



February 16, 2007

BOARD OF DIRECTORS MEETING
FRIDAY, FEBRUARY 23, 2007

5. CONSENT CALENDAR:

- A.** Approve the Minutes of the Following Meetings:
1. Transportation Committee of February 8, 2007;
 2. Finance-Auditing Committee of February 8, 2007;
 3. Rules, Policy and Industrial Relations Committee of February 9, 2007; and,
 4. Board of Directors of February 9, 2007.

Motion

B. Attorney's Report
Denial of Claims

1. Claim of Raphael Martin Fierro

Motion

Attachments



February 8, 2007
(For Board: February 23, 2007)

**REPORT OF THE TRANSPORTATION COMMITTEE/
COMMITTEE OF THE WHOLE**

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

Honorable Members:

A meeting of the Transportation Committee/Committee of the Whole was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Thursday, February 8, 2007, at 10:10 a.m., Chair Brown presiding.

Committee Members Present (7): Chair Brown; Vice Chair Kerns; Directors Cochran, Middlebrook, Newhouse Segal and Pahre; President Moylan (Ex Officio)

Committee Members Absent (2): Directors Grosboll and McGlashan

Other Directors Present (3): Directors Boro, Eddie and Reilly

Committee of the Whole Members Present (10): Directors Brown, Cochran, Eddie, Kerns, Middlebrook, Newhouse Segal, Pahre and Reilly; First Vice President Boro; President Moylan

Committee of the Whole Members Absent (9): Directors Dufty, Grosboll, Hernández, Martini, McGlashan, McGoldrick, Sandoval and Stroeh; Second Vice President Ammiano

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bridge Kary H. Witt; Division Deputy General Manager/Bus Division Susan C. Chiaroni; Deputy General Manager/Ferry Division James P. Swindler; Deputy General Manager/Administration and Development Teri W. Mantony; Public Affairs Director Mary C. Currie; Risk Management and Safety Director William Stafford; Principal Planner Ron Downing; Executive Assistant to the General Manager Amorette Ko; Assistant Clerk of the Board Karen B. Engbretson

Visitors Present: Anthony R. Withington, President, Amalgamated Transit Union, Local No. 1575; Katherine Kanarek, Terra Linda High School Student/Job Shadow for Director Boro

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 8, 2007/PAGE 2**

1. Report of the District Advisory Committees

a. Advisory Committee on Accessibility (ACA)

The agenda for the January 18, 2007, meeting; the minutes of the November 16, 2006, meeting; and, a Notice of Cancellation for the December 21, 2006, meeting of the Advisory Committee on Accessibility were furnished to the Transportation Committee. Copies are available in the Office of the District Secretary and on the District's web site.

b. Bus Passengers Advisory Committee

The agenda for the December 13, 2006, meeting and the minutes of the October 18, 2006, meeting of the Bus Passengers Advisory Committee were furnished to the Transportation Committee. Copies are available in the Office of the District Secretary and on the District's web site.

c. Ferry Passengers Advisory Committee

The agendas for the January 3, 2007, and the December 6, 2006, meetings and the minutes of the December 6, 2006, and the October 4, 2006, meetings of the Ferry Passengers Advisory Committee were furnished to the Transportation Committee. Copies are available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

2. Authorize Execution of an Agreement with the County of Marin Department of Public Works to Operate the Third Year of the Muir Woods Shuttle Bus Demonstration Project

In a memorandum to Committee, Principal Planner Ron Downing, Director of Planning Alan Zahradnik and General Manager Celia Kupersmith provided a staff recommendation to operate the third year of the Muir Woods Shuttle Bus Demonstration Project (Project). The report stated that the District received a request from the County of Marin (County), to operate the demonstration shuttle bus service to the Muir Woods recreation area in southern Marin County, following two successful demonstrations in the summer seasons of 2005 and 2006. The Board of Directors, by Resolution Nos. 2005-034 and 2006-019, approved the first year and second year, respectively, for the Project, which has been fully funded by the County with monies from a federal grant.

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 8, 2007/PAGE 3**

The report stated that for the 2007 summer season, the County has requested that several modifications be made to the Muir Woods shuttle bus service agreement, as follows:

1. Provide service every 20 minutes on peak summer season weekends and holidays between Memorial Day Weekend and Labor Day Weekend to mitigate the need to provide backup service;
2. Provide service every 30 minutes on weekends from May 5 to May 20, 2007, and from September 8 to September 30, 2007; and,
3. Provide a direct connection to Muir Woods on weekends and holidays between Memorial Day Weekend and Labor Day Weekend for passengers traveling on the Sausalito ferry.

