



Agenda Item No. 4.A.

To: Board of Directors
Special Meeting of December 7, 2007

From: Celia G. Kupersmith, General Manager

Subject: **APPROVE POSITION SUPPORTING LEGISLATION TO AUTHORIZE
THE SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY TO
COLLECT A TOLL FROM USERS OF DOYLE DRIVE**

Recommendation

It is recommended that the Board of Directors approve a position of support for proposed legislation calling for collection of a toll on Doyle Drive by the San Francisco County Transportation Authority (SFCTA) contingent upon any such toll being collected from all users of Doyle Drive.

Background

In August 2007, the federal Department of Transportation announced that the Bay Area was to be awarded \$158.7 million in discretionary grant funds under the Urban Partnership Program. The funds would be available for a variety of projects whose fundamental purposes involve congestion management. Among the projects to be funded are the Doyle Drive reconstruction and, of particular interest to the District, parking improvements at the Larkspur Ferry Terminal. All parties impacted receiving funds through the Urban Partnership Program were required to sign a Memorandum of Understanding with the Department of Transportation. This MOU is presented in Attachment 1 and includes a detailed listing of all funded projects.

The Urban Partnership Program grant requires that, as a condition of receiving the funds, a congestion management toll be collected on Doyle Drive with the understanding that the funds collected would be used to assist in funding the reconstruction of Doyle Drive. The grant requires that the legal authority to collect tolls on Doyle Drive must be in place by March 31, 2008, and tolls must be collected starting no later than September 30, 2009.

Currently the lead agency on the Doyle Drive reconstruction project, the SFCTA, does not have any authority to collect a toll and they intend to seek such legislative authority in the upcoming 2008 session. SFCTA in conjunction with the Metropolitan Transportation Commission (MTC) has developed plans for pursuit of such legislation and it is our understanding that Senator Leland Yee intends to sponsor the legislation as soon as possible in the 2008 session. Director Jake McGoldrick, as the Chair of the SFCTA, has sent a letter to the District requesting that we

take a position of support for their efforts to get legislation in place by the March 31st deadline. This letter is presented in Attachment 2.

Given the fast timeframe required by the grant for attaining tolling authority, the SFCTA and MTC have expressed concerns that the legislation may not be in place by the March 31st deadline. They have opened discussions with the District about using our tolling authority to meet the deadline if legislation is not in place.

The District has repeatedly stated its strong concern that any Doyle Drive toll impact all users of the roadway and not just those that access it via the Golden Gate Bridge. The District's Attorney has researched the question of whether the District has the legal authority to impose a congestion management toll on all users of Doyle Drive. He has determined that the District does not have that authority. The District's Attorney will present his formal legal opinion regarding this question at the December 7th Special Board Meeting.

It is recommended that the District take a formal position that states its support of SFCTA's efforts to get legislative authority to collect tolls on Doyle Drive, subject to the legislation including language that makes it clear that all users of Doyle Drive will be tolled and not just those who access the facility from the Golden Gate Bridge. Without such language calling for all users to be tolled, the District should not support any legislation that calls for tolling of Golden Gate Bridge users only for purposes of funding Doyle Drive reconstruction. Given that the Urban Partnership Program grant specifically requires that there be an element of congestion pricing in the collection of a Doyle Drive toll, it is critical that the toll be collected from all users of Doyle Drive who collectively contribute to the congestion experienced on Doyle Drive.

In regards to the funds that are within the Urban Partnership Program for use by the District to enhance Larkspur Ferry Terminal parking, staff is beginning the discussion of such efforts at the December 6, 2007, Building and Operating Committee meeting.

Fiscal Impact

Supporting efforts to meet all the requirements for the Urban Partnership Program could result in the region successfully meeting all of the grant requirements and the District specifically receiving \$12.8 million for Larkspur Ferry Terminal parking improvements. If the grant's requirements are not met, the funds in the Partnership program are at risk. The District currently has approximately \$7 million in its 10-year capital program for parking improvements to which this extra \$12.8 million would be added if ultimately received.

