



Agenda Item No. 2

To: Rules, Policy and Industrial Relations Committee/Committee of the Whole Meeting of May 9, 2008

From: Janet S. Tarantino, Secretary of the District
Celia G. Kupersmith, General Manager

Subject: **APPROVE ADOPTION OF THE RULES OF THE BOARD, AS AMENDED**

Recommendation

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve adoption of the 2008 *Rules of the Board*, including amendments approved by the Board of Directors during the year 2007.

Summary

During the year 2007, the Board of Directors approved the following two amendments to the *Rules of the Board*:

1. **RULE III, COMMITTEES, Subsection D, Committee Reports and Agenda originally read, as follows:**

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

By Resolution No. 2007-101, dated February 9, 2007, the above Subsection D was amended to read, as follows:

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

2. **RULE X, BUDGET POLICIES, Subsection C, Policy on Capital and Operating Budget Transfers, originally read, as follows:**

“Budgeted funds may be transferred between different operating Division budget line items, and may also be transferred between Divisions, up to an amount of \$50,000 per transfer for expenditures or activities that have been previously authorized by the Board,

when such transfer has been approved by the General Manager. Any single transfer that is greater than \$50,000 shall be subject to the review and approval by the Finance-Auditing Committee and Board. The General Manager has the authority to approve like line item transfers of any amount between departments within an approved operating Division budget. Budgeted funds may be transferred between the capital and operating budget and within the capital budget up to the amount of \$5,000 when such a transfer has been approved by the General Manager. The Auditor-Controller shall concur with all transfers and provide the Board with a written report summarizing all such transfers on no less than a quarterly basis.”

By Resolution No. 2007-052, dated June 8, 2007, the above Subsection C was amended to read, as follows:

“Budgeted funds may be transferred between different operating Division budget line items, and may also be transferred between Divisions, up to an amount of \$50,000 per transfer for expenditures or activities that have been previously authorized by the Board, when such transfer has been approved by the General Manager. Any single transfer that is greater than \$50,000 shall be subject to the review and approval by the Finance-Auditing Committee and Board. The General Manager has the authority to approve like line item transfers of any amount between departments within an approved operating Division budget. Budgeted funds may be transferred between the capital and operating budget up to the amount of \$5,000 with the General Manager’s approval. For a multi-year capital project already in the approved capital budget, funds may be transferred between fiscal years provided there is no increase in the total project budget when such a transfer has been approved by the General Manager. The Auditor-Controller shall concur with all transfers and provide the Board with a written report summarizing all such transfers on no less than a quarterly basis.”

As a housekeeping effort, the *Rules of the Board* was also revised to include a minor, non-substantive edit to RULE XX, OFFICE HOURS, to delete a reference to the posting of list of legal holidays observed by the District. Staff recommends adoption of the 2008 *Rules of the Board*, as amended, incorporating the above-listed amendments. Attached is a summary of the amendments that were approved in the year 2007, as well as the redlined pages from the 2008 *Rules of the Board*, highlighting all changes compared with the 2007 *Rules of the Board*.

Background

The Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District publishes the *Rules of the Board* to govern its proceedings pursuant to Section 27144, Chapter 8, Part 3, Division 16, of the Streets and Highways Code, and the District’s Resolution No. 20 dated April 10, 1929, as amended.

The Board, at its meeting of February 28, 2003, authorized the establishment of a new annual process for updating the *Rules of the Board* (Resolution No. 2003-015), incorporating all amendments adopted by the Board of Directors during the previous calendar year. Each annual *Rules of the Board* will include an appendix that indexes the individual amendment(s) adopted throughout the calendar year. Updating the *Rules of the Board* on an annual basis makes this document a more useful and effective resource to members of the Board, staff and the public.

Fiscal Impact

There is no fiscal impact associated with this report.

Attachment: Summary of Amendments Approved in the Year 2007
Redlined Pages from 2008 *Rules of the Board*

Summary of Amendments Approved in the Year 2007

Resolution No.	Date Adopted	Section(s) Amended	Amendment
2007-010	2/9/07	Rule III, Committees	Amends Rule III, Subsection D, calls for actions brought forward from Committees to be presented at the next regularly scheduled Board meeting, rather than at the Board meeting scheduled in two weeks.
2007-052	6/8/07	Rules X, Budget Policies	Amends Rule X, Subsection C, to allow the flexibility to transfer budgeted funds for a capital project from a future year to the current year if approved by the General Manager, with no Board action required.

