



(For Board Meeting of March 14, 2008)

SUMMARY OF RECOMMENDATIONS
MEETING OF THE FINANCE-AUDITING COMMITTEE/
COMMITTEE OF THE WHOLE
THURSDAY, MARCH 13, 2008
(CHAIR J. DIETRICH STROEH)

Item No. 1

Authorize the General Manager or her designee to file Section 5307, Section 5309 flex funds grant applications with the Federal Transit Administration for FY 07/08 federal grant funds available to support various capital projects.

Action by the Board – Resolution

Item No. 2

Approve a resolution regarding future implementation of congestion pricing at the Golden Gate Bridge, as attached.

Action by the Board – Resolution

Item No. 3

Authorize the Plan Administrator (Auditor-Controller) for the Golden Gate Bridge, Highway and Transportation District's Supplemental Retirement Plan, after consultation with the District's Attorney, to adopt and execute certain amendments, as outlined in the staff report.

Action by the Board – Resolution



Agenda Item No. 2.a.

To: Finance-Auditing Committee/Committee of the Whole
Meeting of March 13, 2008

From: Gayle S. Prior, Capital and Grant Programs Director
Joseph M. Wire, Auditor-Controller
Celia G. Kupersmith, General Manager

Subject: **APPROVE FILING GRANT APPLICATIONS WITH THE FEDERAL
TRANSIT ADMINISTRATION FOR FY 07/08 SECTION 5307, SECTION
5309 AND FLEX FUNDS CAPITAL ASSISTANCE**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize the General Manager or her designee to file Section 5307, Section 5309 and flex funds grant applications with the Federal Transit Administration (FTA) for FY 07/08 federal grant funds available to support various capital projects.

Summary

Federal Urbanized Area Formula Program (Section 5307), Federal Capital Program (Section 5309), and flex funds, including Federal Congestion Mitigation and Air Quality (CMAQ) Improvement Program, Federal Ferry Boat Discretionary (FBD) Program, and Federal Nonmotorized Transportation Pilot Program (NTPP) funds, in the amount of \$31,857,582 have been programmed by the Metropolitan Transportation Commission (MTC) in FY 07/08 to support implementation of ten District transit capital projects. These projects which are included in the District's 10-year capital plan include 1) Replacement Buses, 2) Advanced Communication and Information System, 3) Preventive 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. In addition, federal funds in the amount of \$2,200,000 have been programmed for District pass-through to MTC 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 MTC to add the new \$2,200,000 increment of federal funds to the project. 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 grant applications to the FTA which would include the program of projects listed above and described in more detail in Attachment A.

Federal Urbanized Area Formula Program funds are authorized to support public transit activities pursuant to Section 5307 of Title 49 of the United States Code (U.S.C.). Federal Capital Program funds are authorized to support modernization of existing rail systems, new fixed guideway systems and new and replacement buses and facilities pursuant to Section 5309 of Title 49 U.S.C. Federal CMAQ funds are available to support various transportation activities pursuant to Section 149 of Title 23 U.S.C. Federal FBD funds are available to support the construction of ferry boats and ferry terminal facilities pursuant to Section 147 of Title 23 U.S.C. Federal NTPP funds are available to support a network of nonmotorized transportation infrastructure facilities pursuant to Section 1807 of SAFETEA-LU. In the San Francisco Bay Area Region, MTC is responsible for programming these funds.

MTC, in partnership with County Congestion Management Agencies and local transit operators, has developed a multi-modal approach to programming these funds to high-priority transit, bicycle, pedestrian and roadway projects. Once funds are programmed by MTC, individual project sponsors must secure funds through grant application and execution of a grant funding agreement with the FTA.

Fiscal Impact

This item provides \$31,857,582 in federal capital funds to support implementation of ten District projects and \$2,200,000 to support administration of Translink pass-through funds, requiring \$8,005,726 in District local match and \$285,033 in local match funds to be provided by MTC, for a total local match requirement of \$8,290,759. These projects are all included in the District's 10-year capital plan.

