



March 21, 2008

BOARD OF DIRECTORS MEETING
FRIDAY, MARCH 28, 2008

5. CONSENT CALENDAR:

A. Approve the Minutes of the Following Meetings:

1. Finance-Auditing Committee/Committee of the Whole of March 13, 2008; and,
2. Regular Meeting of the Board of Directors of March 14, 2008.

Motion

B. Attorney's Report
Denial of Claims

1. Claim of Semen Leverant **Motion**
2. Application for Leave to Present Late Claim and Claim of Zoe Brodeur **Motion**
3. Subrogation Claim of Geico Direct (Insured: Maha Elmeligy) **Motion**
4. Application for Leave to Present Late Claim and Claim of Daniel Jimenez **Motion**
5. Claim of Heather Langley **Motion**
6. Claim of Marin Airporter **Motion**
7. Claim of Margaret Schlachter **Motion**
8. Claim of Vinay Nadkarni **Motion**
9. Subrogation Claim of California Casualty Management Company (Insured: Carol Mack) **Motion**

Attachments

March 13, 2008



**REPORT OF THE FINANCE-AUDITING COMMITTEE/
COMMITTEE OF THE WHOLE**

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

Honorable Members:

A meeting of the Finance-Auditing Committee/Committee of the Whole was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Thursday, March 13, 2008, at 10:05 a.m., Chair Stroeh presiding.

Committee Members Present (9): Chair Stroeh; Vice Chair Pahre; Directors Boro, Cochran, Eddie, Grosboll, Middlebrook and Reilly; President Moylan (Ex Officio)

Committee Members Absent (0): None

Other Directors Present (4): Directors Kerns, McGlashan, Newhouse Segal and Sanders

Committee of the Whole Members Present (13): Directors Cochran, Eddie, Grosboll, Kerns, McGlashan, Middlebrook, Newhouse Segal, Pahre, Reilly, Sanders and Stroeh; First Vice President Boro; President Moylan

Committee of the Whole Members Absent (6): Directors Brown, Dufty, Hernández, McGoldrick and Sandoval; 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; Director of Risk Management and Safety William Stafford; Director of Planning Alan R. Zahradnik; Deputy District Engineer Ewa Z. Bauer; Budget and Program Analysis Manager Jennifer Mennucci; Assistant Clerk of the Board Karen B. Engbretson; Executive Assistant to the General Manager Amorette Ko

Visitors Present: David Hoffman, Marin County Bicycle Coalition; Andrew Fremier, Metropolitan Transportation Commission/Bay Area Toll Authority; Tilly Chang, San Francisco County Transportation Authority; Norman Rolfe, San Francisco Tomorrow

1. Authorize Filing Grant Applications with the Federal Transit Administration for FY 07/08 Section 5307, Section 5309 and Flex Funds Capital Assistance

In a memorandum to Committee, Capital and Grant Programs Manager Gayle S. Prior, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith reported on staff's recommendation for approval to file Section 5307, Section 5309 and Flex Funds grant applications with the Federal Transit Administration (FTA) for FY 07/08 federal capital assistance funds. The report stated that the Metropolitan Transportation Commission (MTC) has programmed \$31,857,582 in FY 07/08 to support implementation of ten District transit capital projects. The report also stated that these grant funds are earmarked through the Section 5307 Federal Urbanized Area Formula Program and the Section 5309 Federal Capital Program, as well as Flex Funds, including the federal Congestion Mitigation and Air Quality Improvement Program (CMAQ), the federal Ferry Boat Discretionary Program (FBD) and the federal Nonmotorized Transportation Pilot Program (NTPP).

The grant funds will be used for the following transit capital projects, all of which are included in the District's 10-Year Capital Plan:

1. Replacement Buses;
2. Advanced Communication and Information System;
3. Preventative Maintenance;
4. Facilities Rehabilitation;
5. Transit Safety and Security;
6. Ferry Major Components;
7. Ferry Channel and Berth Dredging;
8. Ferry Fixed Guideway Connectors;
9. Larkspur Ferry Terminal Parking Improvements; and,
10. San Rafael Transit Center Improvements.

The report also stated that in addition to the grant funds programmed for the above-listed capital projects, the MTC has also programmed \$2,200,000 for District pass-through funds for implementation of the TransLink® regional electronic fare project. As part of administering the federal pass-through funds to MTC for TransLink® implementation, it will be necessary to revise the District's pass-through agreement with the MTC to add the new \$2,200,000 increment of federal funds to the project. The report noted that these grant funds require a District local match of \$8,005,726, as well as \$285,033 in local match funds to be provided by the MTC, to meet the total local match requirement of \$8,290,759.

As background, the report stated that the MTC, in partnership with Bay Area county congestion management agencies and local transit operators, has developed a multi-modal approach to programming the above-described federal grant funds to high-priority transit, bicycle, pedestrian and roadway projects. Once these funds are programmed by the MTC, individual transit agencies must secure the funds through a grant application process and by execution of a grant funding agreement with the FTA. The report further stated that staff has begun preparation of the required grant materials and requests Board approval to submit the District's FY 07/08 Section 5307, Section 5309 and flex funds

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grant applications to the FTA to secure these federal capital funds in the amount of \$31,857,582. A copy of the report is available in Office the District Secretary and on the District's web site.

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors authorize the General Manager or her designee to file Section 5307 Federal Urbanized Area Formula Program funds, Section 5309 Federal Capital Program, and Flex Funds grant applications with the Federal Transit Administration for FY 07/08 federal grant funds to support various capital projects.

**Action by the Board at its meeting of March 14, 2008 – Resolution
NON-CONSENT CALENDAR**

AYES (12): Directors Cochran, Eddie, Grosboll, Kerns, McGlashan, Middlebrook, Pahre, Reilly, Sanders and Stroeh; First Vice President Boro; President Moylan
NOES (0): None

2. Approve Resolution Regarding Future Implementation of Congestion Pricing at the Golden Gate Bridge

In a memorandum to Committee, General Manager Celia Kupersmith reported on staff's recommendation to approve a resolution regarding future implementation of congestion pricing at the Golden Gate Bridge. The report stated that during its meetings of November 9, 2007, December 7, 2007, December 14, 2007 and, January 11, 2008, the Board of Directors had extensive discussions regarding the potential use of tolling to pay for reconstruction of Doyle Drive. Multiple resolutions about the potential Doyle Drive toll were discussed, but ultimately none were acted upon and the topic was continued to a date uncertain, subject to the approval of the Board President.

The report provided a detailed summary of "summit meetings" that were held in February 2008, at the behest of San Francisco Mayor Gavin Newsom, to further discuss the challenges of finding sufficient funds for the Doyle Drive reconstruction project. These meetings were attended by the Board's President and First Vice President, as well as by representatives from the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), and Marin and Sonoma counties. The report stated that these Doyle Drive summit meetings have focused on two primary issues: (1) how to achieve full funding of Doyle Drive; and, (2) how to meet key deadlines associated with the recently awarded Urban Partnership Program (UPP) grant. The report explained that the UPP grant awards a total of \$158.7 million for several congestion relief projects throughout the Bay Area, including at least \$36 million for

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Doyle Drive reconstruction and \$12.8 million for ferry system improvements, with the caveat that the legal authority to implement congestion pricing through tolls at either Doyle Drive or the Golden Gate Bridge must be in place as of March 31, 2008. In response to this deadline, the MTC and the SFCTA began efforts to acquire the legal authority to collect tolls on Doyle Drive, but no legislation has been forthcoming thus far.