The report stated that the County will fully reimburse the District for all costs for the Project. The total Project cost for the 2007 summer season is estimated at \$249,475, which includes operating costs, vehicle lease costs and expanded marketing/promotional program costs. The report noted that operating costs were estimated using the appropriate hourly rates from the five-year agreement with the Marin County Transit District that went into effect on May 1, 2006. The portion of the service that will operate during FY 06/07 will cost \$103.86 per hour, and the portion that will operate during FY 07/08 will cost \$109.05 per hour. The report stated that fares will be collected in the westbound direction only; \$2.00 for adults and \$1.00 for seniors, youths and persons with disabilities.

The report also stated that because of the steep grades and winding roads along the shuttle bus route, the District will have to lease four small, 35-foot long transit buses as was done for the Muir Woods shuttle bus service in 2005 and 2006. The report further stated that in order to have the service operational by May 5, 2007, final policy-level approvals must occur prior to March 15, 2007. Staff recommends that the District authorize execution of an agreement with the County to operate the third year of the Project. The Marin County Board of Supervisors will take up this matter at its meeting on February 27, 2007.

The report noted that the continuance of the Muir Woods shuttle bus service in future years will be determined by the County's ability to identify funding sources to sustain this Project. A copy of the report is available from the Office of the District Secretary and on the District's web site.

At the meeting, Celia Kupersmith summarized the staff report, noting that the County of Marin has requested that the District operate the Muir Woods shuttle bus service for a third summer season.

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 8, 2007/PAGE 4**

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

RECOMMENDATION

The Transportation Committee recommends that the Board of Directors authorize execution of an agreement with the County of Marin Department of Public Works to operate the third year of the Muir Woods Shuttle Bus Demonstration project, beginning Saturday, May 5, 2007, through Sunday, September 30, 2007, at an approximate cost of \$249,475, with the understanding that the County of Marin will reimburse the Golden Gate Bridge, Highway and Transportation District for providing said service.

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

AYES (10): Directors Brown, Cochran, Eddie, Kerns, Middlebrook, Newhouse Segal, Pahre and Reilly; First Vice President Boro; President Moylan
NOES (0): None

[Note: The above recommendation was forwarded to the Board of Directors meeting of February 9, 2007, for action.]

3. Monthly Report on Activities Related to Marin Local Service Contract with Marin County Transit District

The monthly report on activities related to the Marin Local Service contract with the Marin County Transit District (MCTD) was furnished to the Transportation Committee. The report included the following elements:

1. A spreadsheet from the Planning Department outlining GGT bus service performance of both District regional routes and MCTD local routes, providing statistics regarding riders per hour, revenue per hour, cost per hour, fare recovery and deficit per passenger for the two types of bus service, for the months of November and December 2006; and,
2. A spreadsheet from the Auditor-Controller outlining the history of payments made to date by MCTD to the District for intra-county bus transit services in Marin County, under the new five-year Agreement with the MCTD for Marin Local Bus Service, which became effective on May 1, 2006.

Due to the high volume of agendas and minutes from Marin County agencies related to this item, hard copies of those items were not provided to the Committee. Instead, electronic versions of the following items were posted on the District's web site:

1. Agenda of the January 22, 2007, meeting of MCTD;
2. Agenda of the December 12, 2006, meeting of MCTD;
3. Minutes of November 14, 2006, meeting of MCTD;

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 8, 2007/PAGE 5**

4. Agenda of the January 25, 2007, meeting of the Transportation Authority of Marin (TAM);
 5. Agenda and minutes of the December 14, 2006, meeting of TAM;
 6. Agenda and minutes of the November 16, 2006, meeting of TAM;
 7. Agenda of the October 26, 2006, meeting of TAM;
 8. Agenda of the December 14, 2006, meeting of the TAM Executive Committee; and,
 9. Minutes of the November 8, 2006, meeting of the TAM Executive Committee.
- Copies of all of the above-listed items are available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

4. Comments by Committee Members

Director Boro introduced to the Committee his Job Shadow, Katherine Kanarek, who is a senior-year student at Terra Linda High School in San Rafael. Ms. Kanarek is accompanying Director Boro throughout his workday as part of a program sponsored by the Marin County Office of Education.

5. Public Comment

There was no public comment.

6. Adjournment

All business having been concluded, the meeting was adjourned at 10:15 a.m.

Respectfully submitted,

Harold C. Brown, Jr., Chair
Transportation Committee

HCB:JST:KBE:kbe



February 8, 2007
(For Board: February 23, 2007)

REPORT OF THE FINANCE-AUDITING COMMITTEE

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

Honorable Members:

A meeting of the Finance-Auditing Committee was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Thursday, February 8, 2007, at 10:15 a.m., Acting Chair Pahre presiding.