Attachment

ATTACHMENT A

GGBHTD Program of Projects FY 2008 Urbanized Area Formula Program and Capital Program Grant Applications

Project Title/Description	Federal Funds Section 5307	Federal Funds Section 5309	Federal Flex Funds	District/Local Match	Total Project	Project Notes
1. Replacement Buses – Replace 7 – 1991 40' buses that have reached the end of their useful life with 7 – 35' hybrid buses.	\$3,441,672	-	-	\$901,748	\$4,343,420	Provide funds to replace 40' buses with 35' buses.
2. Advanced Communication and Information System - Develop and acquire a comprehensive radio communications system.	\$1,834,129	-	-	\$458,532	\$2,292,661	Provides partial funds to implement this project.
3. Preventive Maintenance - Subsidize transit maintenance activities.	\$1,761,781	-	-	\$440,446	\$2,202,227	GGBH&TD will share 80% of these funds with MCTD and will credit MCTD invoices beginning in July 2008.
4. Facilities Rehabilitation - Rehabilitate bus and ferry facilities.	\$680,000	-	-	\$170,000	\$850,000	Multi-year projects.
5. Transit Security and Safety – Enhance transit security and safety.	\$5,000,000	-	-	\$1,250,000	6,250,000	Multi-year projects.
6. Ferry Major Components – Rehabilitate and replace major ferry components.	\$40,159	199,841	-	\$60,000	\$300,000	Multi-year projects.
7. Ferry Channel and Berth Dredging - Design and dredge Larkspur Ferry Terminal berth, turning basin and channel.	-	\$4,000,000	-	\$1,000,000	\$5,000,000	Funds budgeted in FY 08 will support design and permitting for Larkspur Berth Dredging in FY 09.
8. Ferry Fixed Guideway Connectors - Rehabilitate and replace floats and gangway systems that allow passengers to get from the vessels to the terminals.	-	\$2,000,000	-	\$500,000	\$2,500,000	Multi-year project. Funds will partially support implementation of design.
9. Larkspur Ferry Terminal Parking Improvements – Increase parking spaces to accommodate ridership growth. (Ferry Boat Discretionary Program funds)	-	-	\$12,800,000	\$3,200,000	\$16,000,000	Funds programmed in coordination with San Francisco Urban Partnership Agreement.
10. San Rafael Transit Center Improvements – Enhance connectivity at San Rafael Transit Center. (Nonmotorized Transportation Pilot Program funds)	-	-	\$100,000	\$25,000	\$125,000	Funds to be administered by County of Marin.
11. Translink – In coordination with MTC, AC Transit, BART, Caltrain, Muni, SamTrans, VTA and all other Bay Area transit agencies, develop more convenient way for transit riders to pay for rides in the Bay Area. (Congestion Mitigation and Air Quality Improvement Program funds)	-	-	\$2,200,000	\$285,033	\$2,485,033	Pass-through funds to MTC. District receives \$10,000 per year to administer grant.
TOTAL	\$12,757,741	\$6,199,841	\$15,100,000	\$8,290,759	\$42,348,341	

TOTAL FEDERAL FUNDS

\$34,057,582



Agenda Item No. 3

To: Finance-Auditing Committee/Committee of the Whole
Meeting of March 13, 2008

From: Celia G. Kupersmith, General Manager

Subject: **APPROVE RESOLUTION REGARDING FUTURE IMPLEMENTATION
OF CONGESTION PRICING AT THE GOLDEN GATE BRIDGE**

Recommendation

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

Summary

During the December 2007 and January 2008 meetings, the Board of Directors had extensive conversation 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 subject to return to the Bridge District Board only when approved to do so by the Board President.

In the weeks following the January Board discussion, the Board's President and First Vice President have met twice with San Francisco Mayor Gavin Newsom and other interested parties to further discuss the challenges of finding sufficient funds for Doyle Drive reconstruction. The meetings have also included representatives from the Metropolitan Transportation Commission (MTC), San Francisco County Transportation Authority (SFCTA), and Marin and Sonoma Counties. These Doyle Drive "summit meetings" have focused on two primary issues: how to achieve full funding of Doyle Drive and how to meet key deadlines associated with the recently awarded Urban Partnership Agreement (UPA) grant. The UPA grant awards a total of \$158.7 million for several congestion relief projects including at least \$36 million for Doyle Drive reconstruction as well as \$12.8 million for ferry system improvements.

The UPA grant has a significant deadline that must be met before any funds can be expended: 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. The actual collection of the congestion toll must begin no later than September 30, 2009. In response to this deadline, MTC and SFCTA began efforts to acquire the legal authority to collect tolls on Doyle Drive but no legislation has been forthcoming thus far.

At the second summit meeting with Mayor Newsom, a letter from Department of Transportation Secretary Mary Peters to Mayor Newsom was distributed to the attendees and is attached for your perusal (Attachment A). In her letter, Secretary Peters made it clear that the objective of the Urban Partnership Agreement is to demonstrate the ability of metropolitan areas to “meaningfully reduce congestion” and not to simply raise revenue for projects. At the meeting, the attendees agreed that a priority must be given to meeting the grant requirements while continuing to work on the larger issue of funding Doyle Drive reconstruction.

