

November 13, 2009

BOARD OF DIRECTORS MEETING
FRIDAY, NOVEMBER 20, 2009



5. CONSENT CALENDAR:

- A.** Approve the Minutes of the following Meetings:
1. Transportation Committee/Committee of the Whole of November 13, 2009, September 10, 2009 and August 7, 2009;
 2. Building and Operating Committee/Committee of the Whole of October 22, 2009;
 3. Finance-Auditing Committee/Committee of the Whole of October 22, 2009, September 24, 2009 and August 13, 2009;
 4. Rules, Policy and Industrial Relations Committee/Committee of the Whole of November 13, 2009; and,
 5. Regular Meetings of the Board of Directors of October 23, 2009, October 9, 2009, September 11, 2009 and August 14, 2009, as well as the Special Meeting of the Board of Directors of October 30, 2009.

Motion

B. Attorney's Report
Denial of Claims

1. Claim of Lisa Culbertson **Motion**
2. Subrogation Claim of Farmers Insurance Exchange
(Insured: Curtis Lubiszewski) **Motion**
3. Claim of Jackie Pierce **Motion**
4. Amended Subrogation Claim of Allstate Insurance Company
(Insured: Caro Bourdon) **Motion**
5. Claim of Luxor Cab Company **Motion**
6. Claim of Anne Saulnier **Motion**
7. Claim of Eduardo Rivera **Motion**

C. Meeting of the Finance-Auditing Committee/Committee of the Whole
October 22, 2009
Chair J. Dietrich Stroeh

1. Ratification of Actions by the Auditor-Controller
 - a. Ratify Commitments and/or Disbursements
 - b. Ratify Previous Investments
 - c. Authorize Investments
 - d. Investment Report, September 2009 **Resolution**

Attachment No. 1: Minutes of Committee and Board Meetings
Attachment No. 2: Attorney's Claims Report
Attachment No. 3: Excerpt form the October 22, 2009, Meeting of the Finance-Auditing Committee

Agenda Item No. 5



MEMORANDUM

TO: President Albert J. Boro and Members, Board of Directors

FROM: Janet S. Tarantino, Secretary of the District

DATE: November 20, 2009

SUBJECT: **REQUEST TO SEVER MINUTES FROM THE CONSENT CALENDAR RELATIVE TO AGENDA ITEM NO. 5 FOR NOVEMBER 20, 2009, MEETING OF THE BOARD OF DIRECTORS**

Agenda Item No. 5., Consent Calendar

The Secretary of the District Janet Tarantino requests that minutes of the following meetings be severed from the Consent Calendar as these minutes were not yet ready for approval:

1. Rules, Policy and Industrial Relations of November 13, 2009; and,
2. Special Meeting of the Board of Directors of October 30, 2009.”

JST:plw

Agenda Item No. 5



MEMORANDUM

TO: President Albert J. Boro and Members, Board of Directors

FROM: Janet S. Tarantino, Secretary of the District

DATE: November 13, 2009

SUBJECT: **AGENDA ITEM NO. 5., CONSENT CALENDAR**

The minutes of the following meetings, as listed on the Consent Calendar for approval, will be available either just before the meeting or on the day of the meeting:

- A.1. Transportation Committee/Committee of the Whole of November 13, 2009;
- A.4. Rules, Policy and Industrial Relations Committee/Committee of the Whole of November 13, 2009; and
- A.5. Special Meeting of the Board of Directors of October 30, 2009.

JST:lgf



November 13, 2009

REPORT OF THE
TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE

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

Honorable Members:

A meeting of the Transportation Committee/Committee of the Whole was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Friday, November 13, 2009, at 10:00 a.m., Chair Brown presiding.

Committee Members Present (9): Chair Brown; Vice Chair Cochran; Directors Eddie, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders and Stroeh.

Chair Brown appointed Directors Eddie, Moylan, Newhouse Segal, Sanders and Stroeh Pro-Tem Members for this meeting only.

Committee Members Absent (5): Directors Grosboll, Kerns, Snyder and Sobel; President Boro (Ex Officio)

Committee of the Whole Members Present: (10): Directors Brown, Campos, Cochran, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders and Stroeh; Second Vice President Eddie

Committee of the Whole Members Absent (9): Directors Chu, Dufty, Elsbernd, Grosboll, Kerns, Snyder and Sobel; First Vice President Reilly; President Boro

Staff Present: General Manager Celia G. Kupersmith; Auditor-Controller Joseph Wire; District Engineer Denis Mulligan; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Attorney Madeline Chun; Deputy General Manager/Ferry Transit Division James P. Swindler; Deputy General Manager/Administration and Development Z. Wayne Johnson; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Lona Franklin

Visitors Present: None

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
NOVEMBER 13, 2009/PAGE 2**

1. Report of the District Advisory Committees

a. Advisory Committee on Accessibility (ACA)

The agenda for the October 15, 2009, meeting, and the Minutes of the September 17, 2009, meeting of the Advisory Committee on Accessibility were furnished to the Transportation Committee. Copies are available in the Office of the District Secretary and on the District's web site.

b. Bus Passengers Advisory Committee (BPAC)

There was no meeting of the Bus Passengers Advisory Committee in October 2009.

c. Ferry Passengers Advisory Committee (FPAC)

The agenda for the October 19, 2009, meeting, and the Revised Notes of the September 14, 2009, meeting, of the Ferry Passengers Advisory Committee were furnished to the Transportation Committee. Copies are available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

2. Status Report on New Golden Gate Transit (GGT) Fareboxes

Ms. Kupersmith reported that this item has been postponed, and will be agendized on the January 7, 2009 meeting of this Committee.

3. Approve Actions Relative to Changes to the Fare Coordination Agreement with the San Francisco Municipal Transportation Agency

In a memorandum to Committee, Director of Planning Alan Zahradnik, Deputy General Manager/Administration and Development Z. Wayne Johnson and General Manager Celia Kupersmith reported on staff's recommendation to approve actions relative to changes to the Fare Coordination Agreement with the San Francisco Municipal Transportation Agency (SFMTA), as follows:

1. Execute a Passenger Transfer Agreement with the SFMTA to provide for a reciprocal 50-cent TransLink® transfer credit for adult fares paid to San Francisco Muni (SF Muni) by passengers transferring from Golden Gate Ferry (GGF) and Golden Gate Bus (GGB), and for adult fares paid to Golden Gate by passengers transferring from SF Muni to GGF and GGB, effective February 1, 2010; and,

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
NOVEMBER 13, 2009/PAGE 3**

2. Amend Section III.D.2 of the District's Master Ordinance to add the following:

“Passengers presenting a valid TransLink® transfer from SF Muni will be granted credit toward the payment of TransLink® fare on GGT bus and ferry services in the amount of 50 cents for adults, or 25 cents for youth, seniors and persons with disabilities.”

In addition, the staff report stated that SFMTA Executive Director Nathaniel Ford provided a letter dated August 26, 2009, copy attached, notifying the District of discontinuance of the SFMTA's practice of providing free round-trip Muni tickets to Golden Gate Ferry riders, effective January 1, 2010. The staff report stated that the SFMTA proposes to replace the free tickets with a 50-cent transfer credit available to GGF and GGB bus riders using TransLink® and then pay their SF Muni fare. The staff report noted that MTA stated it was taking this action after reviewing all its existing inter-agency transfer agreements and to create a more equitable and consistent policy across all operators who link with the SF Muni.

The staff report stated that a new Passenger Transfer Agreement was developed by District and MTA staffs to replace existing agreements. The transfer credit would be restricted to full \$2.00-fare-paying adults only. SF Muni riders using local passes would receive no transfer credit, and youth, seniors and persons with disabilities would receive no transfer credit on their already discounted fare. The staff report noted that District staff requested a larger discount, but were informed that the proposal for a Golden Gate transfer to SF Muni is the same as the current arrangement with the Bay Area Rapid Transit District.

The staff report stated that District staff proposes providing passengers transferring from SF Muni to GGT buses and ferries using TransLink® a 50-cent credit on adult cash fares and a 25-cent credit on youth, senior and disabled fares. The staff report stated that TransLink® expects the earliest implementation date to be February 1, 2010. The staff report estimated that 52,000 adult passenger fares would be reduced by 50 cents and 3,000 youth/senior/disabled passenger fares would be reduced by 25 cents, and revenue loss annually would approximate \$27,000.00. While ferry ridership and fare revenue may decline due to the higher combined fares, the discounts would be provided for TransLink® customers only, who represent only 6% of ferry riders. Because the net result for GGT bus riders is reduced fares, ridership could increase, partially offsetting a loss in ferry ridership.

A copy of the staff report, along with its two attachments (Proposed Page 33 of the 2009 Golden Gate Bridge, Highway and Transportation District Master Ordinance and a copy of a letter from SFMTA dated August 26, 2009), is available in the Office of the District Secretary and on the District's web site.

[Director Campos arrived at this time.]

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
NOVEMBER 13, 2009/PAGE 4**

At the meeting, Mr. Zahradnik reported that ferry riders have enjoyed the convenience and affordability of free transfers to and from SF Muni since the Loma Prieta earthquake in 1989. In exchange for the loss of free transfers for TransLink® customers, SF Muni now proposes the transfer credit. Staff recommends that the District reciprocate by providing a return trip transfer credit for TransLink® customers, and that *Master Ordinance 2009* be amended accordingly.

Ms. Kupersmith stated that, since the staff report was published, the District was informed that the SFMTA would not be taking up action on this matter until January 2010, so the transfer credits will not be put into effect until March 1, 2010. She provided background information about the original source of the free transfers, stating that, at its inception, it was not intended to be a permanent arrangement and that it has continued longer than originally planned.

Staff recommended and the Committee concurred by motion made and seconded by **Directors STROEH/McGLASHAN** to forward the following recommendation to the Board of Directors, including the change in the effective date from February 1, 2010 to March 1, 2010, for its consideration:

RECOMMENDATION

The Transportation Committee recommends that the Board of Directors approve actions relative to changes to the Fare Coordination Agreement with the San Francisco Municipal Transportation Agency (SFMTA):

1. Execute a Passenger Transfer Agreement with the SFMTA to provide for a reciprocal 50-cent TransLink® transfer credit for adult fares paid to San Francisco Muni (SF Muni) by passengers transferring from Golden Gate Ferry and Golden Gate Bus, and for adult fares paid to Golden Gate by passengers transferring from SF Muni to Golden Gate ferries and Golden Gate Transit buses, effective March 1, 2010; and,
2. Amend Section III.D.2., INTER-OPERATOR TRANSFERS, of *Master Ordinance 2009* by adding Subsection “e,” as follows: “Passengers presenting a valid TransLink® transfer from SF Muni will be granted credit toward the payment of TransLink® fare on Golden Gate Transit bus and ferry services in the amount of 50 cents for adults, or 25 cents for youth, seniors and persons with disabilities.”

**Action by the Board at its meeting of November 20, 2009 – Ordinance
NON-CONSENT CALENDAR**

AYES (10): Directors Brown, Campos, Cochran, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders and Stroeh; Second Vice President Eddie

NOES (0): None

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
NOVEMBER 13, 2009/PAGE 5**

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

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

- a. Revised spreadsheets from the Planning Department outlining GGT bus service performance of both District regional routes and Marin Transit local routes, for the month of September, 2009; and,
- b. A spreadsheet from the Auditor-Controller outlining the history of payments made from July, 2009 to November, 2009 by Marin Transit to the District for intra-county bus transit services in Marin County.

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

- a. Marin Transit Agenda for October 19, 2009, Board Meeting;
- b. Marin Transit Minutes for September 21, 2009, Board Meeting;
- c. Transportation Authority of Marin (TAM) Board Meeting Agenda for October 22, 2009;
- d. TAM Board Meeting Minutes for September 24, 2009;
- e. TAM Executive Committee Agenda for October 12, 2009, Meeting; and
- f. TAM Executive Committee Minutes of September 14, 2009, Meeting

Copies of all of the above-listed items are available in the Office of the District Secretary and on the District's web site.

Discussion ensued, including the following inquiry:

- Director Cochran made the following comments and inquiries:
 - He inquired as to whether the Marin County Transit District (MCTD) was in arrears since the end of August. In response, Ms. Kupersmith acknowledged they were. Further, Mr. Wire elaborated, stating that two matters are pertinent. First, the FY 08/09 True Up will require that they remit amounts due by year end. Second, new staff is now responsible for this item, and as a result, there is a learning curve for the newly hired staff members. The District has been in communication with the MCTD staff, and has been told that monthly payments of \$644,000.00 will resume.
 - He commented that many people in Marin County are dependent upon bus service. He stated his hope is that the needs of Marin County bus riders who depend upon the service as their only means of transportation would be very seriously considered by the MCTD when decisions about cuts are made.
- Chair Brown commented that the MCTD is cutting 6 to 8 per cent of its service, but at the present time is not in a weak financial condition.

Action by the Board – None Required

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
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5. Public Comment:

There was no public comment.

6. Adjournment

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

Respectfully submitted,

Harold C. Brown, Chair
Transportation Committee

HCB:JST:LGF:lgf

September 10, 2009



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

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

Honorable Members:

A meeting of the Transportation Committee/Committee of the Whole was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Thursday, September 10, 2009, at 10:00 a.m., Chair Brown presiding.

Committee Members Present (11): Chair Brown; Vice Chair Cochran; Directors Eddie, Grosboll, Moylan, Pahre, Reilly, Snyder, Sobel and Stroeh; President Boro (Ex Officio)
Chair Brown appointed Directors Eddie, Moylan, Reilly and Stroeh Pro-Tem Members for this meeting only.

Committee Members Absent (2): Directors Kerns and McGlashan

Other Directors Present (1): Director Elsbernd

Committee of the Whole Members Present (12): Directors Brown, Cochran, Elsbernd, Grosboll, Moylan, Pahre, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

Committee of the Whole Members Absent (7): Directors Campos, Chu, Dufty, Kerns, McGlashan, Newhouse Segal and Sanders

Staff Present: General Manager Celia G. Kupersmith; Auditor-Controller Joe Wire; Acting District Engineer Ewa Bauer; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bus Transit Division Teri W. Mantony; Deputy General Manager/Ferry Transit Division James P. Swindler; Maintenance Manager Gene Walker; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Lona Franklin

Visitors Present: David McCrossan, Senior Transportation Consultant, HDR Engineering, Inc.,

1. Report of the District Advisory Committees

a. Advisory Committee on Accessibility (ACA)

There was no meeting of the Advisory Committee on Accessibility (ACA) in August 2009.

Ms. Kupersmith stated that this Committee presents an award every two years to an individual or organization that has done work to promote access and that, in light of the recent passing of Russ Bohlke, the ACA Board has renamed the award the "Russ Bohlke Award." She stated that there is no action required of the District Board today, but that the person or organization that receives the award is recognized at a District Board meeting.

b. Bus Passengers Advisory Committee (BPAC)

There was no meeting of the Bus Passengers Advisory Committee in August 2009.

c. Ferry Passengers Advisory Committee (FPAC)

There was no meeting of the Ferry Passengers Advisory Committee in August, 2009.

Action by the Board – None Required

2. Approve Actions Relative to the Award of Contract No. 2009-BT-1, *Forty-Five Foot Diesel Inter-City Configuration Coaches*, to Motor Coach Industries, Inc.

In a memorandum to Committee, Deputy General Manager/Bus Transit Division Teri Mantony and General Manager Celia Kupersmith reported on staff's recommendation to approve actions relative to the authorization of the award of Contract No. 2009-BT-1, *Forty-Five Foot Diesel Inter-City Configuration Coaches*, to Motor Coach Industries, Schaumburg, IL (MCI), in the amount of \$12,945,832.92, for the purchase of 23 coaches and associated spare parts, to replace 29 forty-foot coaches, subject to a Federal Transit Administration (FTA)-required pre-award audit and the successful completion of a price/cost analysis.

In addition, the staff report recommended authorization of a sole source purchase of 23 fareboxes from GFI Genfare, a unit of SPX Corporation, in the amount of \$365,730.00, because the District can achieve significant cost savings by purchasing directly from the manufacturer. According to the staff report, savings from purchasing direct would amount of approximately \$363,461.00. The staff report stated further that requirements for a sole source purchase under FTA regulations were met, including: 1) uniqueness; 2) lack of availability elsewhere; 3) the District's current use of GFI fareboxes on its coaches, making installation of other brands more costly and less efficient; 4) critical timing of delivery in that farebox delivery must coincide with delivery of the buses; and, 5) based upon prior research by the District, no other farebox was found to meet the District's performance requirements. The staff report stated that California law allows an exception from competitive procurement laws under these circumstances.

The staff report also recommended the establishment of a project contingency fund of five percent (5%) of the contract amount, or approximately \$617,603.00, to cover unexpected expenses; such as, specification modifications and/or purchase of spare parts and on-board operating equipment and authorization of an increase in the FY 09/10 Bus

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 10, 2009/PAGE 3**

Transit Division Capital Budget, in the amount of \$2,453,650.00, to be funded with FTA grant funds (\$1,962,920.00) and from District reserves (\$490,730.00).

The staff report noted that negotiations with MCI resulted in price reductions totaling approximately \$100,000.00 per coach.

[Directors Pahre and Elsbernd arrived at this time.]