The report also stated that in an effort to cooperate and support both the Doyle Drive reconstruction, as well as the various congestion mitigation projects funded through the UPP grant, staff and Bridge District representatives made an offer of assistance at the second summit meeting to pursue congestion pricing through tolling at the Golden Gate Bridge as a way of meeting the grant requirement. Specifically, they said that they would bring forward a resolution for consideration by the entire Bridge District Board that would clearly state the following: (1) the District has the legal authority to implement congestion pricing; and, (2) the District is committed to implementing some form of congestion pricing as part of the upcoming toll increase. The report stated that federal Department of Transportation (DOT) officials have approved the draft resolution, noting that the resolution will satisfy the UPP grant requirements. In addition, the draft resolution has also been reviewed by staff from key agencies involved in the UPP grant program, including the City and County of San Francisco, the MTC, and the SFCTA.

The report further stated that the draft resolution does not specify a congestion toll amount, but states that the specifics of such congestion pricing will be developed over the next 30-45 days and be available for public review as part of the ongoing toll increase process. The draft resolution also states that revenues generated by the congestion pricing component will be used on congestion relief projects or services aimed at further improving traffic flow in the Golden Gate Corridor, which is defined in the resolution to be the Golden Gate Bridge and its U.S. Highway 101 approaches, including Doyle Drive. The specific spending plan for the congestion pricing toll revenue will be decided by the Board of Directors at a future date. A copy of the report is available in Office the District Secretary and on the District's web site.

At the meeting, Celia Kupersmith provided background regarding the issue of congestion pricing, noting that the SFCTA first approached the District Board in August 2007, with a request for assistance in meeting the requirements of the UPP grant. She stated that throughout the summit meetings, the North Bay representatives remained opposed to the concept of using a Doyle Drive toll to pay for the Doyle Drive reconstruction project and endeavored to separate the issue of how to fully fund the Doyle Drive reconstruction project from the issue of preserving the UPP grant funds. She noted that the draft resolution represents a good faith effort on the part of the District to "save the day" and guarantee the award of the \$158.7 million UPP grant to worthy congestion relief projects in the Bay Area. She further stated that at the summit meetings, the attendees agreed to continue to work cooperatively on the larger issue of seeking additional monies for the Doyle Drive reconstruction project, with the goal of fully funding the project by July 1, 2008.

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Ms. Kupersmith provided a summary of the draft resolution, as described in the “Resolved” clauses, Paragraph Numbers. 1-8 on Pages 2 and 3 of the attached proposed resolution. She stated that the net proceeds of the congestion pricing toll will be used to support congestion relief projects or services within the Golden Gate Corridor, including Doyle Drive:

Discussion ensued, including the following:

- Chair Stroeh noted that the proposed resolution is not the first time that the District has considered congestion pricing at the Golden Gate Bridge, a concept which has been discussed by the Board of Directors several times in the past.
- Director McGlashan made the following comments:
 - He expressed his gratitude that the District could step up in a leadership role and save the important UPP grant monies for the San Francisco Bay Area region.
 - He stated that it is fitting that the District is proposing to implement congestion pricing on the Golden Gate Bridge, because the District is uniquely positioned to provide the public with a way around the toll by offering the District’s bus and ferry transit services as alternatives.
 - He noted that the District’s bus and ferry transit services effectively eliminate approximately 17,000 vehicles per day off of the Golden Gate Bridge and that currently, 45 percent of the District’s toll revenue is used to fund the bus and ferry transit services.
 - He expressed his opposition, for the record, to the use of any congestion toll revenue for the reconstruction of Doyle Drive, noting that such an action would impinge on the District’s ability to fund its own programs and services.
 - He stated that it is critical to communicate that the reconstruction of Doyle Drive is a State Highway Safety Project that should be paid for with state highway funds.
 - He stated that by using Golden Gate Bridge congestion pricing toll revenues to help pay for the Doyle Drive project would present an equity failure, by charging a single user group from the North Bay to pay for a state-owned roadway located within the City and County of San Francisco.
 - He noted that the federal Department of the Interior and the National Park Service, as owners of the property underlying the Doyle Drive project, are obligated to contribute funding for the project, especially since the project costs have escalated due to changes requested by the National Park Service.
- Director Boro made the following comments:
 - He quoted from the February 13, 2008, letter from DOT Secretary Mary Peters, noting that the DOT’s intent was that the proceeds from the congestion pricing toll be used to “meaningfully reduce congestion on Doyle Drive,” rather than raise revenue for the Doyle Drive project.

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- He suggested that an effective use of these toll proceeds would be to offer more opportunities to use public transit by increasing the frequency of certain Golden Gate Transit bus routes in the Golden Gate Corridor from 30 minutes to 15 minutes.
 - He expressed his concerns that the amount of the shortfall for the Doyle Drive project has been changing over the past several weeks, noting that the number has been fluctuating from \$470 million to \$160 million, and that it is important to have a firm number in mind before traveling to Washington, D.C., to seek additional federal funding for the project.
 - He suggested that a delegation also travel to Sacramento to seek funding from the State of California for the Doyle Drive project.
 - He stated that it was important that the matter of seeking tolling authority from the State Legislature for another agency has been removed from consideration.
 - He noted that at the first summit meeting in January 2008, it was reported that the original funding agreement for the Doyle Drive project included equal one-third contributions from the City and County of San Francisco, the State of California and the federal government. He noted that to date, the federal government has not contributed any funds towards the project.
- Director Grosboll made the following comments and inquiries:
 - He expressed his appreciation to his colleagues on the Board of Directors who participated in the summit meetings and proposed this good faith effort of compromise to save the UPP grant funding.
 - He inquired as to whether the wording in Paragraph Number 7 of the proposed resolution could be interpreted to mean that a portion of the District's proceeds would be set aside to pay for the Doyle Drive project. In response, Ms. Kupersmith answered in the affirmative, noting that the Board of Directors would make the final decision on how the proceeds of the congestion pricing toll would be used.
 - He inquired as to whether the District would be required to contribute funding for the Doyle Drive project, and Ms. Kupersmith noted that the wording in the proposed resolution does not require the District to contribute such toll revenue to the Doyle Drive project, but leaves open the possibility that the Board could choose to do so in the future.
 - He inquired regarding the wording in Paragraph Number 3 of the proposed resolution, which refers to congestion relief performance standards. In response, Ms. Kupersmith stated that the wording in Paragraph Number 3 is taken from an existing federal performance standard for "hot lanes," which are high-occupancy vehicle lanes in which single-occupant vehicles pay a toll to travel and which are free to carpools. She noted that the performance standard is an "aspiration goal" which covers the entire Golden Gate Corridor, not just the Golden Gate Bridge.
 - He inquired as to whether the SFCTA were still pursuing tolling authority from the California State Legislature. In response, Ms. Kupersmith stated that the SFCTA has agreed not to pursue such legislation until such time as the District has made its final decision regarding congestion pricing.

- Director Sanders made the following comments and inquiries:
 - She inquired as to whether elimination of the FasTrak® discount could be used to capture the additional congestion pricing toll. In response, Ms. Kupersmith stated that there are no specific toll proposals in place yet, but that staff will present proposals that could range from reducing the toll discount during peak hours to adding the congestion pricing toll on top of the proposed new toll rates. She noted that the electronic nature of FasTrak® allows for more pricing flexibility than do cash tolls.
 - She stated, for the record, her opinion is that the FasTrak® discount should be eliminated, because it is no longer necessary as an incentive to attract new FasTrak® users.
 - She stated, for the record, that it is important to remind the public that receiving the \$158.7 million in UPP grant funding will be a real boon to the Bay Area, especially since the funding is coming directly from the federal government and not at the expense of other worthy projects or from local fees or taxes.
 - She marveled at the fact that the decisions surrounding the UPP grant funding, with such a large amount of money at stake, were made by the respective government agencies in such a short time.

- Director Newhouse Segal expressed her appreciation to her colleagues on the Board of Directors who proposed this solution for meeting the UPP grant requirements by implementing a congestion pricing toll. She stated that the District will become a model for other agencies to follow with respect to using congestion toll revenue to reduce congestion.