In an effort to cooperate and support both the Doyle Drive reconstruction as well as the various congestion mitigation projects funded through the UPA grant, staff and Bridge District representatives made an offer of assistance. Specifically, the two Bridge District representatives along with the one Marin County and one Sonoma County representatives (all of whom are members of the Bridge District Board of Directors) tendered an offer to the group 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:

- a) the District has the legal authority to implement congestion pricing; and
- b) the District is committed to implementing some form of congestion pricing as part of the upcoming toll increase.

Please note that the Bridge District Board members present at the summit meeting clearly indicated their willingness to bring forward a resolution but made it clear that they could not in any way commit the Bridge District Board to a specific action on the resolution. The four members also made it clear that it is their hope that the Bridge District’s efforts to help in this regard would be seen as a positive contribution to solving the Doyle Drive funding problem.

The offer was received well by the participants in the meeting as it was recognized that solving the issue of how to fully fund Doyle Drive reconstruction is a much bigger issue that will require more time and effort. For further background on this second summit meeting, attached are two letters. The first is one sent by three District Board members to Mayor Newsom summarizing their understanding of the meeting’s outcomes (Attachment B) and the second letter is the response from Mayor Newsom (Attachment C).

The draft resolution is attached for your review (Attachment D). The resolution as attached has been approved by federal Department of Transportation officials who have stated that the draft resolution will satisfy the Urban Partnership Agreement requirements. It has also been reviewed by staff from key agencies involved in the UPA grant program including the City and County of San Francisco, MTC, and SFCTA.

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 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 Highway 101 approaches including Doyle Drive. The specific spending plan for the revenue will be decided by the Bridge District Board in the future.

The draft resolution also includes two other important action clauses. First, the UPA requires that an agency which implements a congestion toll as part of the Agreement must exempt privately operated over-the-road buses from paying the congestion toll increment to the same degree that it exempts public transportation vehicles from paying that toll increment. This requirement applies only to the congestion toll increment and not to the base toll levied by the Bridge District.

Secondly, the federal Department of Transportation officials require that the resolution include an aspiration goal that will guide the development of the congestion toll increment amount. Therefore, Section 3 of the resolution identifies the target for congestion improvement that is sought as part of the congestion toll. Their goal is that during peak periods, 90 percent of the traffic should travel at speeds that are not more than 10 miles per hour below the posted speed limit. As noted, this is an aspiration goal and not a required outcome of the congestion tolling program.

In order to meet the UPA deadline, this resolution must be passed no later than March 31, 2008. If approved by the Finance-Auditing Committee on March 13, it will be brought before the Board of Directors on March 14, 2008.

Fiscal Impact

The specific amount and approach to congestion tolling on the Golden Gate Bridge will be developed over the next 30-45 days and brought before the Finance-Auditing Committee and full Board for consideration and action.

Attachments



THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

February 13, 2008

The Honorable Gavin Newsom
Mayor of San Francisco
San Francisco, CA 94102

Dear Mayor Newsom:

Thank you very much for our call on Monday, February 11 concerning San Francisco's Urban Partnership Agreement ("UPA") with the U.S. Department of Transportation (the "Department"). You are to be commended for your leadership in advancing truly effective solutions to the transportation gridlock experienced each day by the City of San Francisco and its surrounding counties. As you know, the San Francisco-Oakland area ranks second worst in the Nation in terms of hours of delay and wasted fuel due to traffic congestion. The economic, environmental, and social costs of that congestion—borne by all the residents of the Bay Area—are enormous and call for a substantially new policy direction.

We were pleased, therefore, when the Metropolitan Transportation Commission and San Francisco County Transportation Authority proposed to the Department an aggressive and innovative plan to adopt variable pricing and transit projects that would improve traffic in downtown San Francisco. Consequently, the Department named San Francisco as one of five Urban Partners and reserved for the agencies of the City and County of San Francisco approximately \$159 million in Federal transit and highway grants.