Attachments



ATTACHMENT 1

**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TTY/TDD 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

October 8, 2007

To: Celia Kupersmith, Golden Gate Bridge, Highway and Transportation District
Rick Fernandez, AC Transit
Nathaniel Ford, San Francisco Municipal Transportation Authority
Will Kempton, Caltrans
Jose Luis Moscovich, San Francisco County Transportation Authority

Re: Transmittal of final Urban Partnership MOU with signatures

Dear Partners:

Please find attached, for your records, a copy of the final Urban Partnership MOU with signatures of all U.S. DOT and Bay Area parties.

On behalf of Steve and others at MTC, thanks to you and your staff for your patience as we collectively sort out how to proceed with the various administrative steps (RTP and TIP amendments and grant agreements) in light of the MOU conditions. Should you have any questions regarding next steps, please contact Craig Goldblatt of my staff at 510.817.5837 or cgoldblatt@mtc.ca.gov.

Very truly yours,

Therese McMillan
Deputy Executive Director, Policy

TM:lk

J:\PROJECT\Urban Partnership Proposal 2007\UPA Terms\MOU and Signatures\Transmittal to partners - final signed MOU.doc
Enclosure

Bill Dodd, Chair
Napa County and Cities

Scott Haggerty, Vice Chair
Alameda County

Tom Anuniano
City and County of San Francisco

Tom Azumbrado
U.S. Department of Housing
and Urban Development

Tom Bates
Cities of Alameda County

Bob Blanchard
Sonoma County and Cities

Dean J. Chu
Cities of Santa Clara County

Dave Cortese
Association of Bay Area Governments

Dorene M. Giacomini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Anne W. Halsted
San Francisco Bay Conservation
and Development Commission

Steve Kinsey
Marin County and Cities

Sue Lempert
Cities of San Mateo County

Jon Rubin
San Francisco Mayor's Appointee

Bijan Sartipi
State Business, Transportation
and Housing Agency

James P. Spering
Solano County and Cities

Adrienne J. Tissier
San Mateo County

Amy Worth
Cities of Contra Costa County

Ken Yeager
Santa Clara County

Steve Heminger
Executive Director

Ann Flemer
Deputy Executive Director, Operations

Andrew B. Fremier
Deputy Executive Director,
Bay Area Toll Authority

Therese W. McMillan
Deputy Executive Director, Policy

Urban Partnership Agreement
by and between
U.S. Department of Transportation
and its
San Francisco Bay-Area Urban Partner

Executive Summary

This Urban Partnership Agreement sets forth an agreement in principle between the U.S. Department of Transportation (the "Department") and the Department's San Francisco Bay-Area Urban Partner, comprised of Alameda-Contra Costa Transit District, the California Department of Transportation ("Caltrans"), the Metropolitan Transportation Commission, the San Francisco Municipal Transportation Agency, the San Francisco County Transportation Authority, the Bay Area Toll Authority, and the Golden Gate Bridge, Highway and Transportation District. Under this agreement, the Urban Partner agrees to (i) implement variable pricing on either Doyle Drive or the Golden Gate Bridge – in either case to reduce the level of traffic congestion on Doyle Drive; (ii) variably-price on-street and off-street parking in downtown San Francisco; (iii) improve regional ferry boat service; (iv) develop a simplified travel forecasting approach for a Very Small Starts project in the Grand/MacArthur bus rapid transit ("BRT") corridor; (v) provide travelers with integrated mobility accounts; (vi) upgrade hardware/software in key corridors leading to and throughout downtown San Francisco to improve the movement of traffic and transit vehicles; (vii) upgrade the regional 511 system to provide real-time pricing, parking, and transit information; (viii) create a Vehicle Infrastructure Integration ("VII") test bed along Doyle Drive; and (ix) expand the technical and promotional aspects of San Francisco's telecommuting and related alternative commute programs. In addition, the Urban Partner agrees that all projects will be in operation by not later than September 30, 2009. In exchange for these commitments, the Department intends to allocate \$158.7 million in Federal grant funding for projects (i) through (viii), according to the terms of a grant agreement (or a series of grant agreements) to be negotiated by the Department and the Urban Partner. The Urban Partner will be responsible for funding the expansion of the telecommuting and alternative commute programs.