During the meeting, Ms. Mantony stated that these over-the-road coaches would be used for long distance commute services from Sonoma and Marin counties to San Francisco. She stated that the District would initially order 23 coaches, but options in the contract would allow the District to buy additional coaches, as other existing ones reach the end of their useful lives.

Ms. Mantony also reported that the District used a new American Public Transportation Association (APTA) guideline designed to streamline and provide greater consistency to the procurement process. The guideline was developed by an APTA Procurement Committee on which Madeline Chun served. She stated the District was first in the country to use the guideline.

Ms. Mantony reported further that GFI fareboxes would be purchased separately, because of the financial savings available to the District, and that the same type farebox has been in use in the District since March 2009.

Discussion ensued, including the following comments and inquiries:

- Director Reilly inquired as to the reason for choosing diesel as opposed to hybrid buses. In response, Ms. Mantony stated that the District made a commitment to a clean diesel path several years ago, and this is part of that decision. Mr. Walker provided additional detail, stating that these over-the-road coaches have the cleanest emissions currently available. He noted that hybrid technology is well suited to other uses, but for over-the-road use, diesel performs better. He stated further that the clean-burning diesel engines, such as those proposed for purchase, are very comparable environmentally to hybrid.
- Director Grosboll made the following comments and inquiries:
 - He inquired as to other available options in addition to hybrid or diesel. In response, Mr. Walker stated that one other option was compressed natural gas; however, these coaches would be much heavier and have reduced passenger capacity. In addition, long commuter routes, such as from Santa Rosa to San Francisco, require a fuel range of more than 400 miles and it has been found that compressed natural gas vehicles do not have mileage in this range.
 - He inquired as to whether complaints had been received from environmental groups on the diesel engine in these buses and whether this was the cleanest diesel available, or whether any other Bay Area buses had cleaner diesel. In response, Ms. Mantony stated that the buses proposed for purchase have the cleanest diesel available. She confirmed that no

other Bay Area communities have buses with cleaner diesel. She responded further that the clean diesel path was challenged in San Francisco and other areas that have explored these opportunities. She stated that the decision was made after taking all factors into consideration, including the cost of required infrastructure for this and other engine types. She stated that the District's choice in this purchase has not been challenged, however.

In further response, Ms. Kupersmith stated that making the decision had taken many months of deliberation by the Board of Directors. It was found that both clean diesel or another alternative fuel would lead to zero emissions buses in the future. The District chose the clean diesel path, and then to focus its additional financial resources on testing zero-emissions bus technology. She stated the District has been working on zero-emissions bus testing together with AC Transit since about 2000, although the technology has not moved forward as fast as hoped for in 2000.

She added that another factor in making the decision for diesel was customer preference for 45-foot coaches. She added that the variation in ridership from route to route has been a challenging aspect of the decision-making process, but this choice will help balance the need for comfort for in long distance travel with high capacity requirements. She continued that the District contracts with Marin County Transit District (MCTD) to provide local service, which does not require long coaches, and Marin County Transit District has chosen to try hybrids. This applies hybrid technology in an area well suited to it.

- He inquired as to the kind of fareboxes that will be used. Ms. Mantony stated that the same fareboxes that are currently used on Golden Gate Transit (GGT) buses will be used on the new buses. She stated further that farebox complaints have been reduced to minimal.
- Director Sobel inquired as to the expected delivery date for the buses and whether they would be equipped with Wi-Fi. In response, Ms. Mantony stated that the buses would be shipped in June 2010, with delivery possible ahead of schedule, and that they would be equipped with Wi-Fi.
- Director Cochran inquired as to the reason for establishing a 5% contingency fund. In response, Ms. Mantony stated that staff travel costs to inspect buses prior to accepting delivery would be covered by contingency funds. Further, she stated that while contingency funds are seldom used, a contingency fund is established so that unexpected costs can be covered.

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 10, 2009/PAGE 5**

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

RECOMMENDATION

The Transportation Committee recommends that the Board of Directors approve actions relative to the award of Contract No. 2009-BT-1, *Forty-Five Foot Diesel Inter-City Configuration Coaches*, as follows:

- a. Authorize award of a contract to Motor Coach Industries, Inc., in the amount of \$12,945,832.92, for the purchase of 23 forty-five foot diesel inter-city configuration coaches and associated spare parts;
- b. Authorize the sole source purchase of fareboxes with GFI Genfare in the amount of \$365,730.00;
- c. Authorized a contingency fund in the amount of \$617,603.00, equal to 5% of the contract award;
- d. Establish a total project budget of \$13,929,750.00, to be funded \$11,143,800 Federal Transit Administration (FTA) (80%), 1,264,140.00 State I-Bond funds, and \$1,521,810.00 District funds (11%);
- e. Authorize a budget increase in the FY 09/10 Bus Transit Division Capital Budget in the amount of \$2,453,650.00, to be funded with \$1,962,920.00 FTA funds and \$490,730.00 District reserves, subject to concurrence by the Finance-Auditing Committee at its meeting of September 10, 2009;

subject to an FTA-required pre-award audit and the successful completion of a price/cost analysis.

**Action by the Board at its meeting of September 11, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (12): Directors Brown, Cochran, Elsbernd, Grosboll, Moylan, Pahre, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

3. Approve Actions Relative to the Award of Contract No. 2010-BT-6, *Thirty-Five Foot Hybrid Buses*, to New Flyer on behalf of the Marin County Transit District

In a memorandum to Committee, Deputy General Manager/Bus Transit Division Teri Mantony and General Manager Celia Kupersmith presented staff's recommendation to approve actions relative to the procurement of up to 7 thirty-five foot hybrid buses and miscellaneous spare parts, using options assigned from Washington Metropolitan Area Transit Authority ("piggybacking") for the purchase. In addition, the staff report recommended establishment of a contingency fund of \$199,972.49, to cover the cost of specification modifications and the purchase of spare parts, and authorization of an increase in the FY 09/10 Bus Transit Division Capital Budget in the amount of \$295,000.00 (\$236,000.00 FTA grant funds and \$59,000.00 local funds from Marin County Transit District (MCTD)).

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 10, 2009/PAGE 6**

The staff report stated that the District is under contract with the MCTD to provide Marin's local bus service, including purchase and replacement equipment. The staff report stated that MCTD, at its February 2008 Board meeting, approved the purchase of up to 7 thirty-five foot hybrid buses to be 100% funded by from the FTA, Prop 1B and the MCTD. In the event MCTD were unable to fully fund its share, the District would purchase only six hybrid buses, making the budget increase unnecessary.

The staff report cited benefits of hybrid buses, including improved fuel economy and lower emissions coupled with adequate seating capacity, easier passenger loading and faster wheelchair boarding times. The purchase price of \$597,460.31 per bus would include Americans with Disabilities Act equipment, delivery charges and sales tax. The miscellaneous spare parts packet was estimated to be \$245,805.37, including sales tax.

The staff report noted that the District is "piggybacking" on contracts that were let pursuant to a process that conformed to the State and Federal laws applicable to the District's procurement of buses and that "piggybacking" would provide efficiency and cost-saving, with an "in service" date as early as July 2010, and that the process conforms to both federal and state law.

At the meeting, Ms. Mantony stated that Marin County had confirmed their intent to purchase all seven buses.

Ms. Kupersmith stated that the local match would be paid by the MCTD, not by the District. The buses would belong to the District, with MCTD providing the matching funds and making the final decision on the purchase. She stated that the District was able to "piggyback" on an existing Washington Metropolitan Area Transit Authority contract with New Flyer of America and noted that the advantage of "piggy-backing," a common practice in the industry, was the better price and faster delivery.

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

RECOMMENDATION

The Transportation Committee recommends that the Board of Directors approve actions relative to the award of Contract No. 2010-BT-6, *Thirty-Five Foot Hybrid Buses*, as follows:

- a. Approve the finding that a traditional low-bid procurement process is not an adequate method of procuring hybrid buses for use on Marin County Transit District (MCTD) routes, and that using options assigned from another agency ("piggybacking") to purchase these buses is the best method for this procurement; and,
- b. Authorize the purchase of up to seven (7) thirty-five foot hybrid buses and miscellaneous spare parts, on behalf of MCTD, through a "piggyback" contract between Washington Metropolitan Area Transit Authority and New Flyer of America; and,

- c. Establish a contingency fund in the amount of \$199,972.49 to support any minor specification modifications identified at the pre-production meeting and during bus production, as well as the purchase of spare parts; and,
 - d. Establish a total project budget of \$4,628,000.00, to be funded with \$236,000.00 Federal Transit Administration funds and \$59,000.00 local funds from MCTD; and,
 - e. Authorize a budget increase in the FY 09/10 Bus Transit Division Capital Budget in the amount of \$295,000.00, subject to the concurrence of the Finance-Auditing Committee at its meeting of September 10, 2009;
- with the understanding that no District funds will be used.

**Action by the Board at its meeting of September 11, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (12): Directors Brown, Cochran, Elsbernd, Grosboll, Moylan, Pahre, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

4. Presentation of PowerPoint by Consultant HDR, Inc., on Results of the South Marin Transit Study

In a memorandum to Committee, Deputy General Manager/Administration and Development Z. Wayne Johnson and General Manager Celia Kupersmith summarized the purpose of the South Marin Transit Study (Study) as identification of capital projects to improve Golden Gate Transit (GGT) bus operations and passenger facilities in south and central Marin County. The Study was undertaken by HDR Engineering, Inc., with the District and Marin Transit each providing staff to the study's Technical Advisory Committee and contributing \$25,000.00.

The staff report noted there would be no fiscal impact due to the conceptual nature of the findings, and that the findings had already been accepted by Transportation Authority of Marin (TAM).

Chair Brown introduced David McCrossan, Senior Transportation Consultant for HDR Engineering, Inc. who made a PowerPoint presentation of the results. Mr. McCrosson stated that the Study was sponsored by the Transportation Authority of Marin with the District contributing as a funding partner with significant input and technical expertise provided by District staff.

During the presentation, Mr. McCrossan stated that the focus of the Study was identification of feasible and fundable capital improvements on a five- or ten-year horizon, by improving infrastructure to enhance service and efficiency. The Highway 101 corridor from downtown San Rafael to the Golden Gate Bridge and east-west arterials were studied. Planning of future services was outside the scope of the Study.

Mr. McCrosson stated that the Study identified pilot programs that would benefit GGT, using three service scenarios. First, multi-modal “green hubs,” would guarantee secure bicycle parking, add short stay pickup capacity, increase drop-off capacity and provide a neighborhood shuttle/shared ride transfer service. Transit parking management would be improved to provide better security, lighting and shelter for people waiting to use public transportation. Second, the Highway 101 Key Pads and Ramps Transit Program would provide at-grade signal controlled pedestrian activated ramp crossings, ramp transit signal priority and bus pad access reconfiguration. Third, the Arterial Speed and Reliability Program would implement transit signal priority by placing receiving equipment on signals and transponder equipment on buses. Traffic signal controller/system timing plans and monitoring would also be implemented. He indicated that other improvements identified in the study would primarily benefit local service.

Mr. McCrosson displayed a prototype of a multi-modal green hub, and stated that it would be an enhanced facility, large enough for a 45-foot over-the-road coach to access without difficult. Carpooling and ridesharing to the pick-up location would be incentivized. Several locations on the arterial corridors were researched. This Study identified seventeen possible green hub locations, all of which would provide better parking. He stated that data were collected and analyzed for drop-off and pick-up points, such as Kiss-and-Ride.

Mr. McCrosson reported that Sir Francis Drake Boulevard was one main corridor with potential for improvement as part of the Arterial Speed and Reliability Program. The Study identified speed and reliability improvements, such as transit signal priority and reconfiguration to improve reliability.

Mr. McCrosson stated that no funding sources had been identified and no funds committed, although the likely level of improvement, capital cost and benefit has been investigated. He stated that each improvement requires further study. He stated that costs would be relatively modest while the benefits to people and the environment would be significant.

He stated that by the end of five years, the multi-modal green hubs would cost approximately \$6 million, Key Pads and Ramps \$8.6 million, and the Arterial Speed and Reliability Program just under \$14 million. All have relatively low cost per one-way trip. He stated that implementing the improvements would take approximately three years and would provide an opportunity to recapture choice ridership.

Mr. McCrosson stated further that bicycle parking should be improved, generally, and provide guaranteed security. Secure bicycle parking has been very successful elsewhere in the Bay Area, and expectations for secure bicycle parking are higher in this part of the country than in other parts.

Following Mr. McCrosson’s presentation, Ms. Kupersmith stated that the end of the previous fiscal year has now passed and discussions are ongoing with the MCTD to finalize financial obligations. She stated that the MCTD is facing serious funding shortfalls because sales tax has been discontinued and Transit Development Act funds eliminated. She reported that discussion has taken place at the Board level, and that in

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
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the next few months the MCTD staff will propose service reductions which, if passed, will result in lower revenue for the District. She stated there is a possibility they may reduce the number of bus drivers and that attrition by the end of the year could be substantial. She noted that, because of the serious nature of the problem, they must move quickly to raise fares and/or cut service, and the District continues to work closely with them. She stated that once a clear plan is in place, it will be brought before the District Board of Directors.

Discussion ensued, including the following comments and inquiries:

- Director Snyder made the following inquiries:
 - He inquired as to whether the first green hub was expected to happen relatively soon and how ample car parking could be guaranteed. In response, Mr. McCrosson stated that two locations were identified where property was available and the improvements could be implemented. He stated that a mechanism has been identified for local jurisdictions to decide how they want to use potential parking, as well as existing parking. He stated it is similar to the BART parking program. He stated further that different areas will employ different solutions. He provided several examples, one of which was to provide overflow all-day parking, either through a ticket-managed system or as part of a shared system with the general public and businesses.
 - He stated that the solution employed should not model BART exactly and that he felt skeptical about improvements on Sir Francis Drake Boulevard. He inquired as to whether priority would be put on general traffic improvements, as opposed to transit preempts. In response, Mr. McCrosson stated that general traffic improvement would not be the highest priority but, instead, flow of traffic while prioritizing transit. He noted that ten “pinch points” were identified that would require signal preemption, extending the traffic signal green phase or truncating the red phase.
 - He inquired as to how automobiles would benefit from such changes. In response, Mr. McCrosson stated that having the green light remain green for a longer period of time where traffic flow makes that desirable benefits all drivers and will improve traffic flow generally. He added that strong feedback was received from Marin County.
- Director Brown noted that pull-outs are vitally important. In response, Mr. McCrosson stated that pull-outs are very much a part of the green hub concept and that more extensive curbs can be provided.

Action by the Board – None required

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

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

- a. Revised spreadsheets from the Planning Department outlining GGT bus service performance of both District regional routes and Marin Transit local routes, for the months of April, May and June, 2009; and,
- b. A spreadsheet from the Auditor-Controller outlining the history of payments made from July 1, 2009 to August 25, 2009 by Marin Transit to the District for intra-county bus transit services in Marin County.

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

- a. Marin Transit Agenda for August 17, 2009, Board Meeting;
- b. Marin Transit Minutes for July 13, 2009, Board Meeting;
- c. Transportation Authority of Marin (TAM) Board Meeting Agenda for July 23, 2009;
- d. TAM Board Meeting Minutes for June 25, 2009;
- e. TAM Notice of Cancellation of August 27, 2009 Board Meeting; and
- f. TAM Executive Committee Notice of Cancellation for August, 2009

Copies of all of the above-listed items are available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

6. Public Comment

There was no public comment.

7. Adjournment

All business having been concluded, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

Harold C. Brown, Chair
Transportation Committee



August 7, 2009

REPORT OF THE TRANSPORTATION COMMITTEE

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

Honorable Members:

A meeting of the Transportation Committee was held in the Board of Supervisors Chambers, County of Sonoma, Santa Rosa, California, on Friday, August 7, 2009, at 10:00 a.m., Acting Chair Kerns presiding.

Committee Members Present (6): Acting Chair Kerns; Vice Chair Cochran; Directors Brown, Pahre and Sobel; President Boro (Ex Officio)

Committee Members Absent (3): Directors Grosboll, McGlashan and Snyder

Other Directors Present (3): Directors Moylan and Stroeh; First Vice President Reilly

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Transit Division Teri W. Mantony; Deputy General Manager/Administration and Development Z. Wayne Johnson; Assistant Clerk of the Board Lona Franklin

Visitors Present: Carol Anne Carroll, Corey, Canapery & Galanis Research

1. Report of the District Advisory Committees

a. Advisory Committee on Accessibility (ACA)

The agenda for the July 16, 2009, meeting, and the minutes of the June 18, 2009, meeting of the Advisory Committee on Accessibility were furnished to the

**REPORT OF THE TRANSPORTATION COMMITTEE
AUGUST 7, 2009/PAGE 2**

Transportation Committee. Copies are available in the Office of the District Secretary and on the District's web site.

b. Bus Passengers Advisory Committee (BPAC)

There was no meeting of the Bus Passengers Advisory Committee in July 2009.

c. Ferry Passengers Advisory Committee (FPAC)

There was no meeting of the Ferry Passengers Advisory Committee in July, 2009. In addition, no meeting was scheduled for August, 2009. The next regularly scheduled meeting will be Monday, September 14, 2009, at the regular meeting location, Pier One, Port of San Francisco, Bayside Rooms 3 and 4.