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

RULES OF THE BOARD

Adopted ~~January 12, 2007~~ April 11, 2008, by Resolution No. ~~2007-002~~ 2008-XXX

~~Matters calendared for Committee meetings held during the week of a regularly scheduled Board meeting shall be presented at the next following regularly scheduled Board meeting, except that any Committee Chair may direct the Secretary of the District to list on the Board Agenda any items scheduled for consideration by his or her Committee meeting to be held less than 72 hours before the next Board meeting, and except as otherwise permitted by law. Matters calendared for Committee meetings resulting in recommendations for action by the Board shall be presented at the next regularly scheduled Board meeting, unless otherwise deemed necessary by the Committee Chair. (Res. 86-363, 12/19/86; Res. 07-010, 2/9/07.)~~

A regular monthly meeting date shall be established for each Committee. Additional Committee meetings may be scheduled as required, but when possible at least two weeks' notice shall be given.

Committee agenda shall be prepared and mailed at least one week before the date of the meeting. Any items to be added or deleted after that date require the prior approval of the Committee Chair or, in the absence of the Chair, the Vice-Chair of the Committee. When items are added or deleted, the final agenda shall indicate the date the item was added or deleted. (Res. 80-497, 11/21/80.)

Reports to the Committee on items requiring Board action, excepting bills, investments, ratification of investments, legislative reports and routine change orders, shall be mailed at least one week prior to the date of the Committee meeting. (Res. 9307, 3/25/77.)

The Secretary shall keep a master agenda for each committee naming the subject, director who sponsored a subject and the date subject was submitted. A committee may remove a subject from its master agenda without action or written report to the Board by notifying the proposer that the subject has been removed from the master agenda. If the proposer wishes reconsideration of a subject, the proposer may request the Board for continued assignment of a subject to committee and a report on the action of the committee must be submitted in writing to the Board within thirty (30) days of reassignment of the subject to committee.

Public comment will be received on items calendared on the Agenda as each item is discussed. Persons wishing to address a Committee concerning items of interest to the public that are within the subject matter jurisdiction but that are not calendared on the Agenda of the Committee may do so, at the conclusion of the Committee meeting on the following basis: a period of thirty (30) minutes shall be allocated for public comments, with each individual to be allotted three (3) minutes to address the Committee, unless said time frames are extended upon approval of the Committee. (Res. 86-363, 12/19/86.)

E. Advisory Committees

From time-to-time the President of the Board of Directors may establish Advisory Committees in compliance with the applicable provisions of the Ralph M. Brown Act and will so advise the Board of the creation of any such Committee. Any Advisory Committee so established shall be subject to the following rules: (1) the Advisory Committee must have a specific purpose identified by the President at the time of creation of the Committee capable of being completed within a limited period of time; (2) the Committee must be given specific reporting responsibilities and a designated timeline for reporting on the subject matter referred to it; (3) Committee membership must be comprised of less than a quorum of the Board of Directors; and, (4) a "Sunset

The Engineer shall be responsible for design, supervision of consulting engineers, safety and inspection of the work of the District, and shall give reports to the Board of Directors on those matters needing a professional opinion.

The compensation of the Engineer for all of the foregoing services has been fixed by resolution of the Board of Directors. No further compensation or other salary, whether for special or general services, shall be incurred for any services to be performed by the Engineer, unless and until such compensation or salary shall be first of all agreed upon with the Board of Directors and be evidenced by vote and resolution of the Board of Directors.

RULE X. BUDGET POLICIES

A. Transit Fares

Transit fares of the District shall be reviewed annually and adjusted as necessary so as to provide a minimum of 33% of operating expenses from operating revenues, prior to any subsidy. (See also Res. 81-245, 7/10/81.)

B. District Reserves

1. Emergency Reserves. The Board's policy is to maintain a minimum of 3.5% of the operating budget in reserves to be used for emergency situations and then replaced as expeditiously as possible. (Res. 04-059, 6/25/04.)