THIS MEMORANDUM OF UNDERSTANDING (this "MOU"), dated as of August 6, 2007, is made by and among the Secretary of Transportation (the "Secretary"), the Federal Highway Administration ("FHWA"), the Federal Transit Administration ("FTA"), the Research and Innovative Technology Administration ("RITA") (the Secretary, FHWA, FTA, RITA, collectively, the "Department"), and the undersigned State, county and/or municipal governmental entities, as the case may be (collectively, the "Urban Partner").

Agreement in Principle

1. **Agreement in Principle.** This MOU sets forth an agreement in principle among the undersigned concerning the terms and conditions of Federal assistance to be provided by the Department for the transportation projects described herein. This MOU represents solely the intent of the parties (including, without limitation, the intent of the Department to allocate funds as set forth in Section 4(a) below), and no party shall be legally bound hereby. Any agreement between the Department and the Urban Partner concerning funding of the transportation projects described herein shall be set forth in a grant agreement (or a series of grant agreements) (the "Grant Agreements") to be negotiated and executed by the parties to this MOU. The Department reserves the right, in its discretion, not to fund the transportation projects (or any part thereof) described in this MOU or otherwise set forth in the application filed by the Urban Partner to the Urban Partnership Program.

2. **Background.** Transportation system congestion is one of the greatest threats to our Nation's economic prosperity and way of life. Whether it takes the form of trucks stalled in traffic, cargo stuck at overwhelmed seaports, or airplanes stuck on the tarmac, congestion costs the Nation an estimated \$200 billion a year. The problem of traffic congestion in our major metropolitan areas in particular is severe and worsening. In 2003, traffic jams in the Nation's largest 85 urban areas cost Americans 3.7 billion hours and 2.3 billion gallons of fuel. Congestion is also affecting the quality of life in America by robbing us of time that could be spent with families and friends and in participation in civic life.

The signatories to this MOU do not believe that gridlock is our inevitable fate. In May 2006, the Department announced a major initiative to reduce transportation system congestion. This plan, the *National Strategy to Reduce Congestion on America's Transportation Network* (the "Congestion Initiative"), provides a blueprint for Federal, State, and local officials to consider as they work together to reverse the alarming trends of congestion. One major component of the Congestion Initiative is the Urban Partnership Agreement (or "UPA"). As announced in the Department's solicitation for Urban Partners published in the Federal Register on December 8, 2006 (at 71 FR 71231 (2006)) (the "Federal Register Notice"), applicants designated by the Department as Urban Partners would adopt the "Four Ts:" tolling (congestion pricing), transit, telecommuting and technology – strategies believed to be effective on a combined basis in reducing traffic congestion. In return for such commitment, the Department, to the extent requested and appropriate, would support its Urban Partners' implementation of the Four Ts with financial resources, regulatory flexibility, and dedicated expertise and personnel.

3. **Designation as Urban Partner.** In accordance with the Federal Register Notice and for purposes of this MOU, the Department designates each of the following entities, collectively, as an "Urban Partner:"

- (a) Alameda-Contra Costa Transit District;
- (b) Bay Area Toll Authority;
- (c) San Francisco County Transportation Authority;
- (d) California Department of Transportation;
- (e) Golden Gate Bridge Highway and Transportation District;
- (f) Metropolitan Transportation Commission; and
- (g) San Francisco Municipal Transportation Agency.