Action by the Board – None Required

2. Presentation by Consultant Corey, Canapary & Galanis Research on Results of the Regional Bus and Ferry Passenger Survey

a. Staff Report

In a memorandum to Committee, Deputy General Manager/Administration and Development Z. Wayne Johnson and General Manager Celia Kupersmith summarized the Agreement between the District and Corey, Canapary & Galanis Research, noting the total contract amount to produce the survey was \$290,694.00.

The report stated that the consultant was tasked with the following items:

- Conducting an on-board survey of regional bus and ferry passengers;
- Conducting a telephone survey of non-users of Golden Gate Transit (GGT) Bus; and,
- Holding focus group sessions with both users and non-users of Golden Gate services.

The report also stated that the goal of the survey was information gathering to improve service, to increase market share and efficiency and to develop innovative services using new technology. The report included a PowerPoint presentation which summarized survey findings. The report also stated that this survey was the first of its kind since 1985 and that there was no associated fiscal impact.

Copies of the staff report, as well as the PowerPoint presentation, are available from the Office of the District Secretary and on the District's web site.

b. Presentation of PowerPoint

Acting Chair Kerns introduced Carol Anne Carroll, Quantitative Director with Corey, Canapary & Galanis Research, who provided a presentation and summary on the results of the recently completed Regional Bus and Ferry Passenger Survey (Survey). Ms.

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AUGUST 7, 2009/PAGE 3**

Carroll stated this Survey sought to define customers and their perceptions of the District's strengths and services, both quantitatively and qualitatively.

Ms. Carroll stated that most of those surveyed were Marin County, San Francisco City and County and Sonoma County residents. The median age was 41-51 years, with local ferry customers having the highest mean household incomes among respondents. She stated that the Survey found a large percentage of users walk to reach the bus and ferry, and that driving and being dropped off comprised the next largest groups. She stated that "choice" ridership designated those who have the option to drive, but who choose to use bus or ferry instead. She stated that results showed overall choice ridership on GGT was 68% and on Golden Gate Ferry was 88%. Overall satisfaction was rated 3.92 and 4.15, respectively, on a 5.00 scale, with "5.00" indicating "very satisfied" and "1.00" indicating "very dissatisfied." She stated that other service attributes, such as sense of security, cleanliness, professionalism/courtesy of drivers and proximity of terminals to destinations, were also rated. All attributes rated higher than 4.00 on the 5.00 scale.

Ms. Carroll stated that individuals who had driven over the Golden Gate Bridge and were not regular users of transit were surveyed by random telephone number surveys of landlines and cell phones in Marin and Sonoma Counties. She stated that knowledge of transit resources was surveyed, as well as attitudes toward transit and ferry. She noted that environmental improvement was a key motivator for people to use transit, with the most favorable groups being young drivers, renters, commuters and people who work from home. Ms. Carroll stated that environmental concerns, cost and amount of time to use transit are some of the factors considered by potential riders. She stated that both riders and non-riders reported feeling enthusiastic about free Wi-Fi availability on buses and ferries. She stated that both bus and ferry riders reported favorably about comfort levels.

Discussion ensued, including the following comments and inquiries:

- Director Sobel made the following comments and inquiries:
 - He inquired as to methodology of data collection. In response, Ms. Carroll stated that sampling was done at all times of day in both north- and south-bound directions. She stated that for buses, an on-board surveyor distributed surveys on selected routes and for ferries, the survey was taken on a single, predetermined level on a number of different ferries, to assure a good cross section of responses. She stated that focus groups surveyed included regular and occasional transit and ferry users, non-users and reverse commuters.
 - He inquired as to whether the survey provided information about mean income changes from southern areas to northern areas and the degree to which income affects the decision to take public transportation rather than drive. In response, Ms. Carroll stated that the survey report does provide this information. She noted that the complete report breaks down income level data geographically, as well as by route, and summarizes the differences in income among the areas where data were collected.

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- He inquired as to whether the survey provided respondents the option to provide their names so that staff could reply. Ms. Carroll stated that this option was provided and District staff will be able to access the results.
- Director Brown made the following comments and inquiries:
 - He inquired as to overall satisfaction among those surveyed. In response, Ms. Carroll stated that the overall satisfaction rate was 80%.
 - He inquired as to a context for survey results and commented that knowing whether other transit services were comparable would increase understanding of the survey results. He noted that GGT's on-time rate was 90% or above. In response, Ms. Kupersmith acknowledged that the on-time rate was very high. She stated that GGT is a small, regional service, and the individuals surveyed were regional riders and members of focus groups. By contrast, SF MUNI is a large, local service. She stated that the two services are fundamentally dissimilar and that comparative conclusions should not be drawn from the results of this Survey. She stated that riders who use local services might respond differently to a similar Survey. She noted that choice ridership on GGT is very high.
- Director Reilly inquired as to whether any results stood out or were unexpected. In response, Mr. Zahradnik stated that the surprises were pleasant ones, and that ratings between 4.00 and 5.00 meant users were satisfied or very satisfied. He stated that Survey findings validated many assumptions made over the years. He explained that while consultants perform data collection, the District owns this data and will be able to use it for purposes of planning and marketing.
- President Boro made the following comments and inquiries:
 - He inquired as to whether Corey, Canapery & Galanis Research had done similar studies for other agencies. In response, Ms. Carroll stated affirmatively that surveys had been done for SamTrans, BART, Caltrain, CTA and AC Transit, as well as others.
 - He inquired as to whether GGT overall results were higher compared to the other systems for which surveys had been done. In response, Ms. Carroll stated that to accurately answer that question in a statistically sound manner, the same survey would have to have been administered across the other agencies.
 - He commented that reverse commuters had compared GGT to other services and that their experiences were positive. He directed the District to prepare a press release and to convey the Board's appreciation to District staff and others who have made the success of GGT possible. Ms. Kupersmith stated that the information would be provided to the public and the press.
- Director Pahre made the following comments and inquiries:
 - She inquired as to whether information was available as to the distance walkers covered in order to reach transit locations. In response, Ms. Carroll stated that respondents were asked their starting and ending points

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- of travel, and that the necessary data have already been collected and results are available for geo-coding.
- She commented that the results of this Survey validate the work of the District and would be motivational to employees. In response, Ms. Kupersmith stated her agreement and noted that with the results of this Survey being public, the information could now be shared with employees.
 - Acting Chair Kerns stated that the high number of people walking to transit locations indicated Transit Oriented Development was beginning to work and that access points were located close enough to where people live and work that they were comfortable walking to them.
 - Director Stroeh noted that in areas where buses circulate throughout subdivisions, users could limit walking distances.
 - Director Moylan commented that income levels could affect the choice of whether or not to use public transportation as well as whether to choose bus or ferry.

Ms. Mantony stated that customer service meetings were scheduled weekly and the results of this Survey would be presented there. She acknowledged the District's Union partners, stating that, by working together, procedures have been improved and results documented.

At the conclusion of discussion, Ms. Kupersmith stated the results of the Survey reflected well on the District's front line service providers and other employees. She noted that high capacity buses had been assigned to long distance commuter routes with excellent results. She further stated that the knowledge that many people walk to catch public transit would aid future planning decisions.

Action by the Board – None required

3. Authorize Execution of the FY 09/10 Inter-County Paratransit Services Agreement with the Marin County Transit District

In a memorandum to Committee, Deputy General Manager/Bus Transit Division Teri Mantony and General Manager Celia Kupersmith presented staff's recommendation to authorize execution of a one-year Agreement with the Marin County Transit District for the provision of inter-county paratransit services by its local paratransit service contractor, Whistlestop Wheels, to comply with the Americans with Disabilities Act and to reflect the principles of the Marin Local Fixed Route Bus Agreement (ending June 30, 2017), for a total cost of \$1,280,382.00, effective July 1, 2009 through June 30, 2010.

The staff report described the contract relationship history between the parties, and stated that the proposed Agreement would continue terms and conditions of previous Inter-County Paratransit Agreements, reflecting principles of the Marin Local Fixed Route Bus Agreement (effective through June 30, 2017).

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The staff report stated that the Agreement provides for compensation to MCTD of \$394,536.00 for operating expenses for paratransit services, plus \$32.07 per hour of service to a maximum of \$17,691.00. Fuel costs included were \$129,591.00, and the District's share of radio costs was estimated to be \$15,403.00. The staff report showed total combined, one-time expenses shared between the District and Marin Transit to be \$173,454.00, for procurement of additional vehicles and mobile data terminals. The report concluded that the total cost of the 2009/2010 Agreement would be \$1,280,382.00.

Copies of the staff report are available from the Office of the District Secretary, and on the District's web site.

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

RECOMMENDATION

The Transportation Committee recommends that the Board of Directors authorize execution of a one-year Agreement with the Marin County Transit District, for the provision of inter-county paratransit services by its local paratransit service contractor, Whistlestop Wheels, to comply with the Americans with Disabilities Act and to reflect the principles of the Marin Local Fixed Route Bus Agreement (ending June 30, 2017), for a total cost of \$1,280,382.00, effective July 1, 2009, through June 30, 2010.

**Action by the Board at its meeting of August 14, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (9): Acting Chair Kerns; Vice Chair Cochran; Directors Brown, Moylan, Pahre, Sobel and Stroeh; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (3): Grosboll, McGlashan and Snyder

4. Authorize Establishment of a Reciprocal Transfer Arrangement with Sonoma County Transit and Santa Rosa CityBus and, Amend Master Ordinance 2009 Accordingly

In a memorandum to Committee, Deputy General Manager/Administration and Development Z. Wayne Johnson and General Manager Celia Kupersmith presented staff's recommendation to authorize establishment of a reciprocal transfer arrangement with Sonoma County Transit (SCT) and Santa Rosa CityBus (SRCB) to allow for a transfer credit of \$1.00 for adults, or \$.50 for youth, seniors and persons with disabilities, for all transfers made from Sonoma County Transit and Santa Rosa CityBus to GGT, and amend the Master Ordinance accordingly.

The staff report provided a brief history of the need for development of the Inter-County Sonoma SuperPass, a discount transfer which ended in June 2009. The report stated that

**REPORT OF THE TRANSPORTATION COMMITTEE
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this Reciprocal Transfer Arrangement would replace the Inter-County Sonoma SuperPass. The report recommended that a \$1.00 credit for all transfers made from SCT to GGT be established, to replace the formerly offered Inter-County Sonoma SuperPass, and that the same discount be extended to SRCB transfers. In conclusion, the staff report estimated a \$13,900.00 annual impact from the transfer credit. The report further estimated that two new round-trip regional passengers per day as a result of the credit would be sufficient to offset this impact. The report stated that, currently, transfers average thirteen per day from GGT to SCT and twenty-five per day from GGT to SRCB. Copies of the staff report are available from the Office of the District Secretary, and on the District's web site.

During the meeting, Alan Zahradnik explained the history behind the proposed arrangement, stating that, in 2003, GGT service was decreased due to low ridership and a shuttle service was provided to cover the eliminated service. In order to eliminate the need for users to pay two fares, an arrangement with SCT was put into place to provide a transfer credit. At that time, SCT used a "super-pass" to provide a transfer credit but, subsequently, the program was discontinued. He noted that the credit remains at only \$.10 today. However, after reviewing all inter-operative programs in Sonoma County, GGT has developed a replacement program. Mr. Zahradnik stated that staff recommends establishment of a \$1.00 credit for adults and a \$.50 credit for youth, seniors and persons with disabilities, in place of the \$.10 credit, for transfers from SCT or SRCB to GGT.

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

RECOMMENDATION

The Transportation Committee recommends that the Board of Directors authorize establishment of a Reciprocal Transfer Arrangement with Sonoma County Transit and Santa Rosa CityBus to allow for a transfer credit of \$1.00 for adults and \$.50 for youth, seniors and persons with disabilities, for all transfers made from Sonoma County Transit and Santa Rosa CityBus to Golden Gate Transit; and, amend *Master Ordinance 2009* accordingly.

**Action by the Board at its meeting of August 14, 2009 – Ordinance
NON-CONSENT CALENDAR**

AYES (9): Acting Chair Kerns; Vice Chair Cochran; Directors Brown, Moylan, Pahre, Sobel and Stroeh; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (3): Grosboll, McGlashan and Snyder

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

**REPORT OF THE TRANSPORTATION COMMITTEE
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The monthly report on activities related to the Marin local service contract with the Marin County Transit District (Marin Transit) was furnished to the Transportation Committee. The report included the following elements:

- a. A spreadsheet from the Planning Department outlining GGT bus service performance of both District regional routes and Marin Transit local routes, for the month of June 2009; and,
- b. A spreadsheet from the Auditor-Controller outlining the history of payments made from August 1, 2008 to June 1, 2009 by Marin Transit to the District for intra-county bus transit services in Marin County.

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

- a. Marin Transit Agenda for July 13, 2009, Board Meeting;
- b. Marin Transit Minutes for June 15, 2009, Board Meeting;
- c. Transportation Authority of Marin (TAM) Executive Committee Agenda for July 13, 2009; and,
- d. TAM Draft Executive Committee Minutes for June 8, 2009.

Copies of all of the above-listed items are available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

6. Public Comment

There was no public comment.

7. Adjournment

All business having been concluded, the meeting was adjourned at 11:00 a.m.

Respectfully submitted,

Mike Kerns, Acting Chair
Transportation Committee

MK:JST:LGF:lgf



October 22, 2009

REPORT OF THE BUILDING AND OPERATING COMMITTEE

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

Honorable Members:

A meeting of the Building and Operating Committee was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Thursday, October 22, 2009, at 10:00 a.m., Chair Eddie presiding.

Committee Members Present (6): Chair Eddie; Vice Chair Moylan; Directors Cochran, Newhouse Segal and Reilly; President Boro (Ex Officio)

Committee Members Absent (2): Directors McGlashan and Stroeh

Other Directors Present (2): Directors Grosboll and Sobel

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; Deputy General Manager/Administration and Development Z.W. Johnson; Public Affairs Director Mary C. Currie; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Patsy Whala

Visitors Present: None

1. **Authorize Execution of an On-Call Agreement with the California Highway Patrol to Provide Enforcement Services during Construction for the Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon Project**

In a memorandum to Committee, Deputy District Engineer Ewa Bauer, District Engineer Denis Mulligan and General Manager Celia Kupersmith reported on staff's

REPORT OF THE BUILDING AND OPERATING COMMITTEE OCTOBER 22, 2009/PAGE 2

recommendation to authorize execution of an On-Call Agreement with the California Highway Patrol (CHP) to provide enforcement services during construction for the Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon project. The CHP has successfully provided enforcement services during Phases I and II of the Seismic Retrofit Project. The report noted that the State of California Department of Transportation (Caltrans) and the Federal Highway Administration both recommend utilizing CHP services for operations that impact traffic.

The report stated that the CHP services will include patrol officers and vehicles present at the site during the work operations to: 1) provide enforcement of reduced speed limits during installation and removal of lane closures and during the work shift conducted under lane closures; and, 2) provide traffic breaks to facilitate moving equipment and materials to the work areas.

Requisite funds are available in the construction budget for retaining the CHP services in the amount of \$2,247,850.00. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Mr. Mulligan summarized the staff report and he further stated that studies have shown that the accident rate is reduced when the CHP is present. In conclusion, Mr. Mulligan further stated that staff negotiated a price per night based on the actual cost for CHP and patrol cars to be present, and that the CHP will only be paid for the nights that they actually work.

Discussion ensued, including the following comments and inquiries:

- Director Reilly made the following comments and inquiries:
 - She requested clarification regarding the estimated 610 night shifts that will require traffic lane closures. In response, Mr. Mulligan stated that, based on the Contractor's workplan, the number of night shifts are estimated to be 610, although traffic lane closures are very expensive and it is in the Contractor's best interest to use less.
 - She inquired as to whether the work includes replacement of the roadway and the sidewalk. In response, Mr. Mulligan outlined the details of the replacement of the roadway and sidewalk sections in the North Anchorage House. Mr. Mulligan noted that the work will make the structure water-tight and protect it from man-made threats and natural disasters.

- Director Cochran requested clarification regarding the installation and removal of the K-rail. In response, Mr. Mulligan stated that K-rail is installed for the protection of the workers. Mr. Mulligan also stated that the contract specifications require that the contractor places K-rail each night and also remove the K-rail at the end of the work shift. Mr. Mulligan noted that crash attenuators are installed at the end of the K-rail to absorb an impact from motor vehicle collision for the protection of the motorist and the workers.

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
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- Director Grosboll made the following comments and inquiries:
 - He inquired as to the timeline for when the night work would begin and end. In response, Mr. Mulligan stated that the contractor will begin work at around 9:00 p.m., and end at 5:00 a.m. Mr. Mulligan noted that the contractor is contractually obliged to have lanes opened by 5:00 a.m. or incur a fine for each 10 minutes interval they are late.
 - He inquired as to whether the CHP is scheduled to work on their regular schedule or on an overtime basis. In response, Mr. Mulligan stated that the officers will perform this work on an overtime basis.

- Director Newhouse Segal made the following comments and inquiries:
 - She inquired as to when nighttime work for this project will begin. Mr. Mulligan stated that the lane closures will begin sometime after the first of the year, 2010.
 - She inquired as to whether or not the work will be done in inclement weather. In response, Mr. Mulligan stated that since visibility is impaired during rain or dense fog, there will be no lane closures during those times and the District will notify the CHP that their services are not needed.