- Director Cochran inquired as to whether the wording in Paragraph Number 3 of the proposed resolution would preclude the District from implementing congestion pricing on weekends. In response, Ms. Kupersmith clarified that the performance standard in Paragraph Number 3 applies to weekdays because Golden Gate Bridge users naturally drive slower on weekends as many of the drivers are visitors or local residents using the Bridge for recreational purposes.

- Director Pahre inquired regarding the omission of the words, “District” and “Golden Gate Bridge” from the wording in Paragraph Number 5 of the proposed resolution. In response, Attorney Miller explained that in the context of the entirety of the proposed resolution language, there is nothing to suggest that any other agency would be involved in the District’s public outreach or decision-making process with respect to the adoption of a congestion pricing toll.

- Director Middlebrook made the following comments and inquiries:
 - She expressed her concerns that the amount of the Doyle Drive project shortfall is still fluctuating, noting that it would be much easier to seek federal funding in the amount of \$160 million, rather than \$460 million or \$370 million.

- She inquired as to true amount of the funding shortfall. In response, Ms. Kupersmith explained that the SFCTA has presented many ideas for shifting funding from other projects included in the UPP grant, and are also looking at such strategies as Value Engineering and getting the project reclassified as a Design/Build project in order to reduce construction costs.
- She stated, for the record, her serious concerns regarding contributing any of the District's proceeds from the congestion pricing toll towards the Doyle Drive project. In response, Ms. Kupersmith stated that she received a communication from a DOT official that clearly stated that the DOT "defers to the locality on the use of proceeds raised by variable tolling." She further stated that she interprets this to mean that the locality that controls the toll decides how to spend the proceeds from the toll.
- Director Reilly made the following comments and inquiries:
 - She inquired regarding the \$36 million in the UPP grant that would be earmarked for the Doyle Drive project. In response, Ms. Kupersmith stated that the \$640 million in dedicated funding includes the \$36 million from the grant, but not the \$10-\$11 million earmarked for tolling infrastructure on Doyle Drive. She explained that since the tolling infrastructure portion of the funding would be rendered unnecessary if the District collects the congestion pricing toll at the Golden Gate Bridge Toll Plaza, the SFCTA offered to make an "in lieu payment" towards the Doyle Drive project that would equal the amount of foregone tolls from users of Doyle Drive who do not cross the Golden Gate Bridge.
 - She inquired regarding changes to the toll increase public outreach process currently underway if the proposed resolution is approved. In response, Ms. Kupersmith stated that the specific amount and collection times for the congestion pricing toll will be disseminated to the public through the media and the District's web site in the next few months, in advance of the June 11, 2008, public hearing for the proposed toll increase. She stated that in accordance with District policy, the final proposal will be released 30 days before the public hearing.
- Director Kerns made the following comments and inquiries:
 - He commented that the District is doing the right thing by approving the implementation of a congestion pricing toll sometime between now and September 2009 in order to meet the March 31, 2008, deadline to preserve the \$158.7 million in UPP grant funding for the Bay Area.
 - He stated that, in his opinion, the Doyle Drive project, although it will be very costly, is an appropriate project for such a highly visible location within a National Park.
 - He noted that the parties involved in seeking additional federal funding for the Doyle Drive project are fortunate to have both California U.S. Senators, as well as the Speaker of the House of Representatives, from the Bay Area.
 - He concurred with Director Sanders that it would be prudent to eliminate the FasTrak® discount, because it is no longer needed as an incentive, since the real incentive for using FasTrak® is the convenience factor.

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- President Moylan expressed his support for the proposed resolution, but noted for the record that he is strongly opposed to using any Golden Gate Bridge toll revenues for the Doyle Drive project.
- Director Eddie expressed his concerns about using proceeds from the District's congestion pricing toll for the Doyle Drive project, noting that all State of California taxpayers should pay for that state-owned roadway.

Public Comment

David Hoffman, Director of Planning, Marin County Bicycle Coalition, requested that if a congestion pricing toll is approved at the Golden Gate Bridge, a portion of the net proceeds should be used to fund "Safe Routes to Transit" projects, which enable people to walk and/or bicycle safely to bus and ferry services within the Golden Gate Corridor.

Andrew Fremier, Deputy Executive Director, Bay Area Toll Authority, acknowledged the hard work of District Board members and staff at the summit meetings by opening up the dialog regarding Doyle Drive with more trust and transparency and working cooperatively to try to find additional funding sources for the project. He noted that the MTC is seeking legislation to allow the Doyle Drive reconstruction to be undertaken as a "Design/Build" project, which will save a significant amount of money by allowing the project to be completed early. He stated that the MTC supports the proposed resolution as written, and urged the Board of Directors to approve it.

Tilly Chang, Deputy Director for Planning, San Francisco County Transportation Authority, expressed her sincere gratitude to the District's leadership for creating a solution to preserve the UPP grant and potentially help resolve the Doyle Drive funding issue. She stated that staff from the SFCTA would welcome the opportunity to further clarify the financing for the Doyle Drive project, and noted that staff from the SFCTA will be attending the District's upcoming proposed toll increase open houses to answer any questions on the Doyle Drive project. She stated that the SFCTA are committed to continue working with the District, in the spirit of partnership and trust-building, to deliver a completed Doyle Drive project for the public.

- Director Grosboll inquired of Ms. Chang as to whether it is clearly understood by the SFCTA that the District remains opposed to collecting a toll for the Doyle Drive project, and Ms. Chang replied that the SFCTA understands the District's position.

Norman Rolfe reiterated comments he had made at previous meetings of the Board of Directors, expressing general opposition to the Presidio Parkway option for the reconstruction of Doyle Drive. He noted that the State of California, Department of Transportation has estimated that the existing Doyle Drive structure could be entirely rebuilt for approximately \$200 million, which is far less than the \$1.1 billion cost of the proposed parkway project. He urged the Board not to approve the motion unless the Doyle Drive project is revised.

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve the attached resolution regarding future implementation of congestion pricing at the Golden Gate Bridge.

**Action by the Board at its meeting of March 14, 2008 – Resolution
NON-CONSENT CALENDAR**

AYES (13): Directors Cochran, Eddie, Grosboll, Kerns, McGlashan, Middlebrook, Newhouse Segal, Pahre, Reilly, Sanders and Stroeh; First Vice President Boro; President Moylan
NOES (0): None

3. Approve Granting Authority to the Auditor-Controller, the Plan Administrator for the Golden Gate Bridge, Highway and Transportation District Supplemental Retirement Plan, to Adopt Certain Amendments to the Plan

In a memorandum to Committee, Capital and Grant Programs Manager Gayle S. Prior, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith reported on staff's recommendation to grant authority to the Auditor-Controller, the Plan Administrator for the Golden Gate Bridge, Highway and Transportation District Supplemental Retirement Plan (Plan), to adopt and execute certain amendments to the Plan. The report stated that the Board of Directors, by Resolution No. 2004-067 at its July 9, 2004, meeting, authorized various actions relative to the implementation of the Supplemental Retirement Plan and Trust (Plan). The report stated that the specific reason for creation of the Plan was to offset a previously unanticipated limit on includable compensation under the California Public Employees Retirement System (CalPERS). The Plan also serves as a vehicle to confer supplemental pension contributions that may be authorized from time to time in connection with the officer evaluation and compensation process. Under the terms of the resolution that created the Plan, the duties of the "Plan Administrator" were delegated to the District's Auditor-Controller, and the Auditor-Controller was empowered to engage necessary actuarial and investment advisory and to take all other actions necessary to effectuate, implement and administer the Plan.

