

June 24, 2005
(For Board: July 8, 2005)



REPORT OF THE GOVERNMENTAL AFFAIRS
AND PUBLIC INFORMATION COMMITTEE/
COMMITTEE OF THE WHOLE

Honorable Board of Directors
Golden Gate Bridge, Highway
and Transportation District

Honorable Members:

A meeting of the Governmental Affairs and Public Information Committee/Committee of the Whole was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Friday, June 24, 2005, at 9:15 a.m., Chair Boro presiding.

Committee Members Present (5): Chair Boro; Vice Chair Martini; Directors Dufty and Reilly; President Middlebrook (Ex Officio)

Committee Members Absent (3): Directors Kerns, McGoldrick and Sandoval

Other Members Present (7): Directors Cochran, Eddie, Hernández, Moylan, Pahre, Shahum and Stroeh

Committee of the Whole Members Present (12): Directors Cochran, Dufty, Eddie, Hernández, Martini, Moylan, Pahre, Reilly, Shahum and Stroeh; Second Vice President Boro; President Middlebrook

Committee of the Whole Members Absent (6): Directors Ammiano, Brown, Kerns, McGoldrick, Murray and Sandoval

[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 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; Risk Management and Safety Director Bill Stafford; Planning Director Alan R. Zahradnik; Capital and Grants Program Manager Nina Rannels; Executive Assistant to the General Manager Amorette Ko; Assistant Clerk of the Board Karen B. Engbretson

Visitors Present: Valerie Knepper, Metropolitan Transportation Commission

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1. Status Report on State/Federal Legislation

General Manager Celia Kupersmith reported on the status of the following federal legislation:

- Federal Transportation Funding Bill – She reported that the reauthorization of the Transportation Equity Act for the 21st Century (TEA-21), the existing federal transportation funding bill, continues to work its way through the U.S. Congress. She noted that there have been seven extensions of TEA-21 since the original bill expired on September 30, 2003. The current extension expires on June 30, 2005, and it is anticipated that an eighth extension will be passed to extend TEA-21 to July 19, 2005 while the Senate and House conferees try to reach a compromise between the Senate's \$295 billion bill and the House's \$284 billion bill. She further stated that the Senate conferees met on June 20, 2005, and proposed a compromise six-year bill in the amount of \$290 billion. However, this compromise was rejected by House conferees since the amount exceeded the \$284 billion limit that President Bush has set for transportation funding. She stated that regardless of the final compromise amount of the reauthorization of the TEA-21, the specific amounts of funding earmarked for the Golden Gate Bridge Seismic Retrofit project should remain intact. She noted that it was noteworthy that the amounts the Senate and House conferees are discussing are significantly larger than the amount of the reauthorization bills last year, which at one point was as low as \$256 billion.

[With the arrival of Director Moylan at 9:20 a.m., the Committee became a Committee of the Whole.]

Ms. Kupersmith reported on the status of the following state legislation:

- Senate Bill 238 – Ms. Kupersmith requested that Kary Witt report on the status of Senate Bill 238 (SB 238), the bill that will implement a Safety Enhancement-Double Fine Zone on the Golden Gate Bridge, since he had been present at a recent Assembly Transportation Committee hearing on the matter. Mr. Witt reported that on June 21, 2005, the Assembly Transportation Committee passed SB 238 unanimously, which was significant since all other bills before the Committee passed by very narrow margins. He stated that SB 238 next goes to the Assembly Appropriations Committee, then to the Assembly floor, then back to the Senate for approval of some minor amendments. He expressed his satisfaction that so much progress had been made on implementing the Double Fine Zone on the Golden Gate Bridge, after two and one half years and eight state legislative committee hearings on the matter.
- Assembly Bill 748 – Ms. Kupersmith reported on Assembly Bill 748 (AB 748), which proposes a statutory ban on tolls for the passage of a pedestrian or bicyclist over any toll bridge in California that allows pedestrian and bicycle access, including the Golden Gate Bridge. She stated that AB 748 has been referred to the Senate Committee on Transportation and Housing, but has not yet has a hearing date scheduled.

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Discussion ensued, including the following:

- In response to an inquiry from Director Shahum as to the expiration date for SB 238, Mr. Witt replied that as originally proposed, the bill included language that would allow the Double Fine Zone to last indefinitely on the Golden Gate Bridge. However, the Senate Transportation Committee would not pass the bill without the bill's authors agreeing to a fixed 2009 expiration date. Mr. Witt further stated that starting in 2007, the District will seek to have the bill's expiration date changed to "indefinite."