Committee Members Present (7): Vice Chair Pahre; Directors Boro, Cochran, Eddie, Middlebrook and Reilly; President Moylan (Ex Officio)

Committee Members Absent (2): Chair Stroeh; Director Grosboll

Other Directors Present (2): Directors Kerns and Newhouse Segal

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Division Susan C. Chiaroni; Deputy General Manager/Ferry Division James P. Swindler; Deputy General Manager/Administration and Development Teri W. Mantony; Director of Risk Management and Safety William Stafford; Executive Assistant to the General Manager Amorette Ko; Assistant Clerk of the Board Patsy Whala

Visitors Present: Katherine Kanarek, Terra Linda High School Student/Job Shadow for Director Boro; Anthony R. Withington, President, Amalgamated Transit Union, Local No. 1575

1. Status Report on the Renewal of the Marine Insurance Program

In a memorandum to Committee, Director of Risk Management/Safety William Stafford, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a status report on the District's Marine Insurance Program, including the current market conditions, as well as the efforts made in the Ferry Division to reduce its loss experience. This program renews on February 28, 2007.

The report stated that the Marine Insurance Program is comprised of Hull and Machinery/Protection and Indemnity Insurance, Vessel Pollution Insurance and Marine Liability Insurance (including Terminal Operator's Legal Liability and Excess Protection and Indemnity Insurance). The premium cost for Hull and Machinery/Protection and Indemnity policy of insurance was higher prior to 2004, but has begun to decline and become more stable in recent years for Marine accounts with a favorable loss history due to an increased level of competition in the Marine insurance market. As a result, staff has requested that Marsh Risk & Insurance Services (Marsh), the District's insurance broker, expand their marketing efforts this year after limited marketing in 2006.

The report also stated that, over the past three years, the Ferry Division has developed a favorable loss history by instituting proactive risk management practices for the reduction of loss and claims, including a hazard analysis program and scheduling maintenance activity at non-peak times.

The report further stated that the District purchases Hull and Machinery/Protection and Indemnity Insurance in amounts equal to the approximate replacement costs of its Ferry vessels, along with primary Protection & Indemnity limits of \$1,000,000. The limits of liability for the excess Protection & Indemnity and Marine liabilities were raised from \$75,000,000 to \$100,000,000 in 2006, given the scope of potential loss from Marine operations. Staff anticipates that the FY 07/08 premium quotations will be in the range of plus or minus five percent of the expiring premium of \$542,700. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

At the meeting, William Stafford provided a brief overview of the District's Marine Insurance Program and stated that, over the past few years, Ferry operations have improved significantly from a risk management perspective. He stated that the improvements can be attributed to the actions taken by the Ferry Division management, including placing a high priority on correcting unsafe conditions and establishing better follow-through on accident investigation.

**FINANCE-AUDITING COMMITTEE
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Discussion ensued, including the following:

- Director Middlebrook requested an update on the status of the pending litigation against Marsh and McLennan Companies, Inc., et al initiated by the District as it may bear on the contractual relationship with Marsh. In response, Mr. Wire stated that in 2003, the Board authorized a Professional Services Agreement with Marsh for a three-year term, with two one-year extensions, and that currently the District has exercised the first one-year extension, and plans on exercising its option for the second and final one-year extension. Mr. Miller stated that, after discussion with the special counsel involved in the litigation, it was determined that it would not be prejudicial to the District to continue the insurance broker services with Marsh, as a business decision, without implications to the litigation.
- Chair Pahre commented that if the percent of change of the expiring premium is plus or minus five percent, as expected, there could be a significant financial savings of \$25,000. In response, Mr. Wire stated that staff developed the budget based on projections made by Marsh last year, which show the projected premiums as a three to five percent increase over the previous year's premiums. He concurred that if the premiums decrease or remain the same, the difference will be a significant savings to the District and, with future financial projections, can cause considerable savings to the overall deficit. Mr. Wire noted that the District is benefiting from the measures that were implemented by Ferry Division management to reduce loss, making the District more marketable. He also noted that the insurance market is cyclical and that the current market is soft, which promotes lower rates.

Action by the Board – None Required

2. Public Comment

There was no public comment.

3. Adjournment

All business having been concluded, the meeting was adjourned at 10:25 a.m.

Respectfully submitted,

Barbara L. Pahre, Acting Chair
Finance-Auditing Committee



February 9, 2007
(For Board: February 23, 2007)

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

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

Honorable Members:

A meeting of the Rules, Policy and Industrial Relations Committee/Committee of the Whole was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Friday, February 9, 2007, at 9:30 a.m., Chair Pahre presiding.

Committee Members Present (7): Chair Pahre; Directors Grosboll, Martini, McGlashan, McGoldrick and Newhouse Segal; President Moylan (Ex Officio).