The report also stated that because minor or administrative amendments are needed occasionally to the Plan, staff and the Attorney recommend that the Board adopt a resolution that grants authority to the Auditor-Controller, only after consultation with the District Attorney, to adopt and execute certain amendments to the Plan. These amendments are limited to facilitating administration of the Plan, securing a favorable determination letter from the IRS, and ensuring that the Plan reflects and operates in accordance with the Board's intent and statutory or regulatory changes. The report noted that any such amendments that otherwise affect a benefit under the Plan would be subject to approval by the Board.

The report further stated that due to recent updates made to the way in which the District processes and accounts for employee contributions to CalPERS, it is recommended that the Auditor-Controller be permitted to amend the Plan to clarify the Plan's acceptance of the employee contributions once the applicable limit on compensation has been reached under CalPERS, as well as to amend the Plan if similar changes to the Plan are needed in the future to reflect changes to CalPERS benefits, the tax law or underlying employments contracts previously approved by the Board. A copy of the report is available in Office the District Secretary and on the District's web site.

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve granting authority to the Auditor-Controller, the Plan Administrator for the Golden Gate Bridge, Highway and Transportation District Supplemental Retirement Plan (Plan), after consultation with the Attorney for the District, to adopt and execute amendments to the Plan that are limited to areas that:

1. Facilitate administration of the Plan;
2. Ensure that the Plan operates consistent with the intent of the Board of Directors in adopting the Plan or as necessary to comply with the changes in the governing laws; and,
3. Secure favorable determination letters from the Internal Revenue Service as may be necessary.

**Action by the Board at its meeting of March 14, 2008 – Resolution
NON-CONSENT CALENDAR**

AYES (13): Directors Cochran, Eddie, Grosboll, Kerns, McGlashan, Middlebrook, Newhouse Segal, Pahre, Reilly, Sanders and Stroeh; First Vice President Boro; President Moylan

NOES (0): None

4. Status Report on the Renewal of the Property 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 Property Insurance Program, which renews on April 8, 2007. The report stated that the Property Insurance Program is comprised of the District Facilities Insurance policy, the Boiler & Machinery Insurance policy and the newly established Bridge Self-Insurance Loss Reserve.

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The report described the current market conditions for property insurance, noting that although premiums for this category of insurance have decreased substantially in the past twelve months, the District's premiums remain relatively high because the District's facilities are located in an earthquake catastrophe zone. In addition, the fact that the District purchases \$20 million in earthquake coverage also contributes to the relatively high premiums. The report also stated that for the start of 2008, insurers are typically quoting renewal premiums with decreases of 15 percent to 25 percent for property accounts with the District's profile.

The report also described the current District Facilities Insurance policy, which provides \$45 million in coverage for all risks of physical loss or damage coverage, including flood, and \$20 million in coverage for earthquake loss, with a \$250,000 deductible. The premium for the 2006 renewal of the District Facilities Insurance policy was \$549,536. For the 2007 renewal, Marsh Risk & Insurance Services (Marsh), the District's insurance broker, had been asked to obtain premium quotes for a \$500,000 deductible, but the marketing results showed minimal premium savings. For the 2008 renewal, the District has requested that Marsh obtain quotes for increased earthquake coverage limits from \$20 million to \$25 million, in order to ensure that the District would be covered for rising construction costs. The total cost for the 2008 renewal is \$536,237, which is \$136,554 lower than the expiring premium of \$672,791. The 2008 premium for the Property Insurance Program is the lowest rate since the 2000 renewal.

The report also stated that Marsh provided the District with an option for a new layer of earthquake and flood coverage. The District was given the option of increasing the earthquake and flood limit from \$20 million to \$25 million, for an additional \$60,000. After careful consideration, staff recommends that this option should not be considered for the 2008 renewal.

The report further described the District's Bridge Self-Insurance Loss Reserve (Reserve), which was approved by the Board of Directors at the time of the 2006 Property Insurance Program renewal, due to the high cost of Bridge Property and Loss of Use coverage and the lack of coverage and limits afforded by the policy. The policy had covered Bridge physical damage and loss of use, and had excluded losses caused by earthquake and terrorism. The report noted that the Reserve is a District-managed fund, which would pay for a loss due to Bridge physical damage and/or loss of revenue. The Reserve was set up with strict rules of governance and would be available in losses exceeding \$10 million. In FY 05/06 and FY 06/07, \$1.3 million was allocated to the Reserve, with the understanding that funds in this approximate amount would be allocated to this account each year thereafter. It is anticipated that a similar request for an allocation of \$1.3 million will be made for FY 07/08. The report noted that to date, approximately \$2.8 million has been accrued into the Bridge Self-Insurance Loss Reserve. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

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At the meeting, William Stafford provided a brief overview of the District's Property Insurance Program, noting that the property insurance market has improved dramatically since last year, resulting in an overall 22 percent rate reduction for the Property Insurance Program. He also stated that staff will present a recommendation for renewal of the Property Insurance Program at the March 27, 2008, meeting of the Finance-Auditing Committee.

Discussion ensued, including the following:

- Director Pahre inquired as to whether the deductible has remained the same for the District Facilities Insurance policy. In response, Mr. Stafford answered in the affirmative, noting that the District sustained a loss amounting to approximately \$600,000 due to an incident in which another ferry operator's vessel collided with a berth at the District's San Francisco Ferry Terminal.

Action by the Board – None Required

5. Public Comment

There was no public comment.

6. Adjournment

All business having been concluded, the meeting was adjourned at 11:30 a.m.

Respectfully submitted,

J. Dietrich Stroeh, Chair
Finance-Auditing Committee

JDS:JDS:KBE:kbe

Attachment: Proposed Resolution Regarding Future Implementation of Congestion Pricing at the Golden Gate Bridge

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION 2008-

**RESOLUTION CONCERNING PROPOSED ADOPTION OF A VARIABLE PRICING
PLAN IN CONNECTION WITH TOLL INCREASE PROPOSALS, TO MITIGATE
REGIONAL CONGESTION ALONG THE GOLDEN GATE CORRIDOR**

March ____, 2008

WHEREAS, in August 2007, the U.S. Department of Transportation (the “Department”) awarded \$158.7 million in discretionary funds for the San Francisco Bay Area pursuant to the Urban Partnership Program (“UPP”), together with that certain Urban Partnership Agreement, dated as of August 6, 2007, by and between the Department and the parties named therein (the “Urban Partnership Agreement”); and,

WHEREAS, the Urban Partnership Agreement prescribes certain terms and conditions for use of the UPP funding; and,

WHEREAS, among the projects to be funded pursuant to the Urban Partnership Agreement are the reconstruction of Doyle Drive and improvements to the District’s regional ferry transit system as well as implementation of various congestion mitigation technologies and strategies within the San Francisco Bay Area; and,

WHEREAS, the District supports the reconstruction of Doyle Drive as an urgent public safety priority; and,

WHEREAS, the fundamental purpose of projects to be funded under the Urban Partnership Agreement is the reduction of traffic congestion in the San Francisco Bay Area through a mix of strategies involving variable pricing, public transit, telecommuting, and technology; and,

WHEREAS, the Urban Partnership Agreement provides that no funds may be drawn down by any 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”; and,

WHEREAS, the Urban Partnership Agreement requires that a variable pricing structure be in operation on either Doyle Drive or the Golden Gate Bridge Toll Plaza by not later than September 30, 2009; and,

WHEREAS, the District is supportive of variable pricing on a regional basis as a means of encouraging alternatives to single-occupant vehicle trips and as a means of encouraging the distribution of peak hour trips into non-peak hour travel times to reduce traffic congestion; and,

WHEREAS, the District has exhibited a commitment for more than 35 years to congestion relief through such measures as authorizing toll-free privileges for carpool users of the Golden Gate Bridge during peak hours, providing toll discounts to FasTrak[®] customers which has had the effect of reducing congestion at the Golden Gate Bridge Toll Plaza, and allocating on an annual basis over 45 percent of Golden Gate Bridge tolls to fund its regional bus and ferry public transit systems, thereby providing comprehensive and efficient alternatives to automobile usage; and,