4. **Grant Agreements.** The Department and the Urban Partner agree to negotiate a grant agreement (or a series of grant agreements) that would reflect the following terms and conditions:

- (a) **Federal Projects and Sources of Funding.** The Department shall provide funding for each of the following projects (the "Federal Projects") under the Federal programs and in the amounts provided below, in each case subject to the statutes, regulations and the implementing guidance of the Department governing such programs and subject to the Urban Partner's agreement to commence the Local Projects set forth in Section 4(b):

Project	Source of Funding	Amount of Funding
<i>Tolling (congestion pricing) projects</i>		
<ul style="list-style-type: none"> • Variable pricing of either Doyle Drive or the Golden Gate Bridge. The Urban Partner will implement variable pricing on either Doyle Drive or at the toll plazas of the Golden Gate Bridge (based on the level of traffic congestion on Doyle Drive). 	<ul style="list-style-type: none"> • FHWA's Public Lands Highway Discretionary Program 	<ul style="list-style-type: none"> • \$12.0 million in contract authority funds made available for obligation for Fiscal Year 2007

Project	Source of Funding	Amount of Funding
<ul style="list-style-type: none"> • Reconstruction of Doyle Drive. The Urban Partner will reconstruct Doyle Drive and provide associated parking enhancements as needed to improve access to the Presidio. 	<ul style="list-style-type: none"> • FHWA's Public Lands Highway Discretionary Program 	<ul style="list-style-type: none"> • \$35.3 million in contract authority funds made available for obligation for Fiscal Year 2007
<ul style="list-style-type: none"> • Downtown parking pricing (on-street and off-street). The Urban Partner will implement variable pricing and management of on-street and off-street parking in downtown San Francisco. 	<ul style="list-style-type: none"> • FHWA's Value Pricing Pilot Program ("VPPP") 	<ul style="list-style-type: none"> • \$10.0 million in contract authority funding shall be made available for obligation from either Fiscal Year 2007, 2008, or 2009; such funding will be made available no later than Fiscal Year 2009, subject to availability for obligation.
	<ul style="list-style-type: none"> • FHWA's Transportation, Community, and System Preservation Program ("TCSP") 	<ul style="list-style-type: none"> • \$10.0 million in contract authority funds made available for obligation for Fiscal Year 2007
<i>Transit projects</i>		
<ul style="list-style-type: none"> • Implement SFgo Arterial Traffic Management System ("ATMS"). The Urban Partner will implement transit signal priority at 500 key intersections leading to and throughout downtown San Francisco to facilitate the movement of transit vehicles and general traffic. The SFgo ATMS will include fiber optic cable, traffic signal controller upgrades including software, global positioning system ("GPS") transit signal priority, and closed-circuit television / variable message signage "CCTV/VMS"). • Signal controller upgrades. The Urban Partner will upgrade signal controllers and software in key corridors leading to and throughout downtown San Francisco to improve traffic/transit operations related to Doyle Drive. 	<ul style="list-style-type: none"> • FTA's Bus and Bus-Related Facilities Discretionary Grant Program ("Section 5309") 	<ul style="list-style-type: none"> • \$58.0 million in funds appropriated for Fiscal Year 2006 or Fiscal Year 2007
<ul style="list-style-type: none"> • Improvements to regional ferry service. The Urban Partner will carry out a number of projects to improve regional ferry boat service, as described in applications filed by the Golden Gate Bridge Highway and Transportation District for funding under FHWA's Ferry Boat Discretionary Program. 	<ul style="list-style-type: none"> • FHWA's Ferry Boat Discretionary Program 	<ul style="list-style-type: none"> • \$12.8 million in contract authority funds made available for obligation for Fiscal Year 2006 or Fiscal Year 2007
<ul style="list-style-type: none"> • Improvements to travel forecasting in Oakland. The Urban Partner will develop a "simplified travel forecasting approach" for a Very Small Starts project in Grand/MacArthur BRT corridor in Oakland. 	<ul style="list-style-type: none"> • FTA's Alternatives Analysis Discretionary Program 	<ul style="list-style-type: none"> • \$400,000 in funds appropriated for Fiscal Year 2007