Committee Members Absent (2): Vice Chair Hernández; Director Sandoval

Other Directors Present (5): Directors Boro, Cochran, Eddie, Kerns and Middlebrook

Committee of the Whole Members Present (12): Directors Cochran, Eddie, Grosboll, Kerns, Martini, McGlashan, McGoldrick, Middlebrook, Newhouse Segal and Pahre; First Vice President Boro; President Moylan

Committee of the Whole Members Absent (7): Directors Brown, Dufty, Hernández, Reilly, Sandoval and Stroeh; Second Vice President Ammiano

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Division Susan C. Chiaroni; Deputy General Manager/Ferry Division James P. Swindler; Deputy General Manager/Administration and Development Teri W. Mantony; Information Systems Director Robert Haar; Executive Assistant to the General Manager Amorette Ko; Assistant Clerk of the Board Patsy Whala

Visitors Present: None

**REPORT OF RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/
COMMITTEE OF THE WHOLE
FEBRUARY 9, 2007/PAGE 2**

1. Approve Two Capital-Funded Positions to Support Major Technology Projects

In a memorandum to Committee, Director of Human Resources Larry Daniel, Deputy General Manager/Administration and Development Teri Mantony, and General Manager Celia Kupersmith reported on staff's recommendation to approve two new capital-funded staffing positions in the Information Systems Department and in the Electrical Department, to support major technology projects.

Information Systems Department/District Division

The report provided background information regarding the 2003 purchase of the Spear software system which is designed for use in the transit industry to manage maintenance systems, purchasing and inventory control. The various Spear applications allow for preventive maintenance planning, enhanced productivity, detailed tracking and record keeping, standardization of practices, inventory control and streamlined purchasing practices. The Spear technology application is currently used by the Procurement and Retail Operations Department for purchasing and inventory functions and was implemented as part of the Integrated Fund Accounting System (IFAS). The goal is to implement additional Spear applications for use by staff in the Bridge, Bus and Ferry divisions to assist in managing maintenance activities.

The report stated that the continued effort to implement the Spear technology system has been delayed due to various circumstances. Staff recommends approval of a regular Senior Applications Support Specialist position, at a salary range of \$72,150 – \$87,224, to provide project oversight to complete the implementation process and to serve as support staff once the system is fully implemented. The position would be classified at the same level as the position which supports the IFAS financial, human resources and payroll systems.

Electrical Department/Bridge Division

The report also stated that the approved capital plan includes a \$10 million project to replace the existing aging radio system, due to the increasing challenges to maintain obsolete equipment. This system is used by the Bridge, Bus and Ferry divisions for daily communications. The Board of Directors, by Resolution No. 2006-082 at its meeting of October 26, 2006, authorized execution of a Professional Services Agreement with Booz Allen Hamilton, Inc., to develop the scope and preliminary design of the Radio Replacement and Intelligent Transportation System project. Within the total project budget is funding for staff support to lead the project implementation.

The report further stated that staff recommends approval of a regular Communication Systems Project Manager position, at a salary range of \$80,746 – \$97,594, to provide project oversight for implementation of the project, and, ultimately, to coordinate the development, installation, training, and initial operation and maintenance of the various components of the Radio Replacement and Intelligent Transportation System project. Presently, maintenance functions for the radio communication systems are performed by staff in the Electrical Department of the Bridge Division and the proposed position will fall under the supervision of the Electrical Superintendent.

**REPORT OF RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/
COMMITTEE OF THE WHOLE
FEBRUARY 9, 2007/PAGE 3**

The report noted that the total annualized amount for these positions would be approximately \$260,000, which will be funded by their respective capital project budgets. The report also noted that the Senior Applications Support Specialist position will be 65% grant funded, with the remaining 35% monies to be derived from the District Division Operating budget, for the first 12 months. Following the 12-month period, monies for this position will be included in the District Division Operating budget. The report further noted that the Communication Systems Project Manager position will be 80% grant funded, with the remaining 20% monies to be derived from the Bus Division Operating budget, for the first 12 months. Following the 12-month period, this position will continue to be funded in the Bus Division Capital budget for the life of the Radio Replacement and Intelligent Transportation System project, which is anticipated to last three to five years. At the end of the project, it is anticipated that monies for this position will be included in the Bridge Division Operating budget. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Ms. Mantony summarized the staff report and stated that the two positions are needed to assist with the implementation of major technology projects being undertaken by the District. She also stated that by filling the Senior Applications Support Specialist position at this stage of the project, the individual will have the opportunity to be involved with the configuration of the Spear system applications. Ms. Mantony further stated that, with the approval of the Communication Systems Project Manager position, the individual will be able to oversee the Radio Replacement and Intelligent Transportation System project at the beginning of this multi-division project, which includes operating, administration and security functions at the District. She further noted that by hiring project managers dedicated to a specific assignment, these large cross-functional team projects can be implemented successfully.