WHEREAS, the provision of bus and ferry transit services subsidized by Golden Gate Bridge tolls averts approximately 32 percent of the peak hour automobile trips in the Golden Gate Corridor which, for purposes of this resolution consists of the Golden Gate Bridge and its Highway 101 approaches including Doyle Drive, that otherwise would occur in the absence of the District's multi-modal public transit system; and,

WHEREAS, the District has clear statutory authority to establish bridge tolls for the users of the Golden Gate Bridge, and the discretion to incorporate a variable pricing component to relieve regional traffic congestion along the Golden Gate Corridor; and, such component satisfies the requirement of the Urban Partnership Agreement that such tolling authority must exist by March 31, 2008, in order for the UPP funds to be drawn down; and,

WHEREAS, the District has launched a series of public meetings to review proposals to raise the toll on the Golden Gate Bridge above its current \$5 cash and \$4 FasTrak[®] amounts; and,

WHEREAS, as a signatory to the Urban Partnership Agreement committed to assuring that the benefits of such agreement are realized for the San Francisco Bay Area, and for the purpose of further mitigating regional congestion along the Golden Gate Corridor, including Doyle Drive, the District proposes to adopt a variable pricing plan in connection with its pending toll increase; **NOW, THEREFORE, BE IT**

RESOLVED, by the Board of Directors of the Golden Gate Bridge, Highway and Transportation District (the "Board of Directors"), that:

1. For purposes of Section 4(d)(i) of the Urban Partnership Agreement, the Board of Directors confirms the District possesses legal authority to implement congestion pricing on the Golden Gate Bridge, and has the legal authority to implement Federal projects within the Urban Partnership Agreement for which the District is the lead agency;

2. District staff shall develop a variable pricing component in connection with the Golden Gate Bridge toll increase proposals currently under consideration, for the purpose of further relieving regional congestion in the Golden Gate Corridor which, for purposes of this resolution, consists of the Golden Gate Bridge and its Highway 101 approaches, including Doyle Drive;

3. The District shall develop a plan that, by means of a variable toll on the Golden Gate Bridge, seeks to achieve and maintain, with respect to 90 percent of the vehicles traveling in the Golden Gate Corridor, as defined in Section 2, during weekday peak period travel periods, an average speed of not less than 10 miles per hour below the posted speed limit;

4. Pursuant to Section 4(d)(ii) of the Urban Partnership Agreement, such plan shall exempt privately operated over-the-road buses from the variable toll component on the Golden Gate Bridge to the same extent it exempts public transportation vehicles from such toll components;

5. The specific approach and amount of such variable toll will be developed based upon both technical analysis, and public review and input, which will be collected via public meetings in February and March 2008, a public hearing in June 2008, and comments that are submitted in writing;

6. Consistent with the foregoing precepts, it is the intent of the Board of Directors to include a variable pricing component in any toll increase that it may approve, with the understanding that such toll increase may go into effect as early as September 2008, but in no event later than September 30, 2009, as required by the Urban Partnership Agreement;

7. The net proceeds of the variable toll that the Board of Directors ultimately approves will be used to fund congestion relief projects or services within the Golden Gate Corridor, including Doyle Drive.

8. The District will cooperate with the Metropolitan Transportation Commission, San Francisco County Transportation Authority, Transportation Authority of Marin, Sonoma County Transportation Authority, and the Mayor of the City and County of San Francisco in completing a review of all potential funding sources for the Doyle Drive reconstruction project by July 1, 2008.

ADOPTED this ____ day of _____, 2008, by the following vote of the Board of Directors:

AYES ():
NOES ():
ABSENT ():

John J. Moylan
President, Board of Directors

ATTEST: _____
Janet S. Tarantino
Secretary of the District



5-2008

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

MARCH 14, 2008

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, March 14, 2008, at 10:00 a.m., President Moylan presiding.

ROLL CALL

Directors Present (18): Directors Brown, Cochran, Eddie, Grosboll, Hernández, Kerns, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre, Reilly, Sanders, Sandoval and Stroeh; Second Vice President Ammiano; First Vice President Boro; President Moylan

Directors Absent (1): Director Dufty

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/Ferry Division James P. Swindler; Maintenance Manager and Acting Deputy General Manager/Bus Division Gene Walker; Public Affairs Director Mary C. Currie; Director of Planning Alan R. Zahradnik; Assistant Clerk of the Board Karen B. Engbretson; Executive Assistant to the General Manager Amorette Ko; and, Captain Michael J. Locati

Visitors Present: John Diamante, Threshold Environmental Center; Tilly Chang, San Francisco County Transportation Authority; Norman Rolfe, San Francisco Tomorrow; Andrew Fremier, Metropolitan Transportation Commission; and, Susan Deluxe, Tiburon Resident; Nancy Kirshner-Rodriguez, Mayor Gavin Newsom's Deputy for Government Affairs

PLEDGE OF ALLEGIANCE

Director Mike Kerns led the Board of Directors in the Pledge of Allegiance to the Flag.

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 2**

PUBLIC COMMENT

John Diamante stated that in his opinion, there is less traffic congestion in downtown San Francisco than in other neighborhoods in San Francisco, such as Chinatown, 19th Avenue, the Inner Sunset District and the Richmond District. He questioned the premise of the San Francisco County Transportation Authority (SFCTA) that federal grant monies are needed to relieve congestion in downtown San Francisco.

CONSENT CALENDAR

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

- AYES (16):** Directors Brown, Cochran, Eddie, Grosboll, Hernández, Kerns, McGlashan, McGoldrick, Middlebrook, Pahre, Reilly, Sanders and Stroeh; Second Vice President Ammiano; First Vice President Boro; President Moylan
- NOES (0):** None
- ABSENT (3):** Directors Dufty, Newhouse Segal and Sandoval

1. Approve the Minutes of the Following Meetings:

- a. Building and Operating Committee/Committee of the Whole of February 21, 2008;
- b. Finance-Auditing Committee/Committee of the Whole of February 21, 2008;
- c. Governmental Affairs and Public Information Committee/Committee of the Whole of February 22, 2008; and,
- d. Regular Meeting of the Board of Directors of February 22, 2008.

Carried

2. Denial of Claims

- a. Claim of Christopher Murray **Motion**
- b. Subrogation Claim of 21st Century Insurance (Insured: Ted Samson Salonga, Jr.) **Motion**
- c. Insufficient Claim of Vera Shubin **Motion**
- d. Insufficient Claim of Catherine Ritchie **Motion**
- e. Subrogation Claim of State Farm Insurance (Insured: Uwe Grahn) **Motion**
- f. Claim of B&A Towing **Motion**
- g. Amended Claim of Eric Story **Motion**

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 3**

3. Ratify Actions by the Auditor-Controller

Resolution No. 2008-018 (Finance-Auditing Committee, February 21, 2008) ratifies actions taken by the Auditor-Controller, as follows:

- a. Ratify commitments and/or expenditures for the period January 1, 2008, through January 31, 2008, totaling \$85,811.00;
- b. Ratify investments made by the Auditor-Controller during the period January 15, 2008, through February 11, 2008, as follows:

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
Bank of America Bank Accep.	01/15/08	03/13/08	1,228,729.28	4.18
Bank of America Bank Accep.	01/15/08	03/19/08	1,079,972.98	4.18
Bank of America Bank Accep.	01/15/08	03/24/08	3,154,705.75	4.18
Bank of America Bank Accep.	01/15/08	05/07/08	1,681,885.17	4.00
FHLB Disc Note	01/15/08	01/22/08	8,326,356.75	4.10
FHLMC Disc Note	01/22/08	02/07/08	8,332,689.24	3.05
Barclay US Funding, LLC Commercial Paper	02/04/08	05/05/08	2,034,065.52	3.10
Rabobank Nederland NY Certificate of Deposit	02/07/08	05/05/08	7,248,403.81	3.00
Svenska Handlesbank, Inc. Commercial Paper	02/07/08	03/28/08	1,093,333.50	3.07

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between February 11, 2008, and March 17, 2008, as well as the investment of all other funds not required to cover expenditures that may become available; and,
- d. Accept the Investment Report for January 2008 prepared by PFM Asset Management, LLC.