Project	Source of Funding	Amount of Funding
<i>Technology projects</i>		
<ul style="list-style-type: none"> • Creation of Integrated Mobility Accounts. The Urban Partner will develop the processing center, infrastructure, and applications to support the tolling operation and integrate FasTrak and TransLink accounts. • 511 upgrades. The Urban Partner will upgrade the regional 511 system to provide real-time pricing, parking, and transit information. • Doyle Drive VII test bed. The Urban Partner will create a vehicle infrastructure integration ("VII") test bed along Doyle Drive. 	<ul style="list-style-type: none"> • RITA's Intelligent Transportation Systems Operational Testing to Mitigate Congestion ("ITS-OTMC") Program 	<ul style="list-style-type: none"> • \$20.2 million in funds appropriated when needed and available, but in any event no later than the end of Fiscal Year 2009; funding subject to appropriation

(b) **Local Projects to be Implemented by Urban Partner.** In connection with the implementation of the Federal Projects, the Urban Partner shall agree to commence the following projects (the "Local Projects"):

(i) The Urban Partner will expand the technical and promotional aspects of San Francisco's telecommuting and related alternative commute programs.

(c) **Completion of Projects.** Unless otherwise agreed by the Department and the Urban Partner, both the Federal Projects and the Local Projects shall be in operation by not later than September 30, 2009 (except for reconstruction of Doyle Drive, which shall be completed not later than 2015, provided that such reconstruction does not interfere materially with the pricing of the facility). In the event that the action(s) funded in connection with the Urban Partnership Agreement experience delay due to circumstances beyond the control of the Urban Partner, the Department may either negotiate an extended completion date or terminate the action(s).

(d) **Other Terms and Conditions.** Each of the Grant Agreements shall additionally provide that:

(i) Except for \$1.6 million in funds allocated to the Urban Partner under the Value Pricing Pilot Program for pre-implementation purposes, no funds obligated by the Grant Agreements shall be drawn down by the recipient unless and until all legal authority necessary to implement each of the Federal Projects (including, without limitation, legal authority to implement congestion pricing) has been duly adopted and taken effect, which authority shall be adopted and in effect not later than March 31, 2008;

(ii) No funds obligated by the Grant Agreements shall be drawn down by the recipient unless and until each member of the Urban Partner with the authority to toll has agreed to exempt privately operated over-the-road buses from tolls to the same extent it has exempted (or proposes to exempt) public transportation from tolls in connection with the Federal Projects;

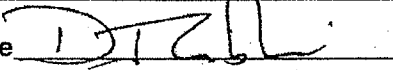
(iii) The Department reserves the right to de-obligate funds obligated under any of the Grant Agreements (or to require the return of such funds) in the event a recipient breaches or otherwise fails to perform under any of the Grant Agreements;

- (iv) The recipient shall not assess congestion charges against any vehicles owned or operated by any foreign government or international organization or its representatives, officers, or employees if notified by the U.S. Department of State that, pursuant to U.S. international legal obligations, the vehicles are exempt from such charges;
 - (v) The recipient makes customary representations to the Department that the Federal Projects comply (or will comply) with all applicable Federal, State and local laws;
 - (vi) The recipient agrees to provide to the Department (and its designees) access to the Federal Projects and all data collected by the recipient with respect to the Federal Projects for purposes of the Department's oversight of the Federal Projects; and
 - (vii) To the extent requested by the Department, the recipient agrees to designate an independent third party to perform all program evaluations required by law or as reasonably directed by the Department in order to assist in the evaluation of the Federal Projects.
- (e) **Actions Prior to Execution of Grant Agreements.** Prior to the execution of the Grant Agreements, the Department shall have received the following, in addition to usual and customary deliverables:
- (i) A new or amended application to each of the following grant programs, as required by the Department: FHWA Ferry Boat Discretionary Program (to be filed by the Golden Gate Bridge, Highway and Transportation District), FHWA Public Lands Highway Discretionary Program, FHWA Transportation, Community, and System Preservation Program; and
 - (ii) An opinion of counsel from each respective recipient, satisfactory in form and substance to the Department, concerning the Federal Projects.