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

RECOMMENDATION

The Building and Operating Committee recommends that the Board of Directors authorize execution of an On-Call Services Agreement with the California Highway Patrol in an amount not to exceed \$2,247,850.00, for enforcement of the construction zone speed limit and assistance with traffic diversions for night-time lane closures during construction of the Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon Project, with the understanding that funds for these services are included in the Seismic Retrofit Project budget.

**Action by the Board at its meeting of October 23, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (5): Chair Eddie; Vice Chair Moylan; Directors Cochran, Newhouse Segal and Reilly
NOES (0): None
ABSENT (3): Directors McGlashan and Stroeh; President Boro (Ex Officio)

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
OCTOBER 22, 2009/PAGE 4**

2. Authorize Execution of Change Order No. 16 to Contract No. 2006-B-1, Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon, for Modifications to Foundations

In a memorandum to Committee, Deputy District Engineer Ewa Bauer, District Engineer Denis Mulligan and General Manager Celia Kupersmith reported on staff's recommendation to authorize execution of Change Order No. 16 to Contract No. 2006-B-1, *Golden Gate Bridge Seismic Retrofit (Phase IIIA), North Anchorage Housing/North Pylon* (Seismic Retrofit Phase IIIA Project), for modifications to foundations..

The initial work included in this phase of the project is the removal of lead contaminated material around the North Anchorage housing foundations to provide a safe working environment during the structural retrofit work. The resulting very steep ground surface necessitates that a concrete bench and retaining wall be constructed, and that the downward slopes be stabilized to provide a base for the enlarged retrofitted footings at Bent Nos. 5 and 6.

The design consultant for the Seismic Retrofit Phase IIIA Project has prepared plans and technical specifications for this extra work and staff has negotiated a cost in the amount of \$283,281.27. Requisite funds are available in the contingency fund for Change Order No. 16. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Mr. Mulligan summarized the staff report and stated that construction for this phase of the project has been underway for fifteen months, and circumstances regarding the lead removal have arisen that require unanticipated work. Mr. Mulligan described the additional work needed in the vicinity of Bent Nos. 5 and 6.

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 Building and Operating Committee recommends that the Board of Directors authorize execution of Change Order No. 16 to Contract No. 2006-B-1, *Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon*, in the amount of \$283,281.27, for modifications to Bent 5 and Bent 6 foundations, with the understanding that monies are available in the contingency fund.

**Action by the Board at its meeting of October 23, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (5): Chair Eddie; Vice Chair Moylan; Directors Cochran, Newhouse Segal and Reilly
NOES (0): None

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
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ABSENT (3): Directors McGlashan and Stroeh; President Boro (Ex Officio)

3. Approve Actions Relative to the National Science Foundation Grant Award No. DRL-0840185, the Golden Gate Bridge as an Informal Science Education Resource

In a memorandum to Committee, Deputy District Engineer Ewa Bauer, District Engineer Denis Mulligan and General Manager Celia Kupersmith reported on staff's recommendation to authorize acceptance of National Science Foundation (NSF Project) Grant Award No. DRL-0840185; and, approve all related actions.

The report stated that the NSF Project will fund improvements to the visitor experience at the Golden Gate Bridge. The report outlines the principal work, including the development of a master plan to ensure that the placement of the exhibits is professionally guided, and to ensure that this phase follows logical steps that could later lead to the realization of a visitor center. The report also stated that the NSF Project will enhance the District's website to both complement the outdoor exhibits and to provide science, mathematics, and engineering learning opportunities using the Bridge as the focal point.

The report described, in detail, the application process, in collaboration with the Consortium of Universities for Research in Earthquake Engineering and in partnership with other various agencies.

Staff recommends that the NSF Project be included in the FY 09/10 Bridge Division Capital Budget in the amount of \$3,499,777.00, to be funded with NSF grant funds (\$2,999,777.00) and District reserves (\$500,000.00). A copy of the report is available from the Office of the District Secretary and on the District's web site.

At the meeting, Mr. Mulligan summarized the staff report, and further stated that the NSF Project grant funds, in the approximate amount of \$3 million, would cover the costs associated with producing the outdoor interpretive exhibits. Mr. Mulligan noted that presently, the visitor experience at the Golden Gate Bridge includes a statue of Chief Engineer Joseph Straus and a cross-section of the Bridge cable, stating that the NSF Project would enhance this experience. Finally, Mr. Mulligan noted that the NSF Project includes collaboration with local partners, such as the Exploratorium, as well as various universities.

Discussion ensued, including the following comments and inquiries:

- Director Grosboll made the following comments and inquiries:
 - He inquired as to whether the interpretive exhibits would be permanent. In response, Mr. Mulligan answered in the affirmative.
 - He requested clarification regarding additional costs to the District for the NSF Project. In response, Mr. Mulligan stated that the District's cost would include site improvements which would be designed to accommodate the proposed Visitor's Center.

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
OCTOBER 22, 2009/PAGE 6**

- He inquired regarding the specifics of the apportionment in respect of the approximate \$3 million in grant funds. In response, Mr. Mulligan stated that funds are being paid to organizations and firms to develop and build the exhibits, as detailed in the grant application. Mr. Mulligan noted that an experienced team has been assembled that will bring interpretive experience to Bridge staff.
- He inquired as to the targeted completion date. In response, Mr. Mulligan stated that the project completion date is timed with the 75th Anniversary of the Golden Gate Bridge, and should be completed some time before May 2012.
- Directors Reilly, Newhouse Segal and Sobel commended staff for all their efforts in obtaining the NSF Project grant funds.
- Director Reilly made the following comments and inquiries:
 - She expressed her pleasure that the proposed outdoor exhibits will enhance the visitor experience with education about the Golden Gate Bridge and her hope that the creation of a Visitor Center will soon be realized.
 - She inquired as to the details of the 92-foot scale model of the Golden Gate Bridge that will be manufactured for the NSF Project. In response, Mr. Mulligan stated that the scale model will be built by Engineers at Princeton University, whose talents include building museum-quality exhibits that are taken on museum tours. He noted that the new 92-foot scale model will serve as a “Table of Contents” for the proposed outdoor exhibits.
- Director Newhouse Segal made the following comments and inquiries:
 - She requested clarification regarding the proposed location for the 92-foot scale model. In response, Mr. Mulligan described two locations, and that the proposed locations will be explored in the Master Plan and will be presented to the 75th Anniversary Planning Advisory Committee.
 - She requested clarification regarding the environmental process for the NSF Project. In response, Mr. Mulligan stated that the District will be required to comply with all state and federal environmental processes.
- Director Sobel made the following comments and inquiries:
 - He commented that the master planning process is the intriguing piece of the NSF Project because it begins setting up where outdoor exhibits will be placed and ensures that this phase follows logical steps that can later lead to the realization of a Visitor’s Center at the site.
 - He inquired as to whether the exhibits are anticipated to be relocated. In response, Mr. Mulligan stated that the exhibits will be set in a fixed location that would complement the Visitor’s Center structure.

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
OCTOBER 22, 2009/PAGE 7**

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 Building and Operating Committee recommends that the Board of Directors approve actions relative to the National Science Foundation (NSF) Grant Award No. DRL-0840185, *The Golden Gate Bridge as an Informal Science Education Resource*, as follows:

- a. Authorize acceptance of the grant award in the amount of \$2,999,777.00;
- b. Authorize execution of an Agreement with the Consortium of Universities for Research in Earthquake Engineering, in an amount not to exceed \$2,314,535.00, for the work outlined in the NSF grant award;
- c. Authorize execution of an Agreement with Eye Think, Inc., in an amount not to exceed \$58,625.00, for an animated *LIFETILES* mural illustrating the construction of the Golden Gate Bridge; and,
- d. Authorize the addition of a new project, *Golden Gate Bridge Informal Science Education Project*, to the FY 09/10 Bridge Division Capital Budget in the amount of \$3,499,777.00, to be funded with NSF grant funds (\$2,999,777.00) and with District reserves (\$500,000.00), subject to the concurrence by the Finance-Auditing Committee at its meeting of October 22, 2009.

**Action by the Board at its meeting of October 23, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (5): Chair Eddie; Vice Chair Moylan; Directors Cochran, Newhouse Segal and Reilly
NOES (0): None
ABSENT (3): Directors McGlashan and Stroeh; President Boro (Ex Officio)

[President Boro arrived at the meeting.]

4. Status Report from District Appointees on Sonoma-Marín Area Rail Transit (SMART) Board

The Committee was provided with copies of the Agenda for the September 16, 2009, SMART District Board meeting of the Sonoma-Marín Area Rail Transit District (SMART). A copy of this item is available in the Office of the District Secretary, as well as on the District's web site.

At the meeting, Chair Eddie, one of the members of the SMART Board of Directors (SMART Board), reported on the following:

- 1) He stated that the SMART's engineers are now working on the plans for the rail line and, are continuing to work on the interior design for the heavy Diesel Multiple Units (DMU) rail cars.

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
OCTOBER 22, 2009/PAGE 8**

- 2) He commented that the work is complete for the Cal Park Hill Tunnel, connecting Larkspur to San Rafael. He noted that the next steps in this project include the bicycle and pedestrian walkway and the laying of the track.

Discussion ensued, including the following comments and inquiries:

- Director Sobel inquired as to whether the SMART Board is targeting 2014 as the start-up time for this new rail service. In response, President Boro, one of the members of the SMART Board, stated that 2014 is still the target date. In response, President Boro noted that the SMART Board signed \$9 million in contracts, and that the project is well underway. Chair Eddie added that progress on the rail line is far less tangible, as with contracting the services of Consultants and Engineers.
- Director Moylan made the following comments and inquiries:
 - He inquired as to whether the rail line will extend to the Larkspur Ferry Terminal (LFT). In response, Chair Eddie stated that the rail will end just before the CalPark tunnel, next to the Marin Airpporter, and that commuters will have to cross the street to board a ferry.
 - He inquired as to whether future plans can be made to extend the rail directly to the LFT. In response, President Boro stated that such an action would require additional environmental impact work, and would include working with the City of Larkspur. President Boro noted that he was not aware of any such movement towards extending the rail directly to the LFT.

Action by the Board – None Required

5. Status Report on Engineering Projects

In a memorandum to Committee, Deputy District Engineer Ewa Bauer, District Engineer Denis Mulligan and General Manager Celia Kupersmith reported on current engineering projects. A copy of the report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Mr. Mulligan described the upcoming road closures to facilitate roadway work in the East Parking Lot. Mr. Mulligan stated that the work will start at approximately 6:00 p.m., on Saturday, October 24, 2009, and end at approximately midday on Monday, October 26, 2009.

Action by the Board – None Required

**REPORT OF THE BUILDING AND OPERATING COMMITTEE
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6. Comment by District Board Member

President Boro commented that the San Francisco Bay Area Water Emergency Transportation Authority (WETA) had a ground-breaking ceremony in South San Francisco to begin building a terminal for the proposed ferry service to Oakland. President Boro also stated that the WETA is close to final approval for the ferry service from Berkeley to San Francisco.

7. Public Comment

There was no public comment.

8. Adjournment

All business having been concluded, the meeting was declared adjourned at 10:30 a.m.

Respectfully submitted,

James C. Eddie, Chair
Building and Operating Committee

JCE:JST:PLW:plw



October 22, 2009

**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 was held in the Board Room, Administration Building, Toll Plaza, San Francisco, California, on Thursday, October 22, 2009, at 10:30 a.m., Acting Chair Moylan presiding.

Committee Members Present (6): Acting Chair Moylan; Directors Cochran, Eddie, Grosboll and Sobel; President Boro (Ex Officio)

Committee Members Absent (3): Chair Stroeh; Directors Elsbernd and Pahre

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

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 Transit Division James P. Swindler; Deputy General Manager, Administration and Development Z. Wayne Johnson; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Lona Franklin

1. Ratification of Previous Actions by the Auditor-Controller:

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith outlined commitments, disbursements and investments made on behalf of the District. The report also included a copy of the District's Investment Report from PFM Asset Management LLC (PFM). A copy

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
OCTOBER 22, 2009/PAGE 2**

of the staff report, with attachments, is available in the Office of the District Secretary and on the District's web site.

Staff recommended and the Committee concurred by motion made and seconded by **Directors EDDIE/COCHRAN** 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 following actions by the Auditor-Controller:

- a. Ratify commitments and/or expenditures for the period September 1, 2009 through September 30, 2009, totaling \$13,602.00;
- b. Ratify investments made by the Auditor-Controller during the period September 15, 2009 through October 12, 2009, as follows:

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
Calyon North America, Inc. Commercial Paper	9/15/09	11/02/09	2,028,350.72	0.24
Bank of America Commercial Paper	9/25/09	12/28/09	6,344,021.92	0.24
FNMA Notes (Callable)	9/29/09	09/29/14	5,000,000.00	3.13
BNP Paribas Fin., Inc. Commercial Paper	10/05/09	12/07/09	3,548,881.75	0.18
Societe Generale NA Commercial Paper	10/05/09	12/07/09	4,998,337.50	0.19
US Treasury Notes	10/09/09	11/15/10	871,466.02	0.52

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between October 13, 2009, and November 9, 2009, 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 September 2009 prepared by PFM.

**Action by the Board at its meeting of October 23, 2009 -- Resolution
CONSENT CALENDAR**

- AYES (6):** Acting Chair Moylan; Directors Cochran, Eddie, Grosboll and Sobel; President Boro (Ex Officio)
- NOES (0):** None
- ABSENT (3):** Directors Elsbernd, Pahre and Stroeh

2. **Authorize Budget Increase in the FY 09/10 Bridge Division Capital Budget Relative to Receipt of National Science Foundation Grant Funds**

In a report to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided staff's recommendation for the Committee's concurrence with a budget increase relative to receipt of National Science Foundation (NSF) Grant Award No. DRL-0840185, *Golden Gate Bridge Informal Science Education Project*. The report stated that the FY 09/10 Bridge Division Capital Budget is recommended to be increased in the amount of \$3,499,777.00, to be funded with NSF grant funds (\$2,999,777.00) and District reserves (\$500,000.00).

The report stated that funding would include improvements to the visitor experience at the Golden Gate Bridge, such as, development of permanent science-oriented outdoor exhibits, and information and exhibits about the Bridge and its construction. A master plan would detail improvements required to accommodate the outdoor exhibits, as well as placement of exhibits, possible later expansion into a visitor center, and website enhancements using the Bridge as focal point. These improvements are preliminarily estimated to cost \$500,000.00.

The report stated that this grant will also provide funding for a conference of Informal Science Education (ISE) professionals and infrastructure professionals to encourage ISE opportunities at other infrastructure sites.

In addition, the report estimated the first-year grant fund expenditures at \$972,415.00 with the remainder of District and grant funds to be expended during the following four years. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

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

RECOMMENDATION

The Finance-Auditing Committee recommends the Board of Directors authorize a budget increase in the FY 09/10 Bridge Division Capital Budget in the amount of \$3,499,777.00 to be funded with NSF grant funds (\$2,999,777.00) and District reserves (\$500,000.00), relative to receipt of NSF Grant Award No. DRL-0840185, *Golden Gate Bridge Informal Science Education Project*.

Action by the Board
Refer to the Building and Operating Committee Meeting of October 22, 2009

AYES (6): Acting Chair Moylan; Directors Cochran, Eddie, Grosboll and Sobel; President Boro (Ex Officio)
NOES (0): None
ABSENT (3): Directors Elsbernd, Pahre and Stroeh

3. Authorize Amendment to Pass Through Agreement with the Metropolitan Transportation Commission for Federal Transit Administration Funds for the TransLink® Project

In a report to Committee, Director of Capital and Grant Programs Gayle Prior, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a report on staff's recommendation to authorize the General Manager to execute an amendment to the Pass-Through Agreement with the Metropolitan Transportation Commission (MTC) for the TransLink® Project. The report stated that MTC is the lead agency for TransLink® and that District staff has worked on development of the TransLink® regional fare collection project with MTC and other San Francisco Bay Area transit operators since 1992.

The report stated that the District initially was authorized by the Board of Directors in 1996 to enter into a Pass-Through Agreement with MTC, under which the District became the lead federal grant recipient for TransLink®, responsible for several federal grant activities, among which is drawing down federal funds to pass through to MTC. State Transit Assistance funds in the amount of \$7,000.00 per year were made available to the District to support TransLink®-related grant activities, and then increased to \$10,000.00 per year beginning in FY 06/07.

The report stated that this item authorizes amendment to the pass-through agreement with MTC for the TransLink® project to include additional federal funds to be secured through the District's Federal Urbanized Area Formula Program grant application and to include additional applicable Federal Transit Administration requirements. The \$10,000.00 the District will receive from MTC for monitoring the grant funds is included in the District's FY 09/10 operating budget. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Joseph Wire described the relationship between the District and MTC as long-term and noted that this item is approved annually.

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

RECOMMENDATION

The Finance Committee recommends the Board of Directors authorize the General Manager to execute an amendment to the Pass-Through Agreement with Metropolitan Transportation Commission for Federal Transit Administration funds for the TransLink® project.