Adopted

GENERAL MANAGER'S REPORT

4. Presentation of Employee of the Month Award for March 2008 to Alfredo "Big Al" Velasquez, Bridge Painter, Bridge Division

President Moylan presented the Employee of the Month Award for March 2008 to Alfredo "Big Al" Velasquez, Bridge Painter, Bridge Division, and expressed his congratulations on behalf of the Board of Directors.

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 4**

ATTORNEY'S REPORT

5. Attorney David Miller reported that all items contained in the Attorney's Report were informational.

ENGINEER'S REPORT

6. No written or oral reports were 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.

**REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE
WHOLE MEETING OF MARCH 13, 2008**

7. **Authorize Filing Grant Applications with the Federal Transit Administration for
FY 07/08 Section 5307, Section 5309 and Flex Funds Capital Assistance**

Directors STROEH/

Resolution No. 2008-019 authorizes the General Manager or her designee to file Section 5307 Federal Urbanized Area Formula Program funds, Section 5309 Federal Capital Program, and Flex Funds grant applications with the Federal Transit Administration for FY 07/08 federal grant funds to support various capital projects.

Adopted

AYES (16): Directors Brown, Cochran, Eddie, Grosboll, Hernández, Kerns, McGlashan, McGoldrick, Middlebrook, Pahre, Reilly, Sanders and Stroeh; Second Vice President Ammiano; First Vice President Boro; President Moylan

NOES (0): None

ABSENT (3): Directors Dufty, Newhouse Segal and Sandoval

8. **Approve Resolution Regarding Future Implementation of Congestion Pricing at the
Golden Gate Bridge**

a. Staff Presentation

General Manager Celia Kupersmith presented staff's recommendation, providing a summary of the proposed resolution that had been presented at the March 13, 2008, meeting of the Finance-Auditing Committee, which resolution states, among other things, that: (1) the District has the legal authority to implement congestion pricing; and, (2) the District is committed to implementing a congestion pricing component as part of the upcoming toll increase. She stated that the requirements of the Urban Partnership Program (UPP) grant require that tolling authority for congestion pricing on the Golden Gate Bridge or Doyle Drive must be in place no later than March 31, 2008, and that a congestion pricing toll be implemented by September 2009. She stated that the proposed resolution meets the requirements of the UPP grant, as confirmed by the U.S. Department of Transportation (DOT).

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 5**

Ms. Kupersmith stated that following a lengthy discussion on this matter at the March 13th Finance-Auditing Committee meeting, the proposed resolution, as presented, was approved unanimously by the Finance-Auditing Committee, which meeting was declared a Committee of the Whole. However, during the discussion, several Board members expressed opposition, on the record, to using congestion tolling proceeds for the reconstruction of Doyle Drive, at the expense of using the proceeds for other congestion relief projects, such as public transportation. She noted that a DOT official has communicated to the District that the DOT “defers to the locality on the use of proceeds raised by variable tolling,” which she interprets to mean that the locality that controls the toll decides how to spend the proceeds from the toll.

b. Public Comment

Andrew Fremier reiterated comments he had made at the March 13th Finance-Auditing Committee meeting, and urged the Board of Directors to approve the resolution as approved by the Committee.

Norman Rolfe reiterated comments he had made at the March 13th Finance-Auditing Committee meeting, expressing general opposition to the Presidio Parkway option for the reconstruction of Doyle Drive. He also noted that, in his opinion, implementing congestion pricing in the Golden Gate Corridor would not meaningfully reduce congestion in downtown San Francisco, since studies he has resurrected from the past indicate that only 6 percent of daily traffic to downtown San Francisco enters from Doyle Drive.

John Diamante expressed his opposition to the reconstruction of Doyle Drive, naming the project the “Presidio Freeway.” He noted that the project would cost approximately three times the cost of simply retrofitting and rehabilitating the existing structure. He also expressed his support for the proposed resolution.

Susan Deluxe expressed her dissatisfaction with the proposal to implement a congestion pricing toll at the Golden Gate Bridge, because in her opinion, the Golden Gate Bridge is the least congested traffic spot in the Bay Area. She further opined that the Doyle Drive reconstruction project should be paid for by all California taxpayers, not just by the local users.

Nancy Kirshner-Rodriguez, Mayor Gavin Newsom’s Deputy for Government Affairs, stated that Mayor Newsom was pleased with the outcome of the unanimous vote at the District’s March 13th Finance-Auditing Committee meeting, approving the proposed resolution, and urged the Board to approve the resolution as approved by the Committee.

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 6**

c. Amendment to the Proposed Resolution Regarding Future Implementation of Congestion Pricing at the Golden Gate Bridge

First Vice President Boro recommended that the Board consider approving an amendment to the proposed resolution, amending the wording in Paragraph Number 7 of the resolution to delete the phrase, “within the Golden Gate Corridor, including Doyle Drive,” and replacing it with the phrase, “provided by the District.” He explained that he is proposing the amendment due to the fact that it is important to separate the congestion pricing toll revenues from the funding shortfall for the Doyle Drive project. He further stated that DOT Secretary Mary Peters, in her February 13, 2008, stated that the DOT’s intent was that the proceeds from the congestion pricing toll be used to “meaningfully reduce congestion on Doyle Drive,” rather than raise revenue for the Doyle Drive project.

d. Discussion Relative to the Amendment to the Proposed Resolution

The following Directors expressed support for the amendment to the proposed resolution offered by First Vice President Boro:

- Director McGlashan
- Director Stroeh
- Director Kerns
- Director Middlebrook
- Director Sanders
- Director Pahre

The following Directors expressed opposition to the amendment to the proposed resolution offered by First Vice President Boro:

- Director McGoldrick
- Director Ammiano
- Director Reilly
- Director Newhouse Segal
- Director Grosboll
- Director Hernández

Director Pahre suggested that the amendment to Paragraph Number 7 being proposed by First Vice President Boro, be slightly changed to retain the phrase, “within the Golden Gate Corridor,” but to delete the phrase, “including Doyle Drive,” as well as the phrase, “provided by the District.” She inquired of the Attorney for the District as to whether her suggested change would affect the meaning of the resolution. In response, Attorney Miller explained that in Paragraph Number 2, the Golden Gate Corridor is defined as consisting of, “the Golden Gate Bridge and its Highway 101 approaches, including Doyle Drive.” He explained that the performance metric outlined in Paragraph Number 3 refers to the Golden Gate Corridor, as defined in Paragraph Number 2, and this metric is of vital importance to the DOT as a way to determine the effectiveness of congestion pricing at the Golden Gate Bridge. Mr. Miller further stated that by deleting the phrase, “including Doyle Drive,” from Paragraph Number 7, it would not change the meaning of the resolution, because other sections of the resolution continue to define the Golden Gate Corridor as including Doyle Drive.

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 7**

e. Motion to Continue Action on the Proposed Resolution Regarding Future Implementation of Congestion Pricing at the Golden Gate Bridge

The following motion was made and seconded by Directors **McGOLDRICK/NEWHOUSE SEGAL** to continue the matter of, *Approve a Resolution Regarding Future Implementation of Congestion Pricing at the Golden Gate Bridge*, to the March 28, 2008, meeting of the Board of Directors.

