, as follows:

<b>SECURITY</b>	<b>PURCHASE DATE</b>	<b>MATURITY DATE</b>	<b>ORIGINAL COST</b>	<b>PERCENT YIELD</b>
FHLB Note	05/20/05	02/15/08	3,439,089.95	4.218
JP Morgan Note	06/13/05	01/15/08	5,032,355.56	4.0579

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between June 14, 2005 and July 11, 2005, as well as the investment of all other funds not required to cover expenditures that may become available.

**EXCERPT FROM THE MINUTES OF THE JUNE 23, 2005 FINANCE-  
AUDITING COMMITTEE MEETING**

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- d. Accept the Investment Report for May 2005 prepared by Public Financial Management.

**Action by the Board - Resolution  
CONSENT CALENDAR**

**AYES (12):** Directors Cochran, Eddie, Hernández, Martini, Moylan, Murray, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

**NOES (0):** None