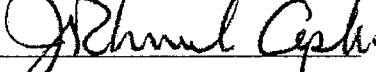
5. Non-Disclosure. Prior to the public announcement of the Urban Partner by the U.S. Secretary of Transportation, the undersigned agree not to disclose the contents hereof to any third party, except by written agreement of the Department or as required by law.

[Signatures appear on the following page.]

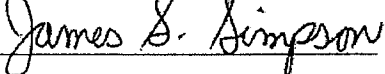
United States Department of Transportation

Signature  Date 9/6/07

D. J. Gribbin, General Counsel, United States Department of Transportation

Signature  Date 9/5/07

J. Richard Capka, Federal Highway Administrator

Signature  Date 9-5-07

James S. Simpson, Federal Transit Administration

Signature  Date 9/5/07

Paul Brubaker, Research and Innovative Technology Administrator

Urban Partner

Signature _____ Date _____

Will Kempton, Director, California Department of Transportation

Signature _____ Date _____

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Signature _____ Date _____

Nathaniel P. Ford, Sr., Executive Director & Chief Executive Officer, San Francisco Municipal Transportation Agency

Signature _____ Date _____

Rick Fernandez, General Manager, Alameda-Contra Costa Transit District

Signature _____ Date _____

Steve Heminger, Executive Director, Bay Area Toll Authority

Signature _____ Date _____

Celia Kupersmith, General Manager, Golden Gate Bridge Highway and Transportation District

Signature _____ Date _____

José Luis Moscovich, Executive Director, San Francisco County Transportation Authority

United States Department of Transportation

Signature _____ Date _____

Mary E. Peters, Secretary of Transportation

Signature _____ Date _____

J. Richard Capka, Federal Highway Administrator

Signature _____ Date _____

James S. Simpson, Federal Transit Administration

Signature _____ Date _____

John A. Bobo, Jr., Research and Innovative Technology Administrator (Acting)

Urban Partner

Signature Will Kempton Date 9/11/07

Will Kempton, Director, California Department of Transportation

Signature Steve Heminger Date 8/6/2007

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Signature _____ Date _____

Nathaniel P. Ford, Sr., Executive Director & Chief Executive Officer, San Francisco Municipal Transportation Agency

Signature _____ Date _____

Rick Fernandez, General Manager, Alameda-Contra Costa Transit District

Signature Steve Heminger Date 8/6/2007

Steve Heminger, Executive Director, Bay Area Toll Authority

Signature _____ Date _____

Celia Kupersmith, General Manager, Golden Gate Bridge Highway and Transportation District

Signature _____ Date _____

Jose Luis Moscovich, Executive Director, San Francisco County Transportation Authority

Urban Partnership Agreement
August 6, 2007
Page 6 of 6

Execution Copy

United States Department of Transportation

Signature _____ Date _____

Mary E. Peters, Secretary of Transportation

Signature _____ Date _____

J. Richard Capka, Federal Highway Administrator

Signature _____ Date _____

James S. Simpson, Federal Transit Administration

Signature _____ Date _____

John A. Bobo, Jr., Research and Innovative Technology Administrator (Acting)

Urban Partner

Signature _____ Date _____

Will Kempton, Director, California Department of Transportation

Signature _____ Date _____

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Signature *Nathaniel P. Ford, Sr.* Date *Aug. 20, 2007*

Nathaniel P. Ford, Sr., Executive Director & Chief Executive Officer, San Francisco Municipal Transportation Agency