I could not agree more with your statement, in your second inaugural address, that "a sensible congestion pricing plan is the single greatest step we can take to protect our environment and improve our quality of life." I am concerned, however, about the direction of discussions in San Francisco regarding toll increases. Based on conversations with officials working directly on this project, it appears that some decision makers in the Bay Area are focusing on tolling solely as a means for raising revenue, rather than as a tool for managing congestion. As you know, the Department has conditioned the funds reserved under San Francisco's UPA on the adoption of legal authority to variably toll either Doyle Drive or the Golden Gate Bridge in a manner that would meaningfully reduce congestion on Doyle Drive. Before the Department releases San Francisco's UPA funding, therefore, we must be satisfied that the tolling plan adopted would have that effect. Experts at our Department are available to work with your staff and others in the region in this regard.

In addition, as I indicated on our call, the objective of the Urban Partnership Program is to demonstrate the ability of metropolitan areas to reduce traffic congestion in the near-term.

Page 2

The Honorable Gavin Newsome

For this reason, the deadline of March 31, 2008, for the adoption of legal authority to implement congestion pricing, as provided in San Francisco's UPA, is firm—as are the respective deadlines for our other Urban Partners.

Lastly, as I indicated on the call, there are little or no additional discretionary grant resources currently available at the Federal level. We have exercised virtually all of our discretionary funding in support of funding congested major metropolitan areas such as San Francisco.

Thank you again for your leadership. We look forward to working with you to reduce congestion in the Bay Area.

Sincerely yours,



Mary E. Peters

February 22, 2008

The Honorable Gavin Newsom
Mayor of San Francisco
City Hall
1 Dr. Carlton B. Goodlett Place
Room 200
San Francisco, CA 94102-4689

RE: **Doyle Drive Reconstruction**

Dear Mayor Newsom,

As a follow-up to our last meeting, we felt it would be helpful to present a clear listing of key directions that we understand resulted from this meeting. Overall, we thought the meeting was constructive and appreciate your efforts to bring all players to the table for these continuing discussions. We also understand that you are personally committed to finding a solution that fully funds reconstruction of Doyle Drive, possibly one that does not include a toll on Doyle Drive, and appreciate your involvement and leadership in these meetings. The key directions are as follows:

1. In response to the letter from Secretary Peters, the group clearly acknowledged the need to focus attention on developing a congestion pricing plan for the Doyle Drive corridor that addresses the issue of congestion and not the issue of debt repayment for construction bonds. All agreed that the Golden Gate Bridge, Highway and Transportation District (Bridge District) would pursue adopting a statement of intent to implement congestion tolling on the Golden Gate Bridge as a means of reducing congestion in the Golden Gate corridor, including Doyle Drive. The Bridge District plans to take up this issue at its Friday, March 14, 2008, Board of Directors meeting. If necessary, there is a second Board meeting on Friday, March 28, 2008, that could address the issue if a conclusion is not reached by our Board at the March 14th meeting. Any additional revenue raised by the congestion toll at the Golden Gate Bridge would be used to fund transit alternatives to driving so as to be true to the purpose and intent of congestion tolling. The specific congestion toll amount will be determined as part of our toll increase public hearing process that is now underway. Implementation of the congestion pricing component of the toll increase would occur prior to the September 2009 deadline.

2. As was stated so eloquently by both you and Mayor Boro, there is a need for transparency and trust among the meeting participants regarding the specifics of the Doyle Drive reconstruction project and its funding. In response, staff have agreed to do the following:
 - a. San Francisco County Transportation Authority (SFCTA) and Metropolitan Transportation Commission (MTC) staff will present a detailed expenditure plan for any proposed toll on Doyle Drive, including detail on how much money the toll would raise and how it would be spent.
 - b. SFCTA staff would present a detailed project overview to both Sonoma and Marin County supervisors and general public.
 - c. An economic analysis of the impact of Doyle Drive on the regional economy would be prepared by either the SFCTA or MTC/Bay Area Toll Authority (BATA) and results shared at an upcoming meeting and ultimately with the general public once finalized.
 - d. The Bridge District will be allowed to participate directly through its staff or their Washington D.C. representative in any future meetings and conversations with federal officials, particularly in regards to the congestion tolling aspect of the Urban Partnership Program (UPP) grant.
 - e. Representatives of SFCTA, MTC, the City and County of San Francisco and the Bridge District will jointly travel to Washington, D.C. to both meet on the UPP grant specifics as well as seek additional funding for the Doyle Drive project. Mayor Newsom will facilitate setting up these meetings so they can be as effective and productive as possible.
3. All meeting participants agreed to review the distribution of funds within the UPP grant and identify funds that could be reallocated to Doyle Drive reconstruction.
4. The concept of collecting tolls only at the Golden Gate Bridge Toll Plaza and having an in lieu payment by the City and County of San Francisco for tolls that would be generated by establishing other non-Bridge tolling locations on Doyle Drive was presented. There was no agreement reached at this meeting to accept this concept as presented. The three of us wish to voice severe concerns about the equity of this approach.
5. On the general topic of a toll being both necessary and acceptable as a means of paying for Doyle Drive reconstruction, North Bay representatives agreed that they may be willing to accept such an outcome but before any real reconsideration can be achieved, all other financial options must be fully exhausted and the issues of transparency and trust must be adequately addressed.
6. All parties agreed to continue working together to address funding of Doyle Drive reconstruction with an agreed deadline of July 1, 2008, for resolving the issues associated with this important project. This does not mean a pre-commitment that opposition can be removed at this time, nor does it obligate the Bridge District to accept a role as a tolling authority.