Failed

AYES (8): Directors Grosboll, Hernández, McGoldrick, Newhouse Segal, Reilly and Sandoval; Second Vice President Ammiano; President Moylan

NOES (10): Directors Brown, Cochran, Eddie, Kerns, McGlashan, Middlebrook, Pahre, Sanders and Stroeh; First Vice President Boro

ABSENT (1): Director Dufty

f. Motion to Approve Amendment to the Proposed Resolution

The following motion was made and seconded by **Directors BORO/McGLASHAN** to amend Paragraph Number 7 of the proposed resolution to read as follows:

“7. The net proceeds of the variable toll that the Board of Directors ultimately approves will be used to fund congestion relief projects or services provided by the District.”

AYES (10): Directors Brown, Cochran, Eddie, Kerns, McGlashan, Middlebrook, Pahre, Sanders and Stroeh; First Vice President Boro

NOES (8): Directors Grosboll, Hernández, McGoldrick, Newhouse Segal, Reilly, Sandoval; Second Vice President Ammiano; President Moylan

ABSENT (1): Director Dufty

Carried

g. Action by the Board of Directors to Approve the Proposed Resolution, as Amended

Directors McGLASHAN/STROEH

Resolution No. 2008-020 approves the attached resolution, as amended, regarding future implementation of congestion pricing at the Golden Gate Bridge.

Adopted

AYES (10): Directors Brown, Cochran, Eddie, Kerns, McGlashan, Middlebrook, Pahre, Sanders and Stroeh; First Vice President Boro

NOES (8): Directors Grosboll, Hernández, McGoldrick, Newhouse Segal, Reilly, Sandoval; Second Vice President Ammiano; President Moylan

ABSENT (1): Director Dufty

**BOARD OF DIRECTORS MEETING
MARCH 14, 2008/PAGE 8**

9. Approve Granting Authority to the Auditor-Controller, the Plan Administrator for the Golden Gate Bridge, Highway and Transportation District Supplemental Retirement Plan, to Adopt Certain Amendments to the Plan

Directors STROHE/KERNS

Resolution No. 2008-021 approves granting authority to the Auditor-Controller, the Plan Administrator for the Golden Gate Bridge, Highway and Transportation District Supplemental Retirement Plan (Plan), after consultation with the Attorney for the District, to adopt and execute amendments to the Plan that are limited to areas that:

1. Facilitate administration of the Plan;
2. Ensure that the Plan operates consistent with the intent of the Board of Directors in adopting the Plan or as necessary to comply with the changes in the governing laws; and,
3. Secure favorable determination letters from the Internal Revenue Service as may be necessary.

Adopted

AYES (18): Directors Brown, Cochran, Eddie, Grosboll, Hernández, Kerns, McGlashan, McGoldrick, Middlebrook, Newhouse Segal, Pahre, Reilly, Sanders, Sandoval and Stroeh; Second Vice President Ammiano; First Vice President Boro; President Moylan

NOES (0): None

ABSENT (1): Director Dufty

ADJOURNMENT

- 12.** All business having been concluded, the meeting was adjourned at 11:40 a.m., in the memory of Harlen Soeten, Richard Brandt, Vilas Roy Gerber, Margaret Rimmer and Walter Carpenter.

Respectfully submitted,

Janet S. Tarantino
Secretary of the District

JST:KBE:kbe

Attachment: Proposed Resolution, As Amended, Regarding Future Implementation of Congestion Pricing at the Golden Gate Bridge

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION 2008-020

**RESOLUTION CONCERNING PROPOSED ADOPTION OF A VARIABLE PRICING
PLAN IN CONNECTION WITH TOLL INCREASE PROPOSALS, TO MITIGATE
REGIONAL CONGESTION ALONG THE GOLDEN GATE CORRIDOR**

March 14, 2008

WHEREAS, in August 2007, the U.S. Department of Transportation (the “Department”) awarded \$158.7 million in discretionary funds for the San Francisco Bay Area pursuant to the Urban Partnership Program (“UPP”), together with that certain Urban Partnership Agreement, dated as of August 6, 2007, by and between the Department and the parties named therein (the “Urban Partnership Agreement”); and,

WHEREAS, the Urban Partnership Agreement prescribes certain terms and conditions for use of the UPP funding; and,

WHEREAS, among the projects to be funded pursuant to the Urban Partnership Agreement are the reconstruction of Doyle Drive and improvements to the District’s regional ferry transit system as well as implementation of various congestion mitigation technologies and strategies within the San Francisco Bay Area; and,

WHEREAS, the District supports the reconstruction of Doyle Drive as an urgent public safety priority; and,

WHEREAS, the fundamental purpose of projects to be funded under the Urban Partnership Agreement is the reduction of traffic congestion in the San Francisco Bay Area through a mix of strategies involving variable pricing, public transit, telecommuting, and technology; and,

WHEREAS, the Urban Partnership Agreement provides that no funds may be drawn down by any 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”; and,

WHEREAS, the Urban Partnership Agreement requires that a variable pricing structure be in operation on either Doyle Drive or the Golden Gate Bridge Toll Plaza by not later than September 30, 2009; and,

WHEREAS, the District is supportive of variable pricing on a regional basis as a means of encouraging alternatives to single-occupant vehicle trips and as a means of encouraging the distribution of peak hour trips into non-peak hour travel times to reduce traffic congestion; and,

WHEREAS, the District has exhibited a commitment for more than 35 years to congestion relief through such measures as authorizing toll-free privileges for carpool users of the Golden Gate Bridge during peak hours, providing toll discounts to FasTrak[®] customers which has had the effect of reducing congestion at the Golden Gate Bridge Toll Plaza, and allocating on an annual basis over 45 percent of Golden Gate Bridge tolls to fund its regional bus and ferry public transit systems, thereby providing comprehensive and efficient alternatives to automobile usage; and,

WHEREAS, the provision of bus and ferry transit services subsidized by Golden Gate Bridge tolls averts approximately 32 percent of the peak hour automobile trips in the Golden Gate Corridor which, for purposes of this resolution consists of the Golden Gate Bridge and its Highway 101 approaches including Doyle Drive, that otherwise would occur in the absence of the District's multi-modal public transit system; and,

WHEREAS, the District has clear statutory authority to establish bridge tolls for the users of the Golden Gate Bridge, and the discretion to incorporate a variable pricing component to relieve regional traffic congestion along the Golden Gate Corridor; and, such component satisfies the requirement of the Urban Partnership Agreement that such tolling authority must exist by March 31, 2008, in order for the UPP funds to be drawn down; and,

WHEREAS, the District has launched a series of public meetings to review proposals to raise the toll on the Golden Gate Bridge above its current \$5 cash and \$4 FasTrak[®] amounts; and,

WHEREAS, as a signatory to the Urban Partnership Agreement committed to assuring that the benefits of such agreement are realized for the San Francisco Bay Area, and for the purpose of further mitigating regional congestion along the Golden Gate Corridor, including Doyle Drive, the District proposes to adopt a variable pricing plan in connection with its pending toll increase; **NOW, THEREFORE, BE IT**

RESOLVED, by the Board of Directors of the Golden Gate Bridge, Highway and Transportation District (the "Board of Directors"), that:

1. For purposes of Section 4(d)(i) of the Urban Partnership Agreement, the Board of Directors confirms the District possesses legal authority to implement congestion pricing on the Golden Gate Bridge, and has the legal authority to implement Federal projects within the Urban Partnership Agreement for which the District is the lead agency;

2. District staff shall develop a variable pricing component in connection with the Golden Gate Bridge toll increase proposals currently under consideration, for the purpose of further relieving regional congestion in the Golden Gate Corridor which, for purposes of this resolution, consists of the Golden Gate Bridge and its Highway 101 approaches, including Doyle Drive;

3. The District shall develop a plan that, by means of a variable toll on the Golden Gate Bridge, seeks to achieve and maintain, with respect to 90 percent of the vehicles traveling in the Golden Gate Corridor, as defined in Section 2, during weekday peak period travel periods, an average speed of not less than 10 miles per hour below the posted speed limit;

4. Pursuant to Section 4(d)(ii) of the Urban Partnership Agreement, such plan shall exempt privately operated over-the-road buses from the variable toll component on the Golden Gate Bridge to the same extent it exempts public transportation vehicles from such toll components;

5. The specific approach and amount of such variable toll will be developed based upon both technical analysis, and public review and input, which will be collected via public meetings in February and March 2008, a public hearing in June 2008, and comments that are submitted in writing;

6. Consistent with the foregoing precepts, it is the intent of the Board of Directors to include a variable pricing component in any toll increase that it may approve, with the understanding that such toll increase may go into effect as early as September 2008, but in no event later than September 30, 2009, as required by the Urban Partnership Agreement;

7. The net proceeds of the variable toll that the Board of Directors ultimately approves will be used to fund congestion relief projects or services provided by the District.