Signature _____ Date _____

Rick Fernandez, General Manager, Alameda-Contra Costa Transit District

Signature _____ Date _____

Steve Heminger, Executive Director, Bay Area Toll Authority

Signature _____ Date _____

Cella Kupersmith, General Manager, Golden Gate Bridge Highway and Transportation District

Signature _____ Date _____

José Luis Moscovich, Executive Director, San Francisco County Transportation Authority

United States Department of Transportation

Signature _____ Date _____

Mary E. Peters, Secretary of Transportation

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J. Richard Capka, Federal Highway Administrator

Signature _____ Date _____

James S. Simpson, Federal Transit Administration

Signature _____ Date _____

John A. Bobo, Jr., Research and Innovative Technology Administrator (Acting)

Urban Partner

Signature _____ Date _____

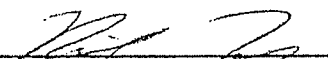
Will Kempton, Director, California Department of Transportation

Signature _____ Date _____

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Signature _____ Date _____

Nathaniel P. Ford, Sr., Executive Director & Chief Executive Officer, San Francisco Municipal Transportation Agency

Signature  Date 8/24/07

Rick Fernandez, General Manager, Alameda-Contra Costa Transit District

Signature _____ Date _____

Steve Heminger, Executive Director, Bay Area Toll Authority

Signature _____ Date _____

Celia Kupersmith, General Manager, Golden Gate Bridge Highway and Transportation District

Signature _____ Date _____

José Luis Moscovich, Executive Director, San Francisco County Transportation Authority

United States Department of Transportation

Signature _____ Date _____

Mary E. Peters, Secretary of Transportation

Signature _____ Date _____

J. Richard Capka, Federal Highway Administrator

Signature _____ Date _____

James S. Simpson, Federal Transit Administration

Signature _____ Date _____

John A. Bobo, Jr., Research and Innovative Technology Administrator (Acting)

Urban Partner

Signature _____ Date _____

Will Kempton, Director, California Department of Transportation

Signature _____ Date _____

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Signature _____ Date _____

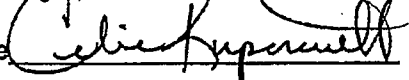
Nathaniel P. Ford, Sr., Executive Director & Chief Executive Officer, San Francisco Municipal Transportation Agency

Signature _____ Date _____

Rick Fernandez, General Manager, Alameda-Contra Costa Transit District

Signature _____ Date _____

Steve Heminger, Executive Director, Bay Area Toll Authority

Signature  Date 8/21/07

Celia Kupersmith, General Manager, Golden Gate Bridge Highway and Transportation District

Signature _____ Date _____

José Luis Moscovich, Executive Director, San Francisco County Transportation Authority

**Urban Partnership Agreement
August 6, 2007
Page 6 of 6**

Execution Copy

United States Department of Transportation

Signature _____ Date _____

Mary E. Peters, Secretary of Transportation

Signature _____ Date _____

J. Richard Capka, Federal Highway Administrator

Signature _____ Date _____

James S. Simpson, Federal Transit Administration

Signature _____ Date _____

John A. Bobo, Jr., Research and Innovative Technology Administrator (Acting)

Urban Partner

Signature _____ Date _____

Will Kempton, Director, California Department of Transportation

Signature _____ Date _____

Steve Heminger, Executive Director, Metropolitan Transportation Commission

Signature _____ Date _____

Nathaniel P. Ford, Sr., Executive Director & Chief Executive Officer, San Francisco Municipal Transportation Agency

Signature _____ Date _____

Rick Fernandez, General Manager, Alameda-Contra Costa Transit District

Signature _____ Date _____

Steve Heminger, Executive Director, Bay Area Toll Authority

Signature _____ Date _____

Celia Kupersmith, General Manager, Golden Gate Bridge Highway and Transportation District

Signature _____ Date 8/6/07

José Luis Moscovich, Executive Director, San Francisco County Transportation Authority