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

RECOMMENDATION

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve the following actions relative to staffing changes:

- a. Add one regular Senior Applications Support Specialist position in the Information Systems Department, District Division, at a salary range of \$72,150 – \$87,224, plus fringe benefits, to provide project oversight and support for continued implementation of the Spear technology system;
- b. Add one regular Communication Systems Project Manager position in the Electrical Department, Bridge Division, at a salary range of \$80,746 – \$97,594, plus fringe benefits, to coordinate the development, installation, training, and initial operation and maintenance of the various components of the Radio Replacement and Intelligent Transportation System project; and,
- c. Amend the Table of Organization accordingly;

**REPORT OF RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/
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FEBRUARY 9, 2007/PAGE 4**

with the understanding that: 1) the Senior Applications Support Specialist position will be 65% grant funded, with the remaining 35% monies to be derived from the District Division Operating budget, for the first 12 months, and with the further understanding that following the 12-month period, monies for this position will be included in the District Division Operating budget; and, 2) the Communication Systems Project Manager position will be 80% grant funded with the remaining 20% monies to be derived from the Bus Division Operating budget, for the first 12 months, and with the further understanding that following the 12-month period, this position will be funded in the Bus Division Capital budget for the life of the Radio Replacement and Intelligent Transportation System project, which is anticipated to last three to five years and, at the end of the project, it is anticipated that monies for this position will be included in the Bridge Division Operating budget.

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

AYES (10): Directors Cochran, Eddie, Grosboll, Martini, McGlashan, Middlebrook, Newhouse Segal and Pahre; First Vice President Boro; President Moylan
NOES (0): None

[Note: The above recommendation was forwarded to the Board of Directors meeting of February 9, 2007, for action.]

2. Approve an Amendment to Rule III of the Rules of the Board Relative to Bringing Forward Actions by a Committee to the Board of Directors for Consideration

In a memorandum to the Committee, Secretary of the District Janet Tarantino and General Manager Celia Kupersmith reported on staff's recommendation to approve an amendment to Rule III, of the *Rules of the Board*, relative to bringing forward actions by a Committee to the Board of Directors (Board) for consideration.

The report stated that the third paragraph of Rule III, COMMITTEES, Subsection D, Committee Reports and Agenda, currently reads as follows:

“Matters calendared for Committee meetings held during the week of a regularly scheduled Board meeting shall be presented at the next following regularly scheduled Board meeting, except that any Committee Chair may direct the Secretary of the District to list on the Board Agenda any items scheduled for consideration by his or her Committee meeting to be held less than 72 hours before the next Board meeting, and except as otherwise permitted by law. (Res. 86-363, 12/19/86.)”

**REPORT OF RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/
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FEBRUARY 9, 2007/PAGE 5**

For continuity and ease of operation, staff is recommending that matters originating from standing committees that require action by the Board be presented at the next regularly scheduled meeting of the Board. Currently, matters originating from standing committees requiring action are presented to the Board for their consideration at the Board meeting scheduled in two weeks, unless business needs call for earlier consideration. In recent times, Committee actions have been taken up at the first Board meeting occurring after the Committee's consideration of the matter.

The report also stated that staff has received feedback from Board members commenting on the smoother operation due to more timely consideration of Committee matters. Comments have also been received from members of the public who have expressed confusion about the delay in Board consideration of a Committee's action.

The report further stated that staff is recommending that the process be amended to routinely have Committee actions be brought forward immediately to the next Board meeting for consideration by the full Board, unless otherwise deemed necessary by the Committee Chair. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Janet Tarantino summarized the staff report, stating that it has been the practice over the past year that Committee actions are being brought forward immediately to the next Board meeting for consideration and approval by the full Board, which is inconsistent with the *Rules of the Board (Rules)*. She noted that amending the *Rules* will assist with the ease understanding for the members of the Board, as well as for the public. Ms. Kupersmith stated that the amendment has language that allows the Committee members to continue an action item to the next regularly scheduled Board meeting, if further information or discussion on a particular matter is needed. Ms. Kupersmith also stated that it is important to have the *Rules* match what is actually taken place by the Board.

Discussion ensued, including the following:

- Director Middlebrook inquired as to whether the new policy would affect the workload in the District Secretary's office. In response, Ms. Tarantino stated that the new policy would not affect the workload in the District Secretary's office, since the present procedure is to include a summary of "Next-Day" action items, along with the appropriate staff report, in the Board binders. She further stated that if this amendment is approved, it is the intention of staff, in the future, to have the Board approve Committee minutes by listing the minutes on the Board agenda under the Consent Calendar.

**REPORT OF RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/
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- Director Grosboll made the following comments and inquiries:
 - He stated that he was not aware of any communications from the public regarding the cycle of Board action items and inquired as to whether the public has expressed concerns that “Next-Day” action items are presented and approved by the Board too quickly; thereby, not allowing enough time for the public to express their comments. In response, Ms. Kupersmith stated that the District has not received any written communications from the public that action items have been presented too soon for comment. She stated that some members of the public have expressed frustration when an action item has been cycled to the next following regularly scheduled Board meeting. She noted that there are very few action items that are presented directly to the Board without prior Committee discussion.
 - He expressed concerns about a controversial action item being presented to the Board for approval the next day. In response, Ms. Kupersmith and David Miller reassured that the amendment being presented allows for the Board to continue matters that need further discussion or public input.