Action by the Board – None Required

2. Presentation by the Metropolitan Transportation Commission Relative to Transit-Oriented Development Policies for New Regional Transit Investments

Valerie Knepper, Associate Planner/Analyst with the Metropolitan Transportation Commission (MTC), provided a slide presentation regarding transit-oriented development (TOD) policies for new regional transit investments. Ms. Knepper distributed to the Committee members a copy of MTC's proposed TOD policy document dated June 22, 2005, as presented to MTC's Planning and Operations Committee. She began her presentation with several photographs of recently constructed TOD projects in the Bay Area communities of Hayward, Oakland, Petaluma, Windsor and Hercules. These mixed-use projects include housing, retail and offices near transit stations. She stated that MTC is proposing a TOD policy for projects in Bay Area transit corridors that would be funded with regional discretionary transportation funding. Such a policy would have the following goals:

- To ensure cost-effective transit;
- To ease the regional housing shortage;
- To create vibrant, livable communities; and,
- To preserve regional open space.

Ms. Knepper described in detail the elements of the proposed TOD policy, including: (1) Station Area Plans; (2) Corridor Working Groups; and, (3) Corridor Thresholds for Jobs and Housing. With respect to Station Area Plans, she stated that the TOD policy calls for planning development within a one-quarter mile radius around transit stations, which would provide enormous regional transit benefits while using small amounts of land area. With respect to Corridor Working Groups, she noted that many such institutions are not yet in place in many transit corridors, and that it is sometimes challenging to arrange cooperative working relationships between local jurisdictions and transit agencies. With respect to Corridor Thresholds, she stated that such thresholds need to be tailored for each transit station, depending on whether it is in an urban or suburban location. She noted that MTC staff is recommending a Housing-only threshold over a Housing-and-Jobs threshold due to the region's severe undersupply of housing and the stronger nexus between housing and transit ridership.

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Ms. Knepper further described issues unique to ferry transit corridors, since ferry terminals are located on the waterfront. She noted that MTC is considering using a special definition of “corridor” for ferry transit, to include several proposed new ferry terminals as a single corridor for TOD projects.

In conclusion, Ms. Knepper outlined the next steps for MTC’s proposed TOD policy, including the following:

- Finalize TOD policy with thresholds;
- Allocate pilot cycle planning grants;
- Help county congestion management agencies, local jurisdictions and transit agencies to form corridor working groups;
- Support corridor working groups; and,
- Prepare future Station Area Plans.

Copies of the presentation, as well as MTC’s draft TOD policy document, are available in the Office of the District Secretary.

Discussion ensued, including the following:

- Director Stroeh commented that the area around the historic downtown Novato railroad station is being considered for a major mixed-use TOD project by the Novato City Council, and inquired as to whether MTC would be coordinating with the City of Novato and the station property owner, the Sonoma-Marín Area Rail Transit District (SMART). In response, Ms. Knepper stated that MTC has been working with officials and planners from both the City and SMART regarding the station project.
- Chair Boro, who represents the City of San Rafael on SMART, provided SMART’s perspective on TOD projects. He stated that SMART has also been developing a TOD policy in collaboration with the 11 cities in Marin County and the 14 cities in Sonoma. He stated that SMART has formed a Technical Advisory Committee with the goal of meeting with county policy makers and local planning directors to discuss TOD projects along the SMART corridor. He emphasized that SMART’s goal is to plan TOD project along the rail line consistent with the desires of the local community.
- Director Shahum commended MTC for making TOD a priority and inquired as to the practical purpose of MTC’s TOD policy. In response, Ms. Knepper stated that proposed TOD projects must meet the housing thresholds on a corridor basis before MTC will release the regional discretionary construction funding for those projects.
- Director Pahre inquired as to why the corridor thresholds appear to be increasing, as shown in the draft TOD policy. In response, Ms. Knepper explained how the corridor threshold levels evolved during development of the TOD policy. She stated that after MTC staff shifted the focus from a Housing-and-Jobs threshold to a Housing-only threshold, they realized that local jurisdictions could achieve a higher average housing threshold per station area than had previously been considered and that local jurisdictions can increase local jobs based on what the market will bear.

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- Director Martini commented on the Housing-only threshold, stating that while housing is easier to develop around transit stations, it is preferable to have mixed-use TOD projects that include the retail component. He noted that if retail is added to housing around stations, it would create another incentive for people outside the community to use transit to patronize those retail establishments.