ATTACHMENT 2

San Francisco County Transportation Authority

100 Van Ness Avenue 26th Floor
San Francisco, California 94102-5244
415.522.4800 FAX 415.522.4829
info@sfcta.org www.sfcta.org

November 13, 2007

The Honorable John J. Moylan
President, Board of Directors
Golden Gate Bridge Highway and Transportation District
P.O. Box 9000, Presidio Station
San Francisco, CA 94129

Subject: Tolling on Doyle Drive

Dear Mr. Moylan:

As you know, several Bay Area transportation agencies, including the Golden Gate Bridge Highway and Transportation District (GGBHTD), have been selected by the US Department of Transportation (DOT) to receive a total of \$158 million in federal discretionary transportation funds through the Urban Partnership Program (UPP/UPA). According to the Letter of Intent (LOI) developed by DOT, receipt of the funds is conditioned upon our ability to obtain legal authority to implement a toll on Doyle Drive by March 31, 2007. The toll would not need to start collection until approximately September 2009. The UPA grant will pay for the collection equipment and all other expenses required to implement the toll collection system.

The Authority, with the active support of Mayor Newsom, is partnering with the Metropolitan Transportation Commission to advocate vigorously in Sacramento for the enactment of the enabling legislation that would authorize the imposition of the toll by the grant recipient. Senator Leland Yee is expected to carry the legislation. We have the explicit support of Senate President Pro Tem Don Perata in this effort. While we are confident that we can obtain authorization, we recognize the challenge of getting this done between January, when the Legislature reconvenes, and March 31, as stipulated in the LOI.

In the event the legislative effort should extend beyond March 31, we are seeking to put in place a fallback alternative. It should be understood that our main goal in respect to this alternative is to demonstrate compliance with the LOI in order to avoid loss of \$158 million to the Bay Area, including the GGBHTD's share of the grant amount. We do not anticipate that it will be necessary to engage the GGBHTD in the actual collection effort. In discussions with the DOT, we understand that a resolution by the GGBHTD supporting toll collection on or for Doyle Drive would meet the UPA LOI requirements. We anticipate a process of several months to finalize various aspects of the toll collection program, and we fully expect that the GGBHTD would be involved in that process.

I would appreciate your forwarding the request to your Board for a full discussion at the earliest possible date before January 2008, and would be happy to assist the District staff to ensure that you and your Board have the information needed in order to make an informed decision on this topic.

2007 NOV 16 PM 12:12
SECRETARY OF THE DISTRICT



Moving the City.

COMMISSIONERS

Jake McGoldrick
CHAIR

Ed Jew
VICE CHAIR

Michela Alioto-Pier

Tom Ammiano

Chris Daly

Bevan Dufty

Sean Elsbernd

Sophie Maxwell

Ross Mirkarimi

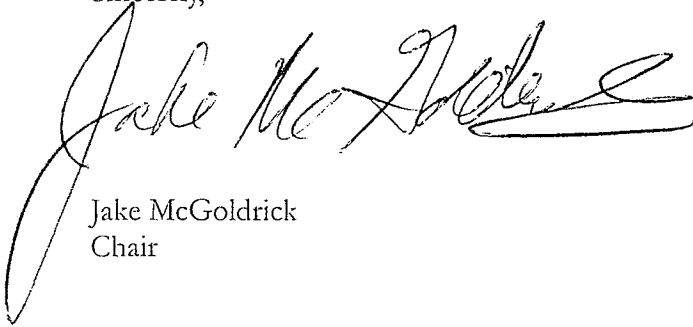
Aaron Peskin

Gerardo Sandoval

José Luis Moscovich
EXECUTIVE DIRECTOR

Thanks for your cooperation and I look forward to further contacts.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jake McGoldrick". The signature is written in black ink and is positioned above the typed name and title.

Jake McGoldrick
Chair

cc: Celia Kupersmith – GGBHTD
David Miller – Legal Counsel, GGBHTD
José Luis Moscovich – SFCTA
Stan Taylor – Legal Counsel, SFCTA