**Action by the Board
Resolution**

AYES (6): Acting Chair Moylan; Directors Cochran, Eddie, Grosboll and Sobel; President Boro (Ex Officio)
NOES (0): None
ABSENT (3): Directors Elsbernd, Pahre and Stroeh

4. Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares for Three Months Ending September 30, 2009

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a schedule comparing categories of Bridge traffic, as well as a monthly review of Bridge traffic and tolls and transit patronage and fares, for the three months ending September 30, 2009. A copy of the report is available in the Office of the District Secretary and on the District's web site.

Director Sobel made the following inquiry:

- He inquired as to whether the closure of the Bay Bridge had resulted in additional traffic for the Golden Gate Bridge. In response, Mr. Wire stated that, at the time the Bay Bridge was closed, traffic increased on the Golden Gate Bridge; however, no ongoing increase in traffic has been experienced. He noted that winter traffic is typically somewhat lighter than summer traffic, but no significant difference is expected.

Action by the Board – None Required

5. Review of Financial Statements for Three Months Ending September 30, 2009

a. Statement of Revenue and Expenses

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a financial statement entitled, *Statement of Operating Revenues and Expenses* for the three

months ending September 30, 2009. A copy of the report is available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

b. Statement of Capital Programs and Expenditures

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a financial statement entitled, *Statement of Capital Programs and Expenditures* for the three months ending September 30, 2009. A copy of the report is available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

6. FY 09/10 First Quarterly Report on Authorized Budget Adjustments and Budget Transfers

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a report summarizing budget adjustments and budget transfers authorized by the Board of Directors during the three-month period from July 1, 2009, through September 30, 2009. A copy of the report, including attached charts outlining applicable budget adjustments and transfers, is available in the Office of the District Secretary.

Action by the Board – None Required

7. FY 09/10 First Quarterly Report on Contracts and Change Orders/Contract Amendments Executed under the General Manager's Authority

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a report summarizing all contracts and change orders executed under the General Manager's procurement authority, as set forth in the *Rules of the Board*, during the three-month period from July 1, 2009, through September 30, 2009. A copy of the report, including attached charts outlining applicable contracts and change orders, is available in the Office of the District Secretary.

Action by the Board – None Required

8. Closed Session

Attorney David Miller, at the request of Acting Chair Moylan, stated that the Committee would convene in closed session to discuss two matters of pending litigation, (1) *Patricia O'Gilvie vs. Golden Gate Bridge, Highway and*

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
OCTOBER 22, 2009/PAGE 7**

Transportation District, pursuant to Government Code Section 54956.9(a), listed on the agenda as Item No. 8.a, and (2) *Dustin Wise vs. Golden Gate Bridge, Highway and Transportation District*, pursuant to Government Code Section 54956.9(a) listed on the agenda as Item No. 8.b.

After closed session, Acting Chair Moylan called the meeting to order in open session with a quorum present. Attorney Miller reported that the Committee had met in closed session, as permitted by the Brown Act, to discuss two items of pending litigation, as listed above. He reported that authority and jurisdiction in the case of *Patricia O’Gilvie vs. Golden Gate Bridge, Highway and Transportation District* resided within the Finance Committee and, further, that consensus had been reached within the Committee to grant settlement authority to counsel. Attorney Miller also reported that the Committee recommended that the matter of *Dustin Wise vs. Golden Gate Bridge, Highway and Transportation District* be referred to the October 23, 2009, meeting of the Board of Directors for necessary action.

9. Public Comment

There was no public comment.

10. Adjournment

All business having been concluded, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

John J. Moylan, Acting Chair
Finance-Auditing Committee

JJM:JST:LGF:lgf



September 24, 2009

**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, September 24, 2009, at 10:00 a.m., Chair Stroeh presiding.

Committee Members Present (7): Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll and Sobel; President Boro (Ex Officio)

Committee Members Absent (2): Vice Chair Pahre; Director Moylan

Other Directors Present (3): Directors Newhouse Segal, Reilly and Snyder

Committee of the Whole Members Present (10): Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

Committee of the Whole Members Absent (9): Brown, Campos, Chu, Dufty, Kerns, McGlashan, Moylan, Pahre and Sanders

Staff Present: District Engineer and Acting General Manager Denis J. Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Attorney Madeline Chun; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Administration and Development Z. Wayne Johnson; Marine Projects Manager/Ferry Division and Acting Deputy General Manager/Ferry Division Christian Stark; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Lona Franklin

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 2**

Visitors Present: Nancy Jones, PFM Asset Management, LLC

1. Ratification of Previous Actions by the Auditor-Controller:

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith outlined commitments, disbursements and investments made on behalf of the District. The report also included a copy of the District's Investment Report from PFM Asset Management LLC (PFM). A copy of the staff report, with attachments, is available in the Office of the District Secretary and on the District's web site.

At the meeting, Nancy Jones described the latest economic news and current interest rates for the District's portfolio. Ms. Jones stated that the Federal Reserve Board (Fed) has given some indications that the country may be coming out of the recession. However, the unemployment rate is still the highest it has been in 25 years and retail sales have not improved. The Fed has signaled its intention to keep interest rates low. She explained that the yield curve, which shows the difference in yield between the two-year and the ten-year Treasury yields, is the steepest it has ever been in the history of recording rates. For the District's portfolio, securities in the five-year range would be expected to earn 3% and hold the yield curve.

Ms. Jones reported that the District has about \$35 million that is earning 5% and an equal amount earning below 1%. The latter will be available to purchase longer term securities when rates increase. She explained that callable securities were being purchased on behalf of the District, and that these do best when interest rates hold steady, which has been the case for the past year.

Staff recommended and the Committee concurred by motion made and seconded by **Directors EDDIE/COCHRAN** 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 following actions by the Auditor-Controller:

- a. The Board of Directors has no commitments and/or expenditures to ratify for the period July 1, 2009, through August 31, 2009;

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
 SEPTEMBER 24, 2009/PAGE 3**

- b. The Board of Directors ratifies investments made during the period July 14, 2009, through September 14, 2009, as follows:

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
FFCB Notes (Callable)	07/14/09	7/14/14	5,118,000.00	3.23
BNP Paribas Financial, Inc. Commercial Paper	08/17/09	8/20/09	1,219,984.75	0.15
FHLMC Notes (Callable)	0817/09	08/20/14	4,995,000.00	3.37
BNP Paribas Financial, Inc. Commercial Paper	09/03/09	10/05/09	3,549,400.44	0.19
Societe Generale NA Commercial Paper	09/08/09	10/05/09	4,999,175.00	0.22

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between August 4, 2009, and October 12, 2009, as well as the investment of all other funds not required to cover expenditures which may become available;
- d. Accept the Investment Report for July and August 2009 prepared by PFM.

**Action by the Board at its meeting of September 25, 2009 – Resolution
 CONSENT CALENDAR**

- AYES (10):** Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Reilly, Snyder and Sobel; President Boro (Ex Officio)
- NOES (0):** None
- ABSENT (2):** Moylan and Pahre

2. Authorize a Budget Increase in the FY 09/10 Ferry Transit Division Capital Budget Relative to Request for Proposals No. 2010-FT-3, Services for Modifications and Improvements to the Larkspur, San Francisco and Sausalito Ferry Terminal Facilities, with Moffatt & Nichol.

In a report to Committee, District Engineer Denis Mulligan, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided staff’s recommendation for the Committee’s concurrence with a budget increase relative to Request for Proposals No. 2010-FT-3, *Conceptual Designs, Environmental Studies and Engineering Services for Modifications and Improvements to the Larkspur, San Francisco and Sausalito Ferry Terminal Facilities, with Moffatt & Nichol*. The report provided details regarding the

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 4**

execution of a Professional Services Agreement with Moffatt & Nichol, as well as other related actions. It is recommended that a budget increase in the FY 09/10 Ferry Transit Division Capital Budget, in the amount of \$5,844,000.00, be authorized, to be funded with \$4,675,200.00 Federal Transit Administration (FTA) grant funds and with \$1,168,800.00 from District reserves. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

Staff recommended and the Committee concurred by motion made and seconded by **Directors COCHRAN/EDDIE** 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 a budget increase in the FY 09/10 Ferry Transit Division Capital Budget in the amount of \$5,844,000.00, relative to the execution of a Professional Services Agreement with Moffatt & Nichol, regarding Request for Proposals No. 2010-FT-3, *Conceptual Designs, Environmental Studies and Engineering Services for Modifications and Improvements to the Larkspur, San Francisco and Sausalito Ferry Terminal Facilities.*

Action by the Board

Refer to the Building and Operating Committee Meeting of September 24, 2009

AYES (10): Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Reilly, Snyder and Sobel; President Boro (Ex Officio)
NOES (0): None
ABSENT (2): Moylan and Pahre

3. Authorize a Budget Increase in the FY 09/10 Ferry Transit Capital Budget Relative to Contract No. IFB No. 2010-FT-10, Installation of New Propulsion System for Re-Powering and Dry-Docking of the M.V. Del Norte, to Ice Floe, LLC, dba Nichols Brothers Boat Builders.

In a report to Committee, Deputy General Manager/Ferry Transit Division James Swindler, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided staff's recommendation for the Committee's concurrence with a budget increase in the Ferry Transit Capital Budget relative to Contract No. 2010-FT-10, *Installation of New Propulsion System for Re-Powering and Dry-Docking of the M.V. Del Norte.* The report provided details regarding Contract No. 2010-FT-10, award of a contract to Ice Floe, LLC, dba Nichols Brothers Boat Builders, as well as other related actions. It is recommended that a budget increase in the FY 09/10 Ferry Transit Division Capital Budget, in the amount of \$1,386,000.00, be authorized, to be funded with FTA grant funds (100%). A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

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

RECOMMENDATION

The Finance-Auditing Committee recommends the Board of Directors authorize a budget increase in the FY 09/10 Ferry Transit Division Capital Budget in the amount of \$1,386,000.00, to be funded with Federal Transit Administration funds (100%), relative to the award of Contract No. 2010-FT-10, *Installation of New Propulsion System for Re-Powering and Dry-docking of the M.V. Del Norte*.

Action by the Board

Refer to the Building and Operating Committee Meeting of September 24, 2009

AYES (10): Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Reilly, Snyder and Sobel; President Boro (Ex Officio)
NOES (0): None
ABSENT (2): Moylan and Pahre

4. Approve Actions Relative to the Execution of a Professional Services Agreement with ICMA Retirement Corporation Regarding Request for Proposals No. 2010-D-1, Deferred Compensation Plan Provider

In a report to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a report on staff's recommendation to: 1) execute a Professional Services Agreement (PSA) relative to Request for Proposal (RFP) No. 2010-D-1, *Deferred Compensation Plan Provider* to ICMA Retirement Corporation (ICMA-RC); 2) approve the Plan and Trust Agreement; 3) delegate amendment approval authority to the Auditor-Controller; and, 4) approve the Investment Policy Statement.

The report stated that five proposals were received in response to the District's RFP seeking a bundled deferred compensation plan that would include recordkeeping, investments, education and administration. The responses were reviewed by an Evaluation Committee who evaluated the proposals on four primary criteria: 1) fund performance; 2) fees and charges; 3) recordkeeping services; and, 4) education services. Because retaining multiple providers would increase costs, the recommendation is for a sole provider. Secondary evaluation of the two top proposals from ICMA-RC and from Nationwide was done, as well as evaluation of both the written proposals and the results of oral interviews. The report stated staff's recommendation that ICMA-RC be retained. Improved fund performance, reduced fees and expenses, as well as improvement in educational and customer services are expected under the recommended contract.

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 6**

In addition, Staff recommended approval of the Plan and Trust Agreement, which would delegate authority to the Auditor-Controller, upon review by the District's legal counsel, to make amendments to the Plan and Trust Agreement to conform to changes in federal statutes and regulations.

Lastly, staff is recommending approval of the Investment Policy Statement which would include delegation of authority to the Auditor-Controller to select the investments offered under the Plan in accordance with the Policy Statement. Changes to the Policy Statement that will have a material effect on the structure of the Plan would require Board review and approval. Annually, the Auditor-Controller would submit a review and report of fund and service provider performance and summarize amendments and/or changes made to the administration of the Plan and Policy Statement.

With approval of this recommendation, staff anticipates that participant net returns would improve and that current participants may save an estimated \$108,000.00 annually (or \$540,000.00 over five years), as a result of the reduction in expense structure with ICMA-RC as the District's sole provider. A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

During the meeting, Joseph Wire explained that currently, the District has two plans which have been in place since the early 1990's. One is sponsored by Nationwide and one by ICMA-RC. The District provides staff time to review plans and to administer the plans according to federal law. Employees pay the expenses of the plans. He stated that five areas of achievement were identified: (1) better performance of funds; (2) lower cost for employees; (3) better assessment and customer service; (4) better education; and (5) better administration. The RFP was successful at all of these. He stated that savings from a sole provider are substantial, as well as administration being less complex.

Discussion ensued, including the following comments and inquiries:

- President Boro inquired as to the procedure required for an employee who is presently a Nationwide client to become an ICMA-RC client. In response, Mr. Wire stated that the transition will take until approximately February 2010. Employees who are currently invested in a particular type of fund would be notified that their investments will move to a similar fund, but they will have an opportunity to decline the choice made by the administrator and substitute their own choice. ICMA-RC has a dedicated transition team which focuses on transitions similar to this proposal.
- Director Grosboll made the following inquiries:
 - He inquired as to whether employees would have fewer options with a sole provider. Mr. Wire responded that employees will be able to choose from all the asset classes as they do presently, but within each asset class

- will be fewer funds. This will benefit employees by eliminating poorer performing funds from the list of choices employees must consider.
- He inquired as to who would select the funds for the District. In response, Mr. Wire stated that ICMA-RC's choices for the District would be reviewed and selected by District representatives with delegated authority to do so with financial advice from the District's Deferred Compensation Consultant.
 - Director Sobel noted the report was comprehensive and that significant savings could be realized because of the proposed changes. He inquired as to the educational provisions of the proposal, stating that individuals without a financial background often find it difficult to choose the funds most appropriate to their particular situation and, therefore, the educational component was of paramount importance. In response, Mr. Wire reported that ICMA-RC works only with the public sector and has extensive experience with defined benefit plans and 457 plans. In addition, they are experienced in analyzing multiple benefit situations, such as those of District employees, many of whom will receive both Social Security and CalPERS benefits upon retirement, as well as their deferred compensation plans. ICMA-RC can provide advice regarding the best way to achieve goals and the appropriate amount of risk. He stated further that the educational program will include free reports, with 50 days per year that representatives would be available personally on site, and online services. In addition, ICMA-RC's representative assigned to the District has served the District since 1993 and has established long-term relationships with many employees. Free educational resources will be available on the internet; managed investments, on a fee basis, will also be available.

In conclusion, Mr. Wire reported on the District's Plan and Trust Agreement, stating that some authority would be delegated to the Auditor-Controller with review by legal counsel. He stated that the Trust Plan Agreement sets up the legal framework within which the Trust is to be operated, making certain that all statutes and laws are adhered to. Delegation of authority is intended to empower the Auditor-Controller and legal counsel to make necessary amendments to the Plan and Trust Agreement as a result of changes to IRS regulations. These changes will be reported annually to the Board. If a material change was required, then the Board's approval would be sought.

Mr. Wire continued, reporting on the Investment Policy Statement. The Investment Policy Statement sets out the investment asset class selection, and the roles of the Board, Auditor-Controller and service providers. It also covers how funds will be selected, reviewed and evaluated. It delegates minor changes to the Auditor-Controller and legal counsel, with such changes to be reported annually to the Board.

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

RECOMMENDATION

The Finance-Auditing Committee recommends the Board of Directors approve actions relative to Request for Proposals No. 2010-D-1, *Deferred Compensation Plan Provider*, as follows:

- a. Authorize execution of a Professional Services Agreement with ICMA Retirement Corporation, Washington, D.C., for a five-year term, with two one-year options, to provide bundled plan services for the District's IRC Section 457 Deferred Compensation Plan;
- b. Approve the District's Plan and Trust Agreement and delegated Board authority to the Auditor-Controller to approve amendments to the Plan and Trust Agreement to confirm with future changes in federal and state regulations, upon review by district's legal counsel; and,
- c. Approve the District Plan's Investment Policy Statement and delegated Board authority to the Auditor-Controller to approve minor amendments, if necessary.

**Action by the Board at its meeting of September 25, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (10): Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Reilly, Snyder and Sobel; President Boro (Ex Officio)
NOES (0): None
ABSENT (2): Moylan and Pahre

5. Receive the Updated Five- and Ten-Year Financial Projection

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith presented a report on the District's financial projection for the ten-year period from FY 10/11 through FY 19/20, providing a recommendation to receive the updated Five- and Ten-Year Financial Projection.

The report included the following sections, as well as a detailed narrative on each: 1) Introduction; 2) Fiscal Strength of the District; 3) Projection Findings; 4) Assumptions; and, 5) Next Steps; as well as the following Appendices: Appendix A, *Projection*; Appendix B, *Assumptions*; Appendix C, *Ten-Year Capital Plan Projection*; Appendix D, *Capital Contribution Calculation*; and, Appendix E, *Reserve Structure*.