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

RECOMMENDATION

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve an amendment to Rule III, COMMITTEES, Subsection D, Committee Reports and Agenda, of the *Rules of the Board*, by replacing the third paragraph in its entirety to read as follows:

"Matters calendared for Committee meetings resulting in recommendations for action by the Board shall be presented at the next regularly scheduled Board meeting, unless otherwise decided by the Committee Chair."

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

AYES (11): Directors Cochran, Eddie, Grosboll, Kerns, Martini, McGlashan, Middlebrook, Newhouse Segal and Pahre; First Vice President Boro; President Moylan

NOES (0): None

[Note: The above recommendation was forwarded to the Board of Directors meeting of February 9, 2007, for action.]

**REPORT OF RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/
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3. Public Comment

There was no public comment.

4. Adjournment

All business having been concluded, the meeting was declared adjourned at 9:55 a.m.

Respectfully submitted,

Barbara L. Pahre, Chair
Rules, Policy and Industrial Relations Committee

BLP:JST:PLW:plw



03-2007

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

FEBRUARY 9, 2007

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, February 9, 2007, at 10:00 a.m., President Moylan presiding.

ROLL CALL

Directors Present (14): Directors Brown, Cochran, Dufty, Eddie, Grosboll, Kerns, Martini, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre; First Vice President Boro; President Moylan

Directors Absent (5): Directors Hernández, Reilly, Sandoval and Stroeh; Second Vice President Ammiano

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Division Susan C. Chiaroni; Deputy General Manager/Ferry Division James P. Swindler; Deputy General Manager/Administration and Development Teri W. Mantony; Public Affairs Director Mary C. Currie; Executive Assistant to the General Manager Amorette Ko; Assistant Clerk of the Board Karen B. Engbretson; Lieutenant Paul Linder

Visitors Present: None

PLEDGE OF ALLEGIANCE

Director Harold C. Brown, Jr., led the Board of Directors in the Pledge of Allegiance to the Flag.

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PUBLIC COMMENT

There was no public comment.

CONSENT CALENDAR

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

- AYES (14):** Directors Brown, Cochran, Dufty, Eddie, Grosboll, Kerns, Martini, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre; First Vice President Boro; President Moylan
NOES (0): None
ABSENT (5): Directors Hernández, Reilly, Sandoval and Stroeh; Second Vice President Ammiano

1. Approve the Minutes of the Regular Meeting of the Board of Directors of January 26, 2007

Carried

2. Denial of Claims

- a. Subrogation Claim of Allstate Insurance Company (Insured: Eric Roos) **Carried**

3. Ratify Actions by the Auditor-Controller

Resolution No. 2007-007 (Finance-Auditing Committee, January 25, 2007) ratifies actions taken by the Auditor-Controller, as follows:

- a. Ratify commitments and/or expenditures for the period of December 1, 2006, through December 31, 2006, totaling \$32,547.00;
b. Ratify investments made by the Auditor-Controller during the period December 5, 2006, through January 15, 2007, as follows;

SECURITY	PURCHASE DATE	MATURITY DATE	ORIGINAL COST	PERCENT YIELD
Dexia Delaware LLC Commercial Paper	12/05/06	12/21/06	8,999,951.00	5.25
FHLMC Disc Note	12/13/06	12/26/06	2,167,960.68	5.16
Morgan Stanley Commercial Paper	12/18/06	01/16/07	7,780,827.40	5.29
Barclays Bank PLC NY Certificate of Deposit	12/21/06	03/21/07	10,000,000.00	5.32
Goldman Sachs Group Commercial Paper	12/21/06	01/31/07	8,413,006.75	5.29
Societe Generale NA Commercial Paper	12/26/06	03/01/07	7,224,595.56	5.32
UBS Fin Delaware LLC Commercial Paper	01/05/07	02/07/07	5,821,820.06	5.28

**BOARD OF DIRECTORS MEETING
FEBRUARY 9, 2007/PAGE 3**

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between January 15, 2007, and February 12, 2007, and all other funds not required to cover expenditures that may become available; and,
- d. Accept the Investment Report for December 2006 prepared by Public Financial Management.

Adopted

GENERAL MANAGER'S REPORT

4. Distinguished Budget Presentation Award from the Government Finance Officers Association

General Manager Celia Kupersmith announced that the District has been honored with the Distinguished Budget Presentation Award by the Government Finance Officers Association (GFOA). Ms. Kupersmith stated that for the first time in the history of the District, the District's budget document has been recognized by the GFOA, a national association of government finance professionals, as meeting nationally recognized guidelines for effective budget presentation. She noted that this award represents a significant achievement by the District, demonstrating how much progress the District has made over the past ten years to improve its budget document. She publicly commended Auditor-Controller Joseph Wire and the following Auditor-Controller staff members who are primarily responsible for preparing the budget document: Budget and Program Analysis Manager Jennifer Mennucci, Capital and Grant Programs Manager Gayle Prior, Budget Program Analyst Joanne Leone, Budget Program Analyst Rick Driscoll, Business Process Analyst Alice Ng, Capital and Grant Programs Analyst Lynne Yu and Administrative Assistant Jeff Dion. Ms. Kupersmith also acknowledged the leadership of the Board of Directors and the Executive Team for providing the guidance and necessary documentation to create a successful budget that also concurrently serves as a policy document, a financial plan and an operations guide that effectively communicates the District's financial health.