We appreciate your personal involvement and leadership in helping to bring together the various parties involved to find a solution which will ultimately benefit projects throughout the Bay Area. We look forward to future meetings of this group as we work to find an equitable and effective funding solution which results in the timely reconstruction of Doyle Drive.

Sincerely,



Albert J. Boro
Mayor
City of San Rafael



Charles McGlashan
President, Board of Supervisors
Marin County



Mike Kerns
Chair, Board of Supervisors
Sonoma County

cc: Bill Dodd, MTC
Steve Heminger, MTC
Jake McGoldrick, SFCTA
José Luis Moscovich, SFCTA
Diane Steinhauser, TAM
Suzanne Smith, SCTA
Celia Kupersmith, GGBHTD

Office of the Mayor
City & County of San Francisco



Gavin Newsom

February 29, 2008

Dear Mayor Boro, Supervisor McGlashan and Supervisor Kerns,

Thank you very much for your letter of February 22 about the reconstruction of Doyle Drive. I appreciate the spirit of cooperation and consensus-building in which it was written, and look forward to continued collaboration establishing a full funding plan to replace this vital regional transportation facility.

I would like to respond briefly to the six issues you raised in your letter, and will do so in the same order:

1. Action by the Golden Gate Bridge District prior to March 31, 2008 signaling its intent to implement congestion pricing is imperative to preserve the \$159 million federal Urban Partnership Program (UPP) grant. I appreciate the willingness of the Bridge District to take this action. However, your letter states: "Any additional revenue raised by the congestion toll at the Golden Gate Bridge would be used to fund transit alternatives to driving so as to be true to the purpose and intent of congestion tolling." This is not my understanding of the concept. The purpose of congestion pricing is to encourage some peak period motorists to alter their time or mode of travel. For motorists changing their time of travel, additional transit alternatives are unnecessary. For motorists changing their mode of travel, additional alternatives are necessary only if existing transit options are insufficient. We received information at our last meeting to the effect that there is spare capacity on existing peak period Golden Gate bus and ferry service. Accordingly, I will strongly urge that the Golden Gate Bridge District take no action at its meeting next month that would exclude the possibility of using the congestion pricing revenue for the Doyle Drive reconstruction project.
2. I strongly support advancing a joint strategy to pursue additional federal funding for the reconstruction project as outlined in your letter. My office is organizing coordinated outreach to our congressional representatives to seek additional federal funding. Additionally, I am hopeful that we can travel to Washington together in the next 60 days to advocate for critical project funding.
3. I agree that reallocation of funds to the Doyle Drive project within the UPP grant should be pursued, provided that the original purpose of implementing a comprehensive congestion pricing program in the Doyle Drive travel corridor can still be achieved.
4. Like you, I am not ready to endorse the notion of a payment by the City and County of San Francisco in lieu of collecting tolls for intra-San Francisco trips on Doyle Drive, if tolling is a feature of the final project funding plan. At the same time, we should all be mindful of the information presented at our last meeting that the cost of collecting tolls from that relatively small number of trips could far exceed the actual revenue yielded from such collection.