The report stated that new financial projections were released that project a \$132 million shortfall for the coming 5-year period. This shortfall is a result of a combination of new factors arising after the September 2, 2008 toll increase and expected inflationary increases. The \$132 million shortfall includes: \$20 million in lost State Transportation Act funds that will not be awarded by the State; \$20 million in lost toll revenue due to the recession; \$30 million in increased expense to carry out the full

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
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Capital Plan of projects; and \$37 million needed to fulfill the first half of the District's commitment of \$75 million for the Doyle Drive Reconstruction Project. The Board of Directors will begin discussion on strategic solutions for reducing the shortfall later this month.

The report included a line chart showing the amount of reserve funds available for capital projects over the past 20 years, from FY 88/89 to FY 08/09. The report noted that it is projected that the FY 10/11 Operating and Capital Budget will encumber all available capital reserve resources, due to large capital projects that begin in the next two years and the District's contribution to Doyle Drive. The District's reserves decreased slightly, from approximately \$99 million in FY 07/08 to an estimated \$97 million for FY 08/09, and are expected to decrease further due to the start of several large capital projects such as Bus lot paving, Ferry float rehabilitation, communications system upgrades, as well as the construction of Doyle Drive. The report stated that the FY 09/10 Operating Budget was expected to keep the reserves constant through the year. The District must raise additional funds for future capital projects beyond FY 10/11, and an estimate of the amount required is provided in the projection deficit.

The report stated that the District also holds reserves that are available for operations, emergencies, Bridge self-insured losses, other legal liabilities and debt service reserves, but are not available for capital projects. Information regarding the capital contribution and reserve structure appears in Appendices D and E of the report.

Findings of the revised 5- and 10-year projection for revenues and expenses were summarized in the report as follows: total operating and District capital expenses for FY 2011 were estimated at \$177 million, with \$164 million total operating revenue available, leaving a deficit of \$13 million. The 10-year estimated operating and District capital expense was projected to be \$2.1 billion with total operating revenue estimated to be \$1.7 billion resulting in a \$417 million deficit by the end of the ten year period.

Compared to the previous projection, over the period 2010 to 2019, the 5-year projected deficit of \$101 million was approximately the same, while the 10-year projected deficit of \$358 million was approximately \$35 million more than the previous projection. The report stated that the Board had created a Financial Planning Advisory Committee with the goal of creating a plan to eliminate the District's deficit, and that a deficit reduction plan is expected to be presented to the full Board for review and approval in October, 2009.

The report described the capital program assumptions, which are to be reviewed each year, noting that grants are generally assumed to fund 80% of Transit rehabilitation and replacement projects, consistent with prior experience, and 80% of the core Bridge paint and rehabilitation projects. At the request of the Board of Directors, staff provided an analysis of alternative capital revenue assumption scenarios, as follows:

- With an 80% grant funded assumption, the five-year deficit is \$132 million (the current assumption);
- With a 50% grant funded assumption, the five-year deficit is \$147 million or an additional \$15 million from 80% base assumption; and,

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 10**

- With a 30% grant funded assumption, the five-year deficit is \$157 million or an additional \$25 million from the 80% base assumption.

The report noted that all of the above-listed scenarios assume using approximately \$50 million of the District's reserves over a five-year period. The report included a chart listing the major Bridge capital projects in the 10-Year Capital Plan. A copy of the report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Joseph Wire stated this report was the annual projection update, a non-policy document the purpose of which was to project different outcomes from different policy decisions. The projections are from July 1, 2010 through June 30, 2020. He stated that assumptions were relatively conservative, and that the plan would maintain status quo. He noted it would be a useful tool for the Board's use in making decisions. First, reserves are shown on page 3 of the report. Last year, reserves did not increase because funds were set aside for pollution remediation of lead-based paint on the Bridge.

Referring to the findings of this projection, he stated that a \$13 million deficit could be expected by FY 2011, \$132 million by the end of 5 years, and \$417 million by the end of ten years. These numbers are somewhat higher than previously projected. Also, the capital plan this year is \$60 million more than projected last year. While no new projects have been added since last year, existing projects have become more expensive. This 5- and 10-year projection shows the deficit for five years to be about the same as previously estimated, and the deficit for ten years increased by \$35 million over the previous estimate. The increase has been partially offset by the salary freeze implemented by the Board.

The Board-appointed Financial Planning Advisory Committee has reviewed this document and prepared a financial plan to be presented to the Board, which will target these projections.

Discussion ensued, including the following comments and inquiries:

- Director Grosboll inquired as to the manner in which the lead paint remediation project would go forward. In response, Mr. Wire stated that discussions with the State of California on this issue began a number of years ago and are ongoing. He stated that the District knows lead paint was used in past years so the costs of remediation are estimated as required by law. The figures projected for the future include increases for inflation and will be reviewed annually. The Board will make policy decisions as to the exact manner in which these funds are to be spent.
- Director Snyder inquired as to whether a chart could be provided showing changes in Bridge tolls from 1989 to 2009, along with changes in transit fares over the same period. In response, Mr. Wire stated that a report and chart would be prepared.

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 11**

- Chair Stroeh stated that the Financial Planning Workshop (a Special meeting of the Board) is scheduled to take place on October 30, 2009.

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

RECOMMENDATION

The Finance-Auditing Committee recommends the Board of Directors receive the updated Five- and Ten-Year Financial Projection (Projection) from FY 10/11 through FY 19/20, including the following Sections and Appendices, included in the Projection attached to the official Resolution:

- a. **SECTIONS**
 - I. Introduction;
 - II. Fiscal Strength of the District;
 - II. Projection Findings;
 - III. Assumptions; and,
 - IV. Next Steps.
- b. **APPENDICES**
 - A. Projection;
 - B. Assumptions;
 - C. Ten-Year Capital Plan Projection;
 - D. Capital Contribution Calculation; and,
 - E. Reserve Structure.

**Action by the Board at its meeting of September 25, 2009 – Resolution
NON-CONSENT CALENDAR**

AYES (10): Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Reilly, Snyder and Sobel; President Boro (Ex Officio)

NOES (0): None

ABSENT (2): Moylan and Pahre

6. Accept Annual Review and Report from the OPEB Retirement Investment Trust Board to the Golden Gate Bridge, Highway, and Transportation District's Board of Directors

In a memorandum to Committee, the OPEB Retirement Investment Trust Board presented its recommendation that the Board of Directors accept the Annual Review and Report of its investment policy, Trust service providers, and the Trust Board Charter.

As background, the OPEB Retirement Investment Trust Board (“Trust Board”) provided an annual review and report to the District Board of Directors. The report stated that the OPEB Retirement Investment Trust was established in 2007 to provide

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 12**

for funding of retiree health benefits and other post-employment benefits for the District's eligible retirees. The Trust Board was established at the same time. It is the responsibility of the Trust Board to annually monitor compliance with the Trust's investment policy, review and assess the performance of the Trust Board's service providers and the adequacy of the Trust Board Charter and to subsequently report their findings to the District Board of Directors.

Periodic reports from PFM Asset Management LLC ("PFM") as the Trust's Investment Advisor and Trust Administrator are reviewed by the Trust Board. A copy of PFM's most recent report was provided as an attachment to the memorandum. The PFM report stated that as of June 30, 2009, the investment portfolio is in full compliance with the District's Investment Policy and Trust Agreement. The Compliance Certificate appears on page 3.1 of the PFM report and was reviewed by the OPEB Trust Board at its recent OPEB Trust Board Meeting on September 28, 2009.

The report states that two service providers perform administration and implementation of the OPEB Trust and investment policy, PFM and U.S. Bank National Association (U.S. Bank). The Trust Board has reviewed the performance of both and found that both have complied fully with their responsibilities, which are summarized in the report.

The report concluded that, following the Trust Board's review of its Charter, no changes were recommended. Finally, no fiscal impact is associated with receiving the report. A copy of the report is available in the Office of the District Secretary and on the District's web site.

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

RECOMMENDATION

The Finance-Auditing Committee recommends the Board of Directors accept the FY 08/09 Annual Review and Report from the OPEB Retirement Trust Board in the following three areas:

- a. Monitor compliance of the Investment Policy for the OPEB Trust, for which compliance has been certified as of June 30, 2009;
- b. Review and assess the performance of the two service providers: a) PFM Asset Management LLC, as the Investment Advisor and Trust Administrator; and, b) U.S. Bank National Association as the Trustee and Custodian; which have complied fully with their responsibilities; and,
- c. Review and reassess the adequacy of the Trust Board's Charter and recommend proposed changes, if necessary, which after review no changes were recommended.

**Action by the Board at its meeting of September 25, 2009 – Resolution
NON-CONSENT CALENDAR**

**FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
SEPTEMBER 24, 2009/PAGE 13**

AYES (10): Chair Stroeh; Directors Cochran, Eddie, Elsbernd, Grosboll, Newhouse Segal, Reilly, Snyder and Sobel; President Boro (Ex Officio)
NOES (0): None
ABSENT (2): Moylan and Pahre

7. Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Two Months Ending July and August 2009)

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a schedule comparing categories of Bridge traffic, as well as a monthly review of Bridge traffic and tolls and transit patronage and fares, for the two months ending July 31, 2009 and August 31, 2009. A copy of the report is available in the Office of the District Secretary and on the District's web site.

At the meeting, Joseph Wire pointed out that Bridge traffic has increased during July and August 2009 over the same period in 2008. Bus patronage, however, has decreased nearly 16% during this period compared to 2008. The decrease in bus patronage is likely to continue because employment is expected to recover slowly and transit use is closely aligned with employment. The decline is in both local and regional ridership but regional ridership has felt two-thirds of the decrease.

Discussion ensued, including the following comments and inquiries:

- Director Grosboll inquired as to whether the Sunday afternoon return Ferry from Sausalito had increased or decreased since last year. In response, Mr. Wire stated that this information would be prepared and provided by staff at the earliest possible time.
- Director Snyder inquired as to the proportion of ridership on Golden Gate Transit (GGT) made up of commuters and how commuter ridership on GGT compared to commuter ridership on other forms of public transportation. In response, Mr. Wire stated that the drop in regional ridership was approximately twice the drop in local ridership, giving an indication that regional transit serves more commuters than does local transit. He stated the statistics could be provided from the recently completed Transit Survey.

8. **Monthly Review of Financial Statements (for Two Months Ending July and August 2009)**

a. **Statement of Revenue and Expenses**

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a financial statement entitled, *Statement of Operating Revenues and Expenses*, consolidated for one and two months ending July 31, 2009, and August 31, 2009. A copy of the report is available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

b. **Statement of Capital Programs and Expenditures**

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith provided a financial statement entitled, *Statement of Capital Programs and Expenditures* for the two months ending July 31, 2009, and August 31, 2009. A copy of the report is available in the Office of the District Secretary and on the District's web site.

Action by the Board – None Required

9. **Public Comment**

There was no public comment.

10. **Adjournment**

All business having been concluded, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,

J. Dietrich Stroeh, Chair
Finance-Auditing Committee

JDS:JST:LGF:lgf



August 13, 2009

**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, August 13, 2009, at 11:00 a.m., Chair Stroeh presiding.

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

Committee Members Absent (0): None

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

Committee of the Whole Members Present (11): Directors Cochran, Eddie, Elsbernd, Grosboll, Moylan, Newhouse Segal, Pahre, Reilly, Sobel and Stroeh; President Boro

Committee of the Whole Members Absent (8): Directors Brown, Campos, Chu, Dufty, Kerns, McGlashan, Sanders and Snyder

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 Transit Division Teri Mantony; Deputy General Manager/Ferry Transit Division James P. Swindler; Deputy General Manager/Administration and Development Z. Wayne Johnson; Risk Management and Safety Director William Stafford; Assistant Clerk of the Board Lona Franklin

Visitors Present: None

1. **Approve Actions Relative to the Execution of a Professional Services Agreement Regarding the Golden Gate Bridge Seismic Retrofit Phase III Design Services**

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith reported on staff's recommendation to authorize an increase in the Bridge Division Capital Budget for the Golden Gate Bridge Seismic Retrofit Phase III Design Project budget. The report provided details regarding the award of Contract No. 2010-B-1 to HDR Engineering, Inc. as well as other related actions. It is recommended that a budget increase in the Bridge Division Capital Budget in the amount of \$35,725,913.00 be authorized. This project is District funded (\$1,207,710.00) and federally funded (\$34,518,203.00). A copy of the staff report is available in the Office of the District Secretary and on the District's web site.

Staff recommended and the Committee concurred by motion made and seconded by **Directors EDDIE/COCHRAN** 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 actions relative to the execution of a Professional Services Agreement regarding the *Golden Gate Bridge Seismic Retrofit Phase III Design Services*, as follows:

- a. Authorize the General Manger to execute a Professional Services Agreement with HDR Engineering, Inc., Walnut Creek, CA, relative to Request for Proposals No. 2010-B-1, *Golden Gate Bridge Seismic Retrofit Phase IIIB Design Services*, in an amount not to exceed \$18,260,000.00, subject to receipt of approval from the Federal Highway Administration and the California Department of Transportation;
- b. Authorize a contingency fund in the amount of \$1,740,000.00;
- c. Establish a total project budget of \$40,725,913.00; and,
- d. Authorize a budget increase in the Golden Gate Bridge Seismic Retrofit Phase III Design Project budget in the amount of \$35,725,913.00, to be funded with \$34,518,203.00 federal funds and \$1,207,710.00 District funds, as concurred with by the Finance-Auditing Committee at its meeting of August 13, 2009.

Action by the Board – Recommendation from the Building and Operating Committee
Meeting of August 13, 2009
NON-CONSENT CALENDAR

AYES (11): Chair Stroeh; Vice Chair Pahre; Directors Cochran, Eddie, Elsbernd, Grosboll, Moylan, Newhouse Segal, Reilly and Sobel; President Boro (Ex Officio)

NOES (0): None

2. **Authorize the Filing of an Application with the Metropolitan Transportation Commission for Regional Measure 2 Funds to Support Implementation of the Golden Gate Ferry Electronic Fare System**

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith reported on staff's recommendation to authorize filing an application with the Metropolitan Transportation Commission (MTC) for Regional Measure 2 funds to support implementation of the Golden Gate Ferry Electronic Fare System (EFS) capital project.

The staff report stated that, in 2005, an application was filed with the MTC for the Golden Gate Ferry Faregates project in the amount of \$1,600,000.00, with additional Regional Measure 2 funds of \$400,000.00 having been set aside. The report further noted the requirement to submit an allocation request and related assurances to receive the funds.

The report stated that the project's title has been changed to Golden Gate Ferry Electronic Fare System. The report stated that grant funds would provide \$400,000.00 for implementation, and that this project would be included in the FY 09/10 Ferry Division Capital Budget in the amount of \$4,000,000.00, being 50% grant funded and 50% District funded. The report also detailed the certifications and assurances required by MTC's RM2 Regional Traffic Relief Plan Policies and Procedures for receiving capital assistance. A copy of the report is available in the Office of the District Secretary and on the District's web site.

Staff recommended and the Committee concurred by motion made and seconded by **Directors COCHRAN/SOBEL** 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 to execute and submit an application, related assurances and allocation requests with the Metropolitan Transportation Commission for Regional Measure 2 funds in the amount of \$400,000.00, to support implementation of the Golden Gate Ferry Electronic Fare System capital project.

AYES (11): Chair Stroeh; Vice Chair Pahre; Directors Cochran, Eddie, Elsbernd, Grosboll, Moylan, Newhouse Segal, Reilly and Sobel; President Boro (Ex Officio)
NOES (0): None

Action by the Board – Recommendation from the Building and Operating Committee
Meeting of August 13, 2009
NON-CONSENT CALENDAR

CLOSED SESSION

3. Attorney's Report

Attorney Miller, at the request of Chair Stroeh, stated that the Finance-Auditing Committee would convene in closed session as permitted by the Brown Act for purposes of discussing the following two matters of pending litigation: (1) *Carol Gerber vs. Golden Gate Bridge, Highway and Transportation District*, pursuant to Government Code Section 54956.9(a), listed on the Committee Agenda as Item No. 3.a.; and, (2) *Willie Curry, Jr. vs. Golden Gate Bridge, Highway and Transportation District*, pursuant to Government Code Section 54956.9(a), listed on the Committee Agenda as Item No. 3.b.

After closed session, Chair Stroeh called the meeting to order in open session with a quorum present. Attorney Miller reported that the Committee had met in closed session, as permitted by the Brown Act, to discuss two items of pending litigation, as listed above. He reported that authority and jurisdiction in the case of *Carol Gerber vs. Golden Gate Bridge, Highway and Transportation District* resided within the Finance Committee and, further, that consensus had been reached within the Committee to grant settlement authority to counsel. Attorney Miller also reported that the Committee recommended that the matter of *Willie Curry, Jr. vs. Golden Gate Bridge, Highway and Transportation District* be referred to the August 14, 2009, meeting of the Board of Directors for necessary action.

4. Public Comment

There was no public comment.

5. Adjournment

All business having been concluded, the meeting was adjourned at 11:15 a.m.

Respectfully submitted,

J. Dietrich Stroeh, Chair
Finance-Auditing Committee



17-2009

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

OCTOBER 23, 2009

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, October 23, 2009, at 10:00 a.m., President Boro presiding.