8. The District will cooperate with the Metropolitan Transportation Commission, San Francisco County Transportation Authority, Transportation Authority of Marin, Sonoma County Transportation Authority, and the Mayor of the City and County of San Francisco in completing a review of all potential funding sources for the Doyle Drive reconstruction project by July 1, 2008.

ADOPTED this 14th day of March, 2008, by the following vote of the Board of Directors:

AYES (10): Directors Brown, Cochran, Eddie, Kerns, McGlashan, Middlebrook, Pahre, Sanders and Stroeh; First Vice President Boro

NOES (8): Directors Grosboll, Hernández, McGoldrick, Newhouse Segal, Reilly, Sandoval; Second Vice President Ammiano; President Moylan

ABSENT (1): Director Dufty

John J. Moylan
President, Board of Directors

ATTEST:

Janet S. Tarantino
Secretary of the District

Memorandum

TO: Board of Directors
FROM: David J. Miller
DATE: March 17, 2008
RE: **Board Meeting on March 28, 2008**

Claim of Semen Leverant

The District received a claim on behalf of Semen Leverant alleging property damage in the amount of \$803.29. The claimant alleges that on November 20, 2007, he was stopped at a red light at the intersection of Van Ness Avenue and Chestnut Street in San Francisco when a District bus collided with the rear of his vehicle. The claimant asserts that the bicycle rack attached to the front of the bus damaged the rear bumper of his car. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Application for Leave to Present Late Claim and Claim of Zoe Brodeur

On February 13, 2008, the District received an application for leave to present a late claim and proposed claim on behalf of Zoe Brodeur alleging personal injuries in the amount of \$125.00. The incident giving rise to the application and proposed claim occurred on February 13, 2007. The last day to present a timely claim was August 13, 2007.

Application

Claimant contends that the delay in presenting the claim is due to the fact that she understood she had one year from the date of the incident to present her claim to the District. The application fails to demonstrate excusable neglect and fails to state a sufficient reason for the delay.

Claim

Claimant alleges that on February 13, 2007, she was a passenger on a District bus that was crossing the intersection of Sansome Street and the Embarcadero in San Francisco when a MUNI trolley collided with the bus. As a result of the incident, the claimant allegedly sustained a whiplash injury and experienced neck pain. The application and proposed claim have been forwarded to John Glenn Adjusters.

Recommend denial of the application. No action need be taken on the proposed claim.

Subrogation Claim of GEICO Direct (Insured: Maha Elmeligy)

The District received a subrogation claim on behalf of GEICO Direct (Insured: Maha Elmeligy) alleging property damage in the amount of \$2,522.29. The claimant alleges that on January 16, 2008, the insured was turning right onto 9th Street at the off-ramp from I-80 westbound in San Francisco, in Lane 3 of three lanes. Claimant asserts that a District bus that was turning right onto 9th Street in Lane 2 at the same location crossed into the insured's lane and collided with the insured's vehicle. As a result of the incident, the insured's vehicle allegedly sustained damage to the driver's side front fender. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Application for Leave to Present Late Claim and Claim of Daniel Jimenez

On February 20, 2008, the District received an application for leave to present a late claim and proposed claim on behalf of Daniel Jimenez alleging property damage in the amount of \$3,668.57. The incident giving rise to the application and proposed claim occurred on July 3, 2007. The last day to present a timely claim was January 3, 2008.

Application

Claimant contends that the delay in presenting the claim is due to the fact that he was not aware that he was required to present a claim and he was not informed that he needed to do so. The claimant further contends that it has taken longer than he expected to resolve his claim. The application fails to demonstrate excusable neglect and fails to state a sufficient reason for the delay.

Claim

Claimant alleges that on July 3, 2007, he was involved in a collision with a District bus at the intersection of Van Ness Avenue and Northpoint in San Francisco. The claimant asserts that he was waiting to turn right at the intersection behind another vehicle when a District bus to his left collided with his vehicle as the bus driver attempted to pass him and turn right ahead of him. As a result of the incident, the claimant's vehicle allegedly sustained damage, including damage to the front bumper and left front fender. The application and proposed claim have been forwarded to John Glenn Adjusters.

Recommend denial of the application. No action need be taken on the proposed claim.

Claim of Heather Langley

The District received a claim on behalf of Heather Langley alleging property damage in the amount of \$5,592.55. Claimant alleges that on February 5, 2008, she was stopped at a red light on East Francisco Boulevard in San Rafael, waiting to turn left onto Medway. The claimant asserts that as a District bus turned right onto East Francisco Boulevard from Medway, the bicycle rack on the bus struck the left front of her vehicle. As a result of the incident, the

Memorandum To:
Board of Directors
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claimant's vehicle allegedly sustained damage to the left front fender. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Claim of Marin Airporter

The District received a claim on behalf of Marin Airporter alleging property damage in the amount of \$1,192.37. The claimant alleges that on October 22, 2007 a Marin Airporter bus was parked at the Manzanita Park & Ride, loading passengers, when a District bus pulled in behind the Marin Airporter vehicle. Claimant asserts that when the District bus later pulled out from behind the parked Marin Airporter bus, the right mirror on the District bus scraped the Marin Airporter bus, and the bumpers of the two vehicles touched. As a result of the incident, the left rear of the claimant's bus was allegedly damaged. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Claim of Margaret Schlachter

The District received a claim on behalf of Margaret Schlachter alleging personal injuries in the amount of \$9,766.00. The claimant alleges that on August 31, 2007, while she was a passenger on a District bus traveling north on Miller Avenue in Mill Valley, she got up from her seat in preparation to exit at the next stop. Claimant asserts that she was holding the metal pole next to the driver with her left hand when the driver stopped suddenly to avoid colliding with a car that pulled out in front of the bus. When the bus stopped, the claimant's right side allegedly flew forward and her body twisted, causing a pulling motion from her right shoulder to her left lower back and causing her to experience pain in her left wrist. As a result of the incident, the claimant allegedly sustained a broken wrist and a sprained back. Claimant further alleges that she incurred medical bills and lost time from work. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Claim of Vinay Nadkarni

The District received a claim on behalf of Vinay Nadkarni alleging personal injuries in the amount of \$1,260.00. The claimant alleges that on December 3, 2007, he slipped and fell on his right side as he was boarding a District bus at the Marin City bus stop, hitting his ribs and his head on the curb. Claimant asserts that the bus did not stop close enough to the curb. As a result of the incident, the claimant has allegedly experienced rib pain and difficulty sleeping. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Subrogation Claim of California Casualty Management Company (Insured: Carol Mack)

The District received a subrogation claim on behalf of California Casualty Management Company (Insured: Carol Mack) alleging property damage in the amount of \$2,186.04. The claimant alleges that on January 25, 2008, the insured's vehicle was stopped in the Kaiser

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Medical Center Parking Lot in San Rafael when a District bus pulled away from the curb and struck the insured's vehicle. As a result of the incident, the insured's vehicle was allegedly damaged. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Respectfully submitted,



DAVID J. MILLER

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