Action by the Board – None Required

3. Authorize Exercising the Last One-year Option Term to Professional Services Agreement with Viacom Outdoor Group, Inc., for RFP No. 2002-D-2, Exterior Bus Advertising

In a memorandum to Committee, Marketing and Communications Director Kellee Hopper, Deputy General Manager/Administration and Development Teri Mantony and General Manager Celia Kupersmith reported that on September 28, 2001, the Board of Directors, by Resolution No. 2001-153, awarded RFP No. 2002-D-1, *Exterior Bus Advertising* to Viacom Outdoor Group, Inc. (Viacom). The report stated that the original professional services agreement with Viacom for exterior bus side and full bus wrap advertising included two one-year options, the first of which was exercised on October 5, 2004. At that time the District reduced the annual compensation owed by Viacom, as well as the price for full bus wraps, due to the November 2003 reduction in Golden Gate Transit (GGT) bus service. The report also stated that staff recommends exercising the last one-year option remaining on the agreement, for a guaranteed Year Five fee of \$936,000, which represents a 22% reduction to the original Year Five fee of \$1.2 million to account for the 22% reduction in bus service.

The report further stated that RFP No. 2002-D-1 also included a provision for full bus wraps on 2% of the GGT fleet, currently a maximum of four buses. Since the agreement commenced in 2001, Viacom has sold less than five bus wraps. Due to the difficulty in securing full bus wrap advertisers, Viacom has requested, and staff recommends, that the District retain the current year's guaranteed fee of \$2,500 per month, instead of the \$3,000 original proposed in the agreement. The report noted that beginning in March 2005, the District began selling a modified wrap advertisement, known as an "ultra king" ad, which covers the bus by approximately 20 feet wide and 8 feet high. Staff also recommends that a guaranteed fee of \$625 per ultra king advertisement be approved as part of this one-year option. The report described the fiscal impact of the recommended one-year option, which will provide advertising revenue of \$578,710 for FY 05/06 and \$357,290 for FY 06/07, plus any additional revenue due to full bus wraps and ultra king advertisements. A copy of the report is available in the Office of the District Secretary.

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

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RECOMMENDATION

The Governmental Affairs and Public Information Committee recommends that the Board of Directors approve the following actions relative to RFP No. 2002-D-2, *Exterior Bus Advertising*, with Viacom Outdoor Group, Inc., San Francisco, CA, as follows:

- a. Authorize exercising the last one-year option term to RFP No. 2002-D-1 with Viacom Outdoor, Inc., at an annual fee of \$936,000, for exterior bus side advertising, effective October 19, 2005 through October 18, 2006; and,
- b. Authorize exercising the option for full bus wrap advertising at a guaranteed fee of \$2,500 per bus per month, and for ultra king bus advertising at a guaranteed fee of \$625 per bus per month, effective October 19, 2005 through October 18, 2006.

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

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

NOES (0): None

4. Status Report from the Board Appointee on the San Francisco Bay Area Water Transit Authority (WTA)

Chair Boro, the San Francisco Bay Area Water Transit Authority (WTA) Board Appointee, provided a status report on recent activities of the WTA. The following items were provided to the Committee: Agenda for the June 23, 2005, meeting of the WTA Board of Directors; Minutes of the April 28, 2005, meeting of the WTA Board of Directors; Minutes of the March 24, 2005, meeting of the WTA Board of Directors; Notice of Cancellation for the June 14, 2005, meeting of the Administration/Legislative/Finance Committee; and, Notice of Cancellation for the June 14, 2005, meeting of the Operations Committee. Copies are available in the Office of the District Secretary.

Chair Boro reported that at its June 23, 2005 meeting, the WTA approved a budget that included funding to begin the planning studies for a proposed Port Sonoma ferry terminal. He stated that the WTA also approved funding for “Next Bus” technology, which provides electronic signage and software to provide real-time transit data for ferry passengers. He noted that the environmental and technical studies have been completed for the proposed South San Francisco ferry terminal, and that the draft Environmental Impact Report has commenced for ferry service at that location. He reported that the city councils of Berkeley and Richmond have received recommendations from the WTA for expanded ferry service. He noted that the WTA has considered what its role would be in the future – whether the WTA would operate the proposed new ferry routes itself, or whether it would outsource ferry operations. He stated that if the WTA decides to be a ferry operator, it would recruit for a General Manager with water transit experience in the near future.

Action by the Board – None Required

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4. Public Comment

There was no public comment.

5. Adjournment

All business having been concluded, the meeting was declared adjourned at 9:50 a.m.

Respectfully submitted,

Albert J. Boro, Chair
Governmental Affairs and
Public Information Committee

AJB:JST:KBE:kbe