ROLL CALL

Directors Present (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

Directors Absent (4): Directors Dufty, Elsbernd, Sanders and Stroeh

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Auditor-Controller Joseph M. Wire; Secretary of the District Janet S. Tarantino; Attorneys David J. Miller and Madeline Chun; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Division Teri W. Mantony; Deputy General Manager/Ferry Division James P. Swindler; Deputy General Manager/Administration and Development Z.W. Johnson; Public Affairs Director Mary C. Currie; Bus Maintenance Superintendent Steve Miller; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Patsy Whala

Visitors Present: Kim Waldron, Representative/Organizer, Professional & Technical Engineers, Local 21 AFL-CIO; Said Senan, Batteries U.S.A., Inc.; Jeff Concannon, East Penn Manufacturing

PLEDGE OF ALLEGIANCE

**BOARD OF DIRECTORS MEETING
OCTOBER 23, 2009/PAGE 2**

Director Lynne Newhouse Segal led the Board of Directors in the Pledge of Allegiance to the Flag.

PUBLIC COMMENT

Kim Waldron, on behalf of the union that represents District Engineers, stated engineers have two items that remain outstanding: (1) salary equity; and, (2) establishment of a reclassification procedure. She urged the Board to instruct District negotiators to deal with these two items.

Public comments were also received relative to Item No. 8, listed below.

CONSENT CALENDAR

1. Request to Sever Item from Consent Calendar

Director Newhouse Segal requested that Item No. 5.A.1., "Approval of the Minutes of the Building and Operating Committee/Committee of the Whole meeting of September 24, 2009," be severed from the Consent Calendar, in order to amend the minutes.

2. Motion to Approve the Remaining Consent Calendar Items:

Directors BROWN/KERNS moved approval of the remaining Consent Calendar items. All items were approved by the following vote of the Board of Directors:

AYES (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (4): Directors Dufty, Elsbernd, Sanders and Stroeh

a. Approve the Minutes of the Following Meetings:

1. Special Meeting of the Rules, Policy and Industrial Relations Committee/Committee of the Whole of September 25, 2009; and,
2. Regular Meeting of the Board of Directors of September 25, 2009.

Carried

b. Denial of Claims

1. Claim of Christy Cook **Carried**
2. Subrogation Claim of California State Automobile Association (Insured: Margaret Harada) **Carried**
3. Claim of Catherine Lubiszewski **Carried**
4. Claim of Elizabeth Vial **Carried**
5. Claim of Dolores Skore **Carried**
6. Amended Claim of Francisca de Leon **Carried**

**BOARD OF DIRECTORS MEETING
OCTOBER 23, 2009/PAGE 3**

- | | | |
|-----|---------------------------------------------------------------------------------------------------------------|-----------------------|
| 7. | Subrogation Claim of The Hartford
(Insured: Benjamin Kembel) | <u>Carried</u> |
| 8. | Claim of Brittany Hull | <u>Carried</u> |
| 9. | Subrogation Claim of Allstate Insurance Company
(Insured: Caro Bourdon) | <u>Carried</u> |
| 10. | Subrogation Claim of Claim of California State Automobile
Association (Insured: Mary E. and Joseph Niesyn) | <u>Carried</u> |

**3. Motion to Approve the Minutes of the Building and Operating Committee/
Committee of the Whole meeting of September 24, 2009, as Amended**

Directors BROWN/KERNS moved that the words “with the concurrence of the President of the Board and the Chair of the Building and Operating Committee” be added in Bullet No. 2 on Page 5, as part of Director Newhouse Segal’s comments listed in the minutes of the Building and Operating Committee meeting of September 24, 2009, to read in its entirety, as follows, and approve the Building and Operating Committee/Committee of the Whole minutes, as amended:

“She suggested that the Board delegate authority to the General Manager, with the concurrence of the President of the Board and the Chair of the Building and Operating Committee, to approve all change orders exceeding \$50,000.00. In response, Mr. Mulligan stated that change orders provide the ability to address unknown or changed conditions. Mr. Mulligan also stated that, under the current procedures, the District may incur delay costs if unknown problems are discovered when the vessel is dry-docked if addressing the problems require a change order in excess of \$50,000.00.”

Carried

- AYES (15):** Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro
- NOES (0):** None
- ABSENT (4):** Directors Dufty, Elsbernd, Sanders and Stroeh

GENERAL MANAGER'S REPORT

4. General Manager Celia Kupersmith reported that all items contained in the General Manager’s report were informational.

5. Announcement

Ms. Kupersmith updated the Board on the contract negotiations with the California State Department of Transportation (Caltrans) for the District on the Doyle Drive Reconstruction Project (Doyle Drive Project) relative the lane diversion services. Ms. Kupersmith provided the details under the current contract that terminates on October 27, 2009. Ms. Kupersmith stated that the District sent a letter to Caltrans expressing a willingness to continue to provide the lane diversion services for approximately 18 months during Caltrans Contract Nos. 3 and 4 for the Doyle Drive Project provided satisfactory contractual protections are negotiated. She pointed out that there will be

**BOARD OF DIRECTORS MEETING
OCTOBER 23, 2009/PAGE 4**

different road conditions for lane diversions; therefore, the District is requesting to re-negotiate the contract in terms of compensation and indemnification issues. She noted that when the work begins on the actual structure, there will be a permanent barrier in place and the lane diversion services will no longer be needed.

6. Presentation of Twenty-Five Year Service Award to Kevin L. Raddatz, Electrical Superintendent, Bridge Division

President Boro presented a Twenty-Five Year Service Award to Kevin L. Raddatz, Electrical Superintendent, Bridge Division, and expressed his congratulations on behalf of the Board of Directors.

7. Presentation of Twenty-Year Service Award to Tilman R. Hanson, Chief Bridge Painter, Bridge Division

President Boro presented a Twenty-Year Service Award to Tilman R. Hanson, Chief Bridge Painter, Bridge Division, and expressed his congratulations on behalf of the Board of Directors.

8. Presentation of Employee of the Month Award to Linh V. Do, Bus Mechanic, Bus Transit Division

President Boro presented the Employee of the Month Award to Linh V. Do, Bus Mechanic, Bus Transit Division, and expressed his congratulations on behalf of the Board of Directors.

9. Consider Protest Submitted by Batteries USA, Inc., Relative to Contract No. 2010-BT-3, Heavy Duty Batteries

a. Report from Attorney

Attorney David Miller explained to the Board the District's bid protest procedures involving contracts within the General Manager's authority (contracts under \$100,000.00). Mr. Miller then described the details of the bid protest matter that is being presented to the Board. He suggested the following, in terms of process: 1) consider comments from the General Manager with respect to her decision; 2) enable the protesting parties to present their case to the Board; 3) consider the technical comments from the General Manager and staff in response to the testimony given by protesting parties; and, 4) take action on whether to accept or reject the bid protest. Mr. Miller noted that the item is not a matter for action on the award of the contract, as that action will be made by the General Manager based upon the disposition of the bid protest.

b. Report from General Manager

Ms. Kupersmith provided the details of the Invitation for Bid (IFB) for the procurement of batteries for the District's bus fleet. Ms. Kupersmith explained two specific technical changes to the bid specifications: 1) solicit for a fast-start battery rather than the DEKA heavy-duty cycle battery; and, 2) require a two-year

**BOARD OF DIRECTORS MEETING
OCTOBER 23, 2009/PAGE 5**

full replacement warranty. Ms. Kupersmith described the standardized process of evaluating “approved equals” requests, stating that all bidders are required to provide evidence that a proposed “approved equals” is equivalent to the item(s) in the IFB. Ms. Kupersmith also stated that the District received a “Request for Approved Equals,” from Batteries, USA; however, the request was denied because it did not include sufficient technical data for staff to make a determination whether or not the proposed “approved equals” met the specific operating characteristics of the battery in the IFB. Ms. Kupersmith talked about how Batteries, USA, went through the process of submitting protest letters to the District to dispute the staff recommendation for award of contract. Ms. Kupersmith stated that she thoroughly investigated the matter and made the independent determination to support staff’s recommendation to reject the bid protest from Batteries, USA; and, to award Contract No. 2010-BT-3 to the lowest responsive, responsible bidder. She further stated that individuals at Batteries, USA, exercised their prerogative to present their bid protest to the Board, as per the District’s Bid Protest Procedures, and based upon the action taken today, she act on the procurement accordingly.

c. Public Comment

Said Senan, President of Batteries, USA, stated that his company has had a long supplier relationship with the District and for the last 10 years, the District and other transit agencies have purchased DEKA batteries from Batteries, USA, through the joint procurement effort via the Regional Transit Coordinating Council (RTCC). The RTCC is made up of transit agencies throughout the Bay Area. Mr. Senan noted that the District has not included a two-year replacement warranty in the previous bid specifications. Mr. Senan also stated that, during the last RTCC bid process, the District’s procurement staff requested to negotiate a lower price for the batteries, which was rejected by Batteries, USA. He further stated that, as a result, the District withdrew its participation in the RTCC bid, and independently proceeded to seek an IFB for bus batteries. He asserted that, in his opinion, the District used unfair business practices by changing the bid specifications with the intention of eliminating his company from the competition. He also challenged the District’s bid specifications for eliminating the requirement for the product to be manufactured in America.

Jeff Concannon, Director, East Penn Manufacturing-DEKA Batteries, expressed his support of Mr. Senan’s protest and informed the Board that he is available to answer any questions about DEKA batteries. Mr. Concannon noted that, in his opinion, the DEKA batteries would qualify for the two-year warranty job duty, as there has been no warranty returns for these batteries during his six-year employment at East Penn Manufacturing.

d. Discussion by the Board

- Director Campos made the following comments and inquiries:
 - He requested clarification regarding the impetus for the District’s change in the technical specifications for a different battery type.

**BOARD OF DIRECTORS MEETING
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In response, Ms. Kupersmith stated that she has challenged staff to look for a better way of doing District business; therefore, staff embarked on testing the fast-start battery for bus performance. In addition, Steve Miller provided a “compare and contrast” between the fast-start battery and the deep-cycle battery. Mr. Miller reported on the research and tests that have been performed over the last 18 months on these batteries, which included tracking the number of jump-starts on buses. Mr. Miller emphasized the importance of buses being ready for routes, as passengers are relying on bus timetables. Mr. Miller noted that, since buses are now equipped with more advanced technology, the buses require more power to operate. Accordingly, the availability of a reliable fast-starting battery is of great interest to the District. He also noted that the bid specifications include a requirement for a two-year warranty as an economical precaution in the event that the District does not get the full life from the fast-start battery.

- He requested clarification regarding the procedure for compiling the list of vendors that are mailed a copy of the bid documents. In response, Mr. Miller stated that the list consists of vendors that have done business with the District, as well as vendors that have contacted staff to sell their product. Mr. Miller also stated that staff did not mail bid documents to Batteries, USA, because they did not express interest in the IFB.
 - He commented that it is puzzling as to why staff did not follow-through with District past practice by mailing bid documents to the incumbent supplier. In response, Ms. Kupersmith stated that the principle of mailing bid documents to the incumbent supplier as a matter of practice will now be the District’s standard operating procedure regardless of any perception staff may have about incumbent’s interest in the IFB. Ms. Kupersmith described the District’s practice in sending out bid documents, stating that the District mails bid documents to vendors expressing interest, as well mails to small businesses to encourage participation as a part of the Disadvantage Business Enterprise Program. Mr. Miller noted that the District’s goal is to increase competition in bidding.
 - He commented that when the District mails bid documents to some vendors and excludes other vendors, it could be interpreted to mean something regardless of the intent. He cautioned staff from using subjective information to decide which vendor will receive bid documents in the mail. He stated that the key is to have a level playing field for all vendors in terms of the reality, as well as perception.
- Director Grosboll made the following comments and inquiries:
 - He requested clarification regarding the District’s practice for sending bid documents to bidders. In response, Mr. Miller stated that, in accordance with federal regulations, the District advertised the IFB, as well as posted the notice and bid documents to the

**BOARD OF DIRECTORS MEETING
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District's web site. Mr. Miller also stated that, as a courtesy, the procurement staff sent bid documents to vendors that were thought to be interested.

- He inquired as to the reason why the procurement staff did not send bid documents to the incumbent supplier, Batteries, USA. In response, Mr. Miller stated that it was believed by procurement staff that Batteries, USA, was not interested in the procurement because of the changes; therefore, the District only mailed a copy to Bayland Battery, the distributor for Batteries, USA.
 - He acknowledged that the District would review the procedures for mailing bid documents for IFB's, and directed staff to present the process to the Board at a later date.
- President Boro and Director Sobel requested clarification regarding the sequence of letters from Batteries, USA, in regards to the timeliness for them to submit a bid. In response, Attorney Miller stated that the record clearly establishes that, at a certain point in time, in timely manner and without prejudice, Batteries, USA, was made aware of the opportunity to participate in the IFB. Attorney Miller noted that Batteries, USA, availed itself of the procedure to submit a formal "Request for Approved Equals," and was given a supplemental opportunity to submit a bid, but did not.

In conclusion, Attorney Miller stated that thoughtful consideration was given at the outset to the type of product that the District wanted. Attorney Miller also stated that management exercised its discretion to advertise an IFB for a new type of product. Attorney Miller further stated that Batteries, USA, was afforded an opportunity to participate, but did not submit the technical justification needed to demonstrate that their type of battery was in compliance with an "approved equals," with respect to the product that is specified in the IFB. Attorney Miller recommended that the Board support the General Manager's determination that the bid protest be rejected.

e. Action by the Board

Directors EDDIE/BROWN

Resolution No. 2009-085 rejects the protest submitted by Batteries USA, Inc., relative to Contract No. 2010-BT-3, *Heavy Duty Batteries*, based on lack of compliance with technical specifications and warranty requirements, and failure to provide information relevant to its request for an approved equal.

AYES (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (4): Directors Dufty, Elsbernd, Sanders and Stroeh

ATTORNEY'S REPORT

10. Attorney David Miller reported that all items contained in the Attorney's Report were informational. Mr. Miller also reported that a closed session would be held just prior to the conclusion of the meeting to discuss a matter of pending litigation, *Dustin Wise vs. Golden Gate Bridge, Highway and Transportation District*, listed on the Agenda as Item No. 6.B.

ENGINEER'S REPORT

11. District Engineer Denis Mulligan reported that all items contained in the Engineer's Report were informational. At the meeting, Mr. Mulligan described the upcoming road closures to facilitate roadway work in the East Parking Lot. Mr. Mulligan stated that the work will start at approximately 6:00 p.m., on Saturday, October 24, 2009, and end at approximately midday on Monday, October 26, 2009.

REPORT OF THE BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF OCTOBER 22, 2009

12. **Authorize Execution of an On-Call Agreement with the California Highway Patrol to Provide Enforcement Services during Construction for the Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon Project**

Directors EDDIE/KERNS

Resolution No. 2009-086 authorizes execution of an On-Call Services Agreement with the California Highway Patrol in an amount not to exceed \$2,247,850.00, for enforcement of the construction zone speed limit and assistance with traffic diversions for night-time lane closures during construction of *the Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon Project*, with the understanding that funds for these services are included in the Seismic Retrofit Project budget.

Adopted

AYES (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (4): Directors Dufty, Elsbernd, Sanders and Stroeh

13. **Authorize Execution of Change Order No. 16 to Contract No. 2006-B-1, Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon, for Modifications to Foundations**

Directors EDDIE/KERNS

Resolution No. 2009-087 authorizes execution of Change Order No. 16 to Contract No. 2006-B-1, *Golden Gate Bridge Seismic Retrofit Phase IIIA, North Anchorage Housing/North Pylon*, in the amount of \$283,281.27, for modifications to Bent 5 and Bent 6 foundations, with the understanding that monies are available in the contingency fund.

Adopted

AYES (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (4): Directors Dufty, Elsbernd, Sanders and Stroeh

14. **Approve Actions Relative to the National Science Foundation Grant Award No. DRL-0840185, the Golden Gate Bridge as an Informal Science Education Resource**

Directors EDDIE/KERNS

Resolution No. 2009-088 approves actions relative to the National Science Foundation (NSF) Grant Award No. DRL-0840185, *The Golden Gate Bridge as an Informal Science Education Resource*, as follows:

- a. Authorize acceptance of the grant award in the amount of \$2,999,777.00;
- b. Authorize execution of an Agreement with the Consortium of Universities for Research in Earthquake Engineering, in an amount not to exceed \$2,314,535.00, for the work outlined in the NSF grant award;
- c. Authorize execution of an Agreement with Eye Think, Inc., in an amount not to exceed \$58,625.00, for an animated *LIFETILES* mural illustrating the construction of the Golden Gate Bridge; and,
- d. Authorize the addition of a new project, *Golden Gate Bridge Informal Science Education Project*, to the FY 09/10 Bridge Division Capital Budget in the amount of \$3,499,777.00, to be funded with NSF grant funds (\$2,999,777.00) and with District reserves (\$500,000.00), as concurred with by the Finance-Auditing Committee at its meeting of October 22, 2009.

Adopted

AYES (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (4): Directors Dufty, Elsbernd, Sanders and Stroeh

**REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE
WHOLE MEETING OF OCTOBER 22, 2009**

15. Authorize Amendment to Pass Through Agreement with the Metropolitan Transportation Commission for Federal Transit Administration Funds for the TransLink® Project

Directors STROEH/KERNS

Resolution No. 2009-089 authorizes the General Manager to execute an amendment to the Pass-Through Agreement with Metropolitan Transportation Commission for Federal Transit Administration funds for the Translink® project.