Joseph Wire recognized the General Manager's commitment to improving the budget document and also acknowledged the contributions of the Deputy General Managers and other management staff in preparing the sections of the budget document pertaining to work plans and accomplishments.

5. Presentation of Employee of the Month Award for February 2007 to Neil Hurley, Deckhand, Ferry Division

President Moylan presented the Employee of the Month Award for February 2007 to Neil Hurley, Deckhand, Ferry Division, and expressed his congratulations on behalf of the Board of Directors.

6. Announcement Regarding Timing of Potential Toll Increase

Celia Kupersmith reported that the Board of Directors, at its September 8, 2006 Joint Board of Directors Meeting/Workshop, directed staff to begin the process for a potential toll increase on the Golden Gate Bridge in early 2007, as one of the strategies to address the District's remaining \$87 million five-year shortfall. Ms. Kupersmith stated that another key deficit reduction strategy, the development of a Partnership Program, is currently underway. In light of the fact that the Partnership Program is not yet fully developed, Ms. Kupersmith advised that, after consulting with President Moylan, it was determined that further action regarding a potential toll increase should be deferred until more is known about the possibility of a Partnership Program and its potential to help reduce the District's remaining shortfall. Ms. Kupersmith stated that a meeting of the *Corporate Partnership Advisory Committee* was held February 8, 2007, and she briefly explained the status of Phase I of the Partnership Program. She noted that the preliminary in-depth analysis currently underway does not involve naming rights or other advertising strategies that are not being considered by the District, but may include identification of District assets appropriate for partnership opportunities. She further stated that it is anticipated that the Partnership Program consultants will present their findings to the Board of Directors in May 2007, after which the Board of Directors will discuss whether to proceed with Phase II, the implementation of a Partnership Program.

Discussion ensued, including the following:

- Director McGoldrick inquired as to how much of the five-year shortfall of \$87 million would be solved by the Partnership Program and how much would be solved by a potential toll increase. In response, Ms. Kupersmith stated that at the September 8, 2006 Joint Board of Directors Meeting/Workshop, the Board discussed several toll increase options which would generate \$75 million to \$80 million in revenue over a five-year period. She stated that staff is seeking more information in order to determine how much revenue can be generated by the Partnership Program, as well as by other deficit reduction strategies. She noted that it is assumed that other deficit reduction strategies, in addition to a potential toll increase, will be needed to address the \$87 million shortfall.
- Director Grosboll expressed his concerns about adequate moneys being raised by a Partnership Program in lieu of a potential toll increase. In response, Ms. Kupersmith stated that the Partnership Program is not intended to take the place of a potential toll increase, but would be just one of several strategies that the District will undertake to address the shortfall.

ATTORNEY'S REPORT

7. Attorney David Miller reported that all items contained in the Attorney's Report were informational. Mr. Miller also reported that it would not be necessary to hold a closed session at the conclusion of the meeting, regarding Item No. 6.B.1., listed on the Agenda as, *Employment Contracts for the Auditor-Controller and the Secretary of the District*. He stated that the Advisory Committee for Review of Officers of the District, which met

**BOARD OF DIRECTORS MEETING
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February 9, 2007, have not yet completed its discussions regarding the employment contracts for the Auditor-Controller and the Secretary of the District. Therefore, he reported that the matter will be continued for further discussion at the February 23, 2007 meeting of the Board of Directors.

ENGINEER'S REPORT

8. No written report was presented by District Engineer Denis Mulligan. A written report is presented to the Board of Directors by the District Engineer at the second Board meeting of the month.

At the meeting, Denis Mulligan reported that on January 31, 2007, the District advertised Contract No. 2006-B-1, *Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing and North Pylon*. He noted that the advertisement of this contract is a significant milestone for the District, and he commended the leadership of Deputy District Engineer Ewa Bauer and the efforts of other key Engineering Department staff, the attorneys and the consultant team regarding this project. He stated that the contract is 100% grant funded, and it is anticipated that the bid opening for Contract No. 2006-B-1 will take place on May 1, 2007.

REPORT OF THE BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF JANUARY 25, 2007

9. All items contained in this report are informational, as the items requiring Board action were acted upon by the Board of Directors at its meeting of January 26, 2007.

REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF FEBRUARY 8, 2007

10. **Authorize Execution of an Agreement with the County of Marin Department of Public Works to Operate the Third Year of the Muir Woods Shuttle Bus Demonstration Project**

Directors BROWN/KERNS

Resolution No. 2007-008 authorizes execution of an agreement with the County of Marin Department of Public Works to operate the third year of the Muir Woods Shuttle Bus Demonstration project, beginning Saturday, May 5, 2007, through Sunday, September 30, 2007, at an approximate cost of \$249,475, with the understanding that the County of Marin will reimburse the Golden Gate Bridge, Highway and Transportation District for providing said service.

Adopted

AYES (14): Directors Brown, Cochran, Dufty, Eddie, Grosboll, Kerns, Martini, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre; First Vice President Boro; President Moylan

NOES (0): None

ABSENT (5): Directors Hernández, Reilly, Sandoval and Stroeh; Second Vice President Ammiano

**REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE
WHOLE MEETING OF JANUARY 25, 2007**

11. All Non-Consent Calendar items contained in this report are informational.

**REPORT OF THE RULES, POLICY AND INDUSTRIAL RELATIONS
COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF FEBRUARY 9, 2007**

12. **Approve Two Capital-Funded Positions to Support Major Technology Projects**

Directors MARTINI/KERNS

Resolution No. 2007-009 approves the following actions relative to staffing changes:

- a. Add one regular Senior Applications Support Specialist position in the Information Systems Department, District Division, at a salary range of \$72,150 – \$87,224, plus fringe benefits, to provide project oversight and support for continued implementation of the Spear technology system;
 - b. Add one regular Communication Systems Project Manager position in the Electrical Department, Bridge Division, at a salary range of \$80,746 – \$97,594, plus fringe benefits, to coordinate the development, installation, training, and initial operation and maintenance of the various components of the Radio Replacement and Intelligent Transportation System project; and,
 - c. Amend the Table of Organization accordingly;
- with the understanding that: 1) the Senior Applications Support Specialist position will be 65% grant funded, with the remaining 35% monies to be derived from the District Division Operating budget, for the first 12 months, and with the further understanding that following the 12-month period, monies for this position will be included in the District Division Operating budget; and, 2) the Communication Systems Project Manager position will be 80% grant funded with the remaining 20% monies to be derived from the Bus Division Operating budget, for the first 12 months, and with the further understanding that following the 12-month period, this position will be funded in the Bus Division Capital budget for the life of the Radio Replacement and Intelligent Transportation System project, which is anticipated to last three to five years and, at the end of the project, it is anticipated that monies for this position will be included in the Bridge Division Operating budget.

Adopted

- AYES (14):** Directors Brown, Cochran, Dufty, Eddie, Grosboll, Kerns, Martini, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre; First Vice President Boro; President Moylan
- NOES (0):** None
- ABSENT (5):** Directors Hernández, Reilly, Sandoval and Stroeh; Second Vice President Ammiano

**BOARD OF DIRECTORS MEETING
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13. Approve an Amendment to Rule III of the Rules of the Board Relative to Bringing Forward Actions by a Committee to the Board of Directors for Consideration

Directors MARTINI/KERNS

Resolution No. 2007-010 approves an amendment to Rule III, COMMITTEES, Subsection D, Committee Reports and Agenda, of the *Rules of the Board*, by replacing the third paragraph in its entirety to read as follows:

“Matters calendared for Committee meetings resulting in recommendations for action by the Board shall be presented at the next regularly scheduled Board meeting, unless otherwise decided by the Committee Chair.”

Adopted

AYES (14): Directors Brown, Cochran, Dufty, Eddie, Grosboll, Kerns, Martini, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre; First Vice President Boro; President Moylan

NOES (0): None

ABSENT (5): Directors Hernández, Reilly, Sandoval and Stroeh; Second Vice President Ammiano

ADJOURNMENT

14. All business having been concluded, the meeting was adjourned at 10:25 a.m., in the memory of Leo T. McCarthy, Joseph King, Frances L. Del Moro, Michael Doyle, Jared Michael and Vincent Landaker.

Respectfully submitted,

Janet S. Tarantino
Secretary of the District

JST:KBE:kbe

Memorandum

425 Market Street, 26th Floor, San Francisco, CA 94105
Tele: (415) 777-3200, Facsimile: (415) 541-9366

HANSON
BRIDGETT
MARCUS
VLAKOS
RUDY-LLP


TO: Board of Directors
FROM: David J. Miller
DATE: February 12, 2007
RE: Board Meeting on February 23, 2007

Claim of Rafael Martin Fierro

The District received a claim on behalf of Rafael Martin Fierro alleging property damage in the amount of \$1,462.50. Claimant alleges that on July 7, 2006, at 2nd and Lincoln Streets in San Rafael, a District bus struck the left side of his vehicle when the bus made a lane change into the lane in which he was traveling. Claimant further alleges that as a result of the accident he was without a car for 32 days and has incurred car rental expenses. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Respectfully submitted,



DAVID J. MILLER

DJM:aer