2. Operating Reserves. The Board's policy is to maintain a minimum of 7.5% of the operating budget or sufficient amount to cover an expected operating deficit, whichever is greater, in reserves for operations to be used if necessary and then replaced as expeditiously as possible. (Res. 04-059, 6/25/04.)

3. Restricted Reserves for Claims Settlements and Liability Losses. The Board's policy is to utilize these reserves as follows:

a. Fund property and liability settlements and judgments (other than those involving Workers' Compensation matters) in excess of \$50,000; and

b. Fund settlements and judgments of disputed contract matters in excess of \$50,000. (Res. 92-79, 4/24/92.)

4. Other Restricted Reserves. From time to time, the District may establish other restricted reserves as appropriate.

C. Policy on Capital and Operating Budget Transfers

~~Budgeted funds may be transferred between different operating Division budget line items, and may also be transferred between Divisions, up to an amount of \$50,000 per transfer for expenditures or activities that have been previously authorized by the Board, when such transfer has been approved by the General Manager. Any single transfer that is greater than \$50,000 shall be subject to the review and approval by the Finance Auditing Committee and Board. The General Manager has the authority to approve like line item transfers of any amount between departments~~

~~within an approved operating Division budget. Budgeted funds may be transferred between the capital and operating budget and within the capital budget up to the amount of \$5,000 when such a transfer has been approved by the General Manager. The Auditor-Controller shall concur with all transfers and provide the Board with a written report summarizing all such transfers on no less than a quarterly basis. Budgeted funds may be transferred between different operating Division budget line items, and may also be transferred between Divisions, up to an amount of \$50,000 per transfer for expenditures or activities that have been previously authorized by the Board, when such transfer has been approved by the General Manager. Any single transfer that is greater than \$50,000 shall be subject to the review and approval by the Finance-Auditing Committee and Board. The General Manager has the authority to approve like line item transfers of any amount between departments within an approved operating Division budget. Budgeted funds may be transferred between the capital and operating budget up to the amount of \$5,000 with the General Manager's approval. For a multi-year capital project already in the approved capital budget, funds may be transferred between fiscal years provided there is no increase in the total project budget when such a transfer has been approved by the General Manager. The Auditor-Controller shall concur with all transfers and provide the Board with a written report summarizing all such transfers on no less than a quarterly basis. (Res. 01-159, 10/12/01; Res. 07-052, 6/8/07.)~~

D. Use of Unbudgeted Funds

When financial commitments are proposed entailing the use of unbudgeted funds in excess of \$1,000, a presentation will be made in conjunction with the request as to the: (1) source of revenue to meet the commitment; or, (2) source of savings to offset the expenditure. (Res. 81-32, 1/30/81.)

No request for unbudgeted funds in excess of \$2,500 shall be brought to the Board without prior approval by the Finance-Auditing Committee.

RULE XI. INVESTMENT POLICY

A. Introduction

The purpose of this Rule is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

The investment policies and practices of the Golden Gate Bridge, Highway & Transportation District are based on state law and prudent money management. All general funds will be invested in accordance with the District's Investment Policy and Article 2 of Chapter 4 of the California Government Code (commencing with Section 53600). The investment of bond or note proceeds will be governed by the provisions of the relevant bond documents. (Res. 01-148, 9/14/01.)

B. Scope

It is intended that this policy cover all funds (except retirement funds) and investment activities under the direction of the District.

pertaining to their positions, the financial conditions of the District and other relevant factors, as may be determined by the Board. (Res. 96-257, 12/13/96)

RULE XX. OFFICE HOURS

The Administrative Offices of the District shall be open from 8:30 a.m. to 4:30 p.m., Monday through Friday of each week.

The offices shall be closed on Saturdays, Sundays, legal holidays, and such other occasions as the Board of Directors may authorize. ~~The District shall post in a location freely accessible to the public the list of legal holidays on which the District offices will be closed.~~

The Personnel Guide and applicable Memoranda of Understanding detail specific holiday provisions for District and administrative employees and employees covered by collective bargaining agreements.

RULE XXI. AMENDMENTS

These rules may be suspended or amended or repealed at any Board of Directors' Meeting by a majority of the members of the Board.