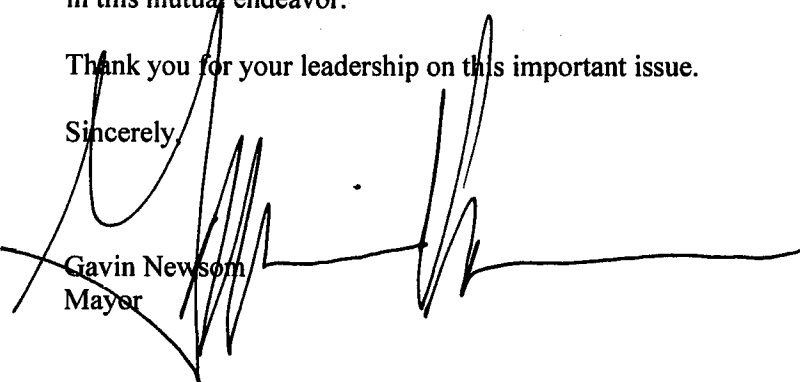
5. I share your view that all financial options should be thoroughly reviewed in the coming weeks and months to advance agreement of how to fully fund the estimated \$1 billion cost of the Doyle Drive reconstruction project, including both toll and non-toll revenue sources.
6. Given the urgency of replacing this structurally deficient facility, it is critical that we adhere to a deadline of July 1, 2008 to complete the funding review mentioned in item #5 so that the Doyle Drive project can move forward into the construction phase in 2009. This schedule assumes a design-build method of contract procurement that, as we discussed at our last meeting, could save both time and money in completing the project.

You can count on my continued personal involvement in efforts to retain the federal UPP grant and secure full funding and ensure the construction of a new Doyle Drive. In the interests of the safety of our constituents and growth of the regional economy, we simply have no choice but to succeed in this mutual endeavor.

Thank you for your leadership on this important issue.

Sincerely,

Gavin Newsom
Mayer



Cc: Bill Dodd, MTC
Steve Heminger, MTC
Jake McGoldrick, SFCTA
Jose Luis Moscovich, SFCTA
Diane Steinhauser, TAM
Suzanne Smith, SCTA
Celia Kupersmith, GGBHTD

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION 2008-XXX

**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 XX, 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 Agency 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



Agenda Item No. 4

To: Finance-Auditing Committee/Committee of the Whole
Meeting of March 13, 2008

From: Joseph M. Wire, Auditor-Controller
Celia G. Kupersmith, General Manager

Subject: **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**

Recommendation

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

1. Facilitate administration of the Plan;
2. Ensure the Plan operates consistent with the Board of Directors intent 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 (IRS) as may be necessary.

Summary

At the Board of Directors Meeting of July 9, 2004, the Board adopted Resolution No. 2004-067 authorizing various actions relative to the implementation of the Supplemental Retirement Plan and Trust (Plan). 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.

Because minor or administrative amendments are needed occasionally to the Plan, Staff and the Attorney recommend that the Board adopt the attached proposed resolution granting authorization 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. Any such amendments that otherwise affect a benefit under the Plan must be approved by the Board.

Due to recent updates made in how the District processes and accounts for employee contributions to CalPERS, the attached resolution permits the CFO 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. Similar changes to the Plan may be needed in the future to reflect changes to CalPERS benefits, the tax law or underlying employments contracts previously approved by the Board. The resolution permits the CFO to execute amendments of this nature.

Fiscal Impact

There is no fiscal impact associated with this item.

Attachment - Proposed Resolution

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RESOLUTION NO. 2008-XXX

**APPROVE GRANTING AUTHORITY TO THE AUDITOR-CONTROLLER OF THE
DISTRICT TO ADOPT CERTAIN AMENDMENTS TO THE GOLDEN GATE BRIDGE,
HIGHWAY AND TRANSPORTATION DISTRICT SUPPLEMENTAL RETIREMENT
PLAN AND TRUST**

March 14, 2008

WHEREAS, the Golden Gate Bridge, Highway and Transportation District Supplemental Retirement Plan and Trust (the “Plan”) was adopted by the District effective July 1, 2004; and

WHEREAS, on occasion, minor or administrative amendments are needed to the Plan to facilitate administration, secure a favorable determination letter from the Internal Revenue Service, ensure that the Plan operates in accordance with the Board's intent or to comply with statutory or regulatory changes; now therefore be it

RESOLVED, effective January __, 2008, that the Board of Directors authorizes the Auditor-Controller of the District, after consultation with the District’s attorney, to adopt and execute amendments to the Plan to facilitate administration of the Plan, secure a favorable determination letter from the Internal Revenue Service, ensure the Plan reflects and operates consistent with the Board of Directors intent in adopting such Plan or as necessary to comply

with changes in the governing laws, to reflect changes to relevant tax rules and to reflect relevant provisions of employment contracts previously approved by this Board..

ADOPTED this ____ day of _____, 200__, by the following vote of the Board:

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

President, Board of Directors

ATTEST: _____
Janet S. Tarantino
Secretary of the District