Adopted

AYES (15): Directors Brown, Chu, Campos, Cochran, Grosboll, Kerns, McGlashan, Moylan, Newhouse Segal, Pahre, Snyder and Sobel; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (4): Directors Dufty, Elsbernd, Sanders and Stroeh

CLOSED SESSION

16. Attorney's Report

Attorney David Miller, at the request of President Boro, stated that the Board of Directors would convene in closed session to discuss a matter of pending litigation listed on the agenda as Item No. 6.B., *Dustin Wise vs. Golden Gate Bridge, Highway and Transportation District (District)*.

After closed session, President Boro called the meeting to order in open session with a quorum present. Attorney Miller reported that the Board of Directors met in closed session, as permitted by the Brown Act, to hear a report from legal counsel with regard to the matter of *Dustin Wise vs. District*. Mr. Miller reported that the Board unanimously provided settlement authority for disposition of this matter.

ADJOURNMENT

17. All business having been concluded, the meeting was adjourned at 11:10 a.m., in the memory of William E. Andrews, Al Carrion, Scott Liebert, Pedro Loera, Jr., Jeffrey Alan Diggs, Donald Fisher and George Ellman.

Respectfully submitted,

Janet S. Tarantino
Secretary of the District



16-2009

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

OCTOBER 9, 2009

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, October 9, 2009, at 10:00 a.m., President Boro presiding.

ROLL CALL

Directors Present (14): Directors Brown, Campos, Cochran, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

Directors Absent (5): Directors Chu, Dufty, Elsbernd, Grosboll and Kerns

Staff Present: General Manager Celia G. Kupersmith; District Engineer Denis J. Mulligan; Acting Auditor-Controller Jennifer Mennucci; Secretary of the District Janet S. Tarantino; Attorney David J. Miller; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Administration and Development Z. Wayne Johnson; Acting Executive Assistant to the General Manager Sonia Pedlar; Assistant Clerk of the Board Lona Franklin

Visitors Present: Kim Waldron, Local 21, International Federation of Professional and Technical Engineers (IFPTE)

PLEDGE OF ALLEGIANCE

Director Brian Sobel led the Board of Directors in the Pledge of Allegiance to the Flag.

**BOARD OF DIRECTORS MEETING
OCTOBER 9, 2009/PAGE 2**

PUBLIC COMMENT

Kim Waldron, on behalf of members of Local 21, expressed thanks for action taken in July 2009. She stated engineers have continued bargaining, with the following two items remaining to be resolved: (1) equity adjustments; and, (2) establishment of a reclassification procedure for engineers. She urged the Board to direct both.

CONSENT CALENDAR

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

AYES (13): Directors Brown, Cochran, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (6): Directors Campos, Chu, Dufty, Elsbernd, Grosboll and Kerns

1. Approve Minutes of the Following Meetings:

a. Finance-Auditing Committee/Committee of the Whole of September 10, 2009 **Carried**

2. Denial of Claims

a. Subrogation Claim of Capital Insurance Group (Insured: Pamela and Doug Van Horn) **Carried**
b. Claim of Robyn J. Carmel **Carried**
c. Claim of Lucy Florez **Carried**
d. Claim of Ingrid Robinson **Carried**
e. Claim of James Farrell **Carried**
f. Claim of Yelena Merkurjeva **Carried**

3. Ratify Actions by the Auditor-Controller

Resolution No. 2009-082 (Finance-Auditing Committee/Committee of the Whole September 24, 2009) ratifies actions taken by the Auditor-Controller, as follows:

a. The Board of Directors has no commitments and/or expenditures to ratify for the period July 1, 2009, through August 31, 2009;

**BOARD OF DIRECTORS MEETING
OCTOBER 9, 2009/PAGE 3**

- b. The Board of Directors ratifies investments made during the period July 14, 2009, through September 14, 2009, as follows:

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
FFCB Notes (Callable)	07/14/09	7/14/14	5,118,000.00	3.23
BNP Paribas Financial, Inc. Commercial Paper	08/17/09	8/20/09	1,219,984.75	0.15
FHLMC Notes (Callable)	08/17/09	08/20/14	4,995,000.00	3.37
BNP Paribas Financial, Inc. Commercial Paper	09/03/09	10/05/09	3,549,400.44	0.19
Societe Generale NA Commercial Paper	09/08/09	10/05/09	4,999,175.00	0.22

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between August 4, 2009, and October 12, 2009, as well as the investment of all other funds not required to cover expenditures which may become available;
- c. Accept the Investment Report for July and August 2009 prepared by PFM.

Adopted

GENERAL MANAGER'S REPORT

4. Announcements

Ms. Kupersmith reported that targeted marketing efforts are underway for Golden Gate Transit Route 72F from Sonoma to San Francisco Financial District. A six-month demonstration commute route began on September 14, 2009, with stops at park-and-ride sites in Rohnert Park, Cotati and Petaluma. She stated that the coaches assigned to this route are equipped with Wi-Fi, and it is hoped that ridership will increase. Approximately 26,500 residents of Petaluma, Penngrove, Cotati and Rohnert Park received free round trip tickets by U.S. mail. She noted that newspaper ads, media outreach, bus stop sandwich boards and flyer distributions were also used. Success will be evaluated at the end of the six-month period.

5. Presentation of Retirement Gift to Michael Locati, Bridge Captain, Bridge Division

**BOARD OF DIRECTORS MEETING
OCTOBER 9, 2009/PAGE 4**

President Boro presented a retirement gift to Michael Locati, Bridge Captain, Bridge Division, for thirty-four years ten months of dedicated service, and expressed his best wishes for a long and happy retirement on behalf of the Board of Directors.

[Director Campos arrived at this time.]

ATTORNEY'S REPORT

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

ENGINEER'S REPORT

7. A written report is presented to the Board of Directors by the District Engineer at the second Board meeting of the month.

REPORTS OF THE RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/COMMITTEE OF THE WHOLE

8. **Approve Adoption of the 2009-2012 Affirmative Action Plan**

Directors PAHRE/COCHRAN

Resolution No. 2009-083 approves adoption of the 2009-2012 Affirmative Action Plan (Plan); and, authorized submittal of the Plan to the Federal Transportation Administration (FTA), as required in FTA Circular 4704.1, "Equal Employment Opportunity Program Guidelines for Grant Recipients," dated July 26, 1988.

Adopted

AYES (14): Directors Brown, Campos, Cochran, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (5): Directors Chu, Dufty, Elsbernd, Grosboll and Kerns

9. **Approve Revisions to the Employee Computer Purchase Loan Program**

Directors PAHRE/STROEH

Resolution No. 2009-084 approves revisions to the Employee Computer Purchase Loan Program, in recognition that the Program is outdated in its current form, as follows:

- a. The maximum allowable loan amount would be reduced from \$2,500.00 to \$800.00, in response to the lower computer prices now available;
- b. Employees would be eligible to participate once each three years so that equipment can be kept up-to-date;
- c. Loans will have a 12-month (maximum of 24 pay periods) repayment period, as opposed to two years previously;
- d. The Program will loan funds for the purchase of personal computer equipment primarily, most of which comes equipped with standard business software. Software purchased separately and non-factory installed is not eligible under this Program;
- e. Computers purchased under this Program are for personal use only; and,

**BOARD OF DIRECTORS MEETING
OCTOBER 9, 2009/PAGE 5**

- e. The procedures associated with the Computer Loan Program are streamlined, when compared to the past Program, to simplify the administrative processing of loan applications.

Adopted

AYES (14): Directors Brown, Campos, Cochran, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (5): Directors Chu, Dufty, Elsbernd, Grosboll and Kerns

ADJOURNMENT

- 10.** All business having been concluded, the meeting was adjourned at 10:35 a.m., in the memory of Frank Piscitello, Marie Jeanne Pagadoy, Milagros Gomez, and Herbert F. Gabriel, Jr.

Respectfully submitted,

Janet S. Tarantino
Secretary of the District

JST:LGF:lgf



14-2009

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

SEPTEMBER 11, 2009

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, September 11, 2009, at 10:00 a.m., President Boro presiding.

ROLL CALL

Directors Present (14): Directors Brown, Cochran, Dufty, Grosboll, Kerns, Moylan, Newhouse Segal, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

Directors Absent (5): Directors Campos, Chu, Elsbernd, McGlashan and Pahre

Staff Present: General Manager Celia G. Kupersmith; Attorney David J. Miller; Attorney Kim Manolius; Attorney Julie Veit; Acting District Engineer Ewa Bauer; Secretary of the District Janet S. Tarantino; Deputy General Manager/Bus Transit Division Teri Mantony; Deputy General Manager/Ferry Transit Division James P. Swindler; Public Affairs Director Mary Currie; Director of Planning Alan R. Zahradnik; Acting Executive Assistant to the General Manager Sonia Pedlar; Senior Civil Engineer Jeffrey Lee; Senior Civil Engineer David Lynch; Assistant Clerk of the Board Lona Franklin

Visitors Present: Lee Saage, Deputy Director Capital Projects San Francisco County Transportation Authority; Dennis Turchon, Principal Construction Manager, Caltrans; Steve O'Keefe, IFPTE Local 21; Norman Rolfe, San Francisco Tomorrow; Dr. Herbert Korckoff, Resident of Marin, CA; Gerald Cauthen, Resident of Alameda, CA; Jerry Grace, Resident of San Lorenzo, CA; David Schonbrunn, Transdef

PLEDGE OF ALLEGIANCE

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 2**

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

PUBLIC COMMENT

Steve O'Keefe, IFPTE Local 21, representing professional and technical engineers, urged support for fair treatment for professional staff. He stated his appreciation that agreement was reached between the District and the Union Coalition in which Local 21 participated, but requested resolution of issues that had reached impasse in side table negotiations. He urged the District to correct these matters and provide fair treatment for employees.

Jeffrey Lee, District Senior Civil Engineer/President, Local 21, stated he is speaking on behalf of members and expressed concern about the current side table negotiations. He stated that impasse letters were sent to the Board outlining outstanding proposals. He stated that an appropriate forum for expression of membership concerns was unavailable. He stated that District engineers desire that their salaries stay abreast of non-District engineers and request salary adjustment.

David Lynch, District Senior Civil Engineer/Local 21, stated that the District does not treat engineers on its staff as professionals and that response to requests for change have been postponed. He stated that impasse has been reached on matters of equity. He concluded that the Union wishes this issue to be addressed during this negotiation by a District commitment to alleviate obvious inequity issues.

David Schonbrunn, Transdef, stated he wrote a letter to the District in July 2009, but has not yet received a response. He expressed concern about a Golden Gate Transit Route 10 schedule change, stating that he waited for a Route 10 bus on three different occasions without success. He indicated that posting notices within buses to alert those who do not ride regularly was necessary and urged staff to respond to his letter.

CONSENT CALENDAR

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

AYES (14): Directors Brown, Cochran, Dufty, Grosboll, Kerns, Moylan, Newhouse Segal, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (5): Directors Campos, Chu, Elsbernd, McGlashan and Pahre

2. **Approve the Minutes of the Following Meetings:**

- a. Finance-Auditing Committee/Committee of the Whole of July 10, 2009, June 25, 2009 and June 11, 2009;
- b. Building and Operating Committee/Committee of the Whole of August 13, 2009; July 23, 2009 and June 25, 2009;
- c. Rules, Policy and Industrial Relations Committee of June 12, 2009; and,

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 3**

- d. Board of Directors meeting of July 24, 2009 and June 26, 2009.

Carried

3. Denial of Claims

- a. Claim of Marisa E. Fernandez
b. Claim of Kelly Reyes

Carried

Carried

GENERAL MANAGER'S REPORT

4. Announcements

Ms. Kupersmith informed the Board that Executive Assistant to the General Manager Amorette Ko had a baby son who was named Cody Aiden Wong, and that Amorette and baby Cody are doing well.

Ms. Kupersmith introduced David Rzepinski, General Manager of Marin Transit. She stated Marin Transit is a key partner, and that the District provides services under contract to Marin Transit. She stated that the relationship between the parties is exceptional, stating that the two work very well together and that the District looks forward to a continued relationship.

ATTORNEY'S REPORT

5. Attorney David J. Miller reported that all items contained in the Attorney's Report were informational. Mr. Miller also reported that a closed session would be held prior to the conclusion of the meeting to discuss the following matter: Conference with Legal Counsel – Anticipated Litigation, Significant Exposure to Litigation, Pursuant to Government Code Section 54956.9(b)(1): One Potential Case, listed on the Agenda as Item 6.B.

ENGINEER'S REPORT

6. Acting District Engineer Ewa Bauer reported that all items contained in the Engineer's Report were informational.

**REPORT OF THE TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
OF SEPTEMBER 10, 2009**

7. **Approve Actions Relative to the Award of Contract No. 2009-BT-1, Forty-Five Foot Diesel Inter-City Configuration Coaches, to Motor Coach Industries, Inc.**

a. Discussion by the Board of Directors

Discussion ensued, including the following comments and inquiries:

- Director Grosboll inquired as to whether sending out fifteen requests for proposals had resulted in only one being returned. In response, Ms. Mantony stated that some subcontractors had requested opportunity to respond and the

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 4**

District sent documents to them. She also stated that since *Bluebird* had gone out of business during the past year, *MCI* is now the only bus manufacturer available for these types of purchases.

- Director Cochran commented that the Board of Directors should receive an accounting of how contingency funds are used. Ms. Mantony stated that a report would be prepared for the Board of Directors accounting for the use of contingency funds.

b. Action by the Board of Directors

Directors BROWN/SOBEL

Resolution No. 2009-073 approves actions relative to the award of Contract No. 2009-BT-1, *Forty-Five Foot Diesel Inter-City Configuration Coaches*, as follows:

- a. Authorizes award of a contract to Motor Coach Industries, Schaumburg, IL, in the amount of \$12,945,832.92, for the purchase of 23 coaches and associated spare parts, subject to a pre-award audit required by the Federal Transit Administration (FTA) and to the successful completion of a price/cost analysis;
- b. Authorizes the sole source purchase of fareboxes with GFI Genfare, a unit of SPX Corporation, Elk Grove Village, IL, in the amount of \$365,730.00, for installation on MCI coaches;
- c. Establishes a contingency fund in the amount of \$617,603.00, equal to 5% of the contract award;
- d. Establishes a total project budget of \$13,929,750.00, to be funded with \$11,143,800.00 FTA funds (80%), \$1,264,140.00 State I-Bond funds (9%), and \$1,521,810.00 District reserves (11%); and,
- e. Authorizes a budget increase in the FY 09/10 Bus Transit Division Capital Budget in the amount of \$2,453,650.00, to be funded with \$1,962,920.00 FTA funds and \$490,730.00 District reserves, as concurred with by the Finance-Auditing Committee at its meeting of September 10, 2009.

Adopted

AYES (14): Directors Brown, Cochran, Dufty, Grosboll, Kerns, Moylan, Newhouse Segal, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (5): Directors Campos, Chu, Elsbernd, McGlashan and Pahre

8. Approve Actions Relative to the Award of Contract No. 2010-BT-6, *Thirty-Five Foot Hybrid Buses*, to New Flyer on behalf of the Marin County Transit District

Directors BROWN/SOBEL

Resolution No. 2009-074 approves actions relative to the award of Contract No. 2010-BT-6, *Thirty-Five Foot Hybrid Buses*, as follows:

- a. Approves a finding that a traditional low-bid procurement process is not an adequate method of procuring hybrid buses for use on Marin County Transit District (MCTD) routes, and that using options assigned from another agency

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 5**

- (“piggybacking”) to purchase these buses is the best method for this procurement; and,
- b. Authorizes the purchase of up to seven buses and miscellaneous spare parts, by “piggybacking” on a contract between the Washington Metropolitan Area Transit Authority and New Flyer of America;
 - c. Establishes a contingency fund in the amount of \$199,972.49, to support any minor specification modifications identified at the pre-production meeting and during bus production and to purchase any necessary spare parts;
 - d. Establishes a total project budget of \$4,628,000.00, to be funded with \$236,000.00 Federal Transit Administration funds and \$59,000.00 local funds from MCTD; and,
 - e. Authorizes a budget increase in the FY 09/10 Bus Transit Division Capital Budget in the amount of \$295,000.00, as concurred with by the Finance-Auditing Committee at its meeting of September 10, 2009.

Adopted

- AYES (14):** Directors Brown, Cochran, Dufty, Grosboll, Kerns, Moylan, Newhouse Segal, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
- NOES (0):** None
- ABSENT (5):** Directors Campos, Chu, Elsbernd, McGlashan and Pahre

**REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE
MEETING OF SEPTEMBER 10, 2009**

9. Authorize the Filing of an Application with the Metropolitan Transportation Commission for Regional Measure 2 Funds to Support Implementation of the Advanced Communications and Information System Project

a. Public Comment

David Schonbrunn stated his concern about low ridership on Ferry shuttles resulting in a decision to cancel Ferry shuttles. He stated that free parking at terminals discourages use of shuttles, and that ridership could be encouraged by a parking fee charged at the terminals. He urged the District to provide a comprehensive plan to manage and price parking at Larkspur by using modern techniques and principles.

b. Action by the Board of Directors

Directors STROEH/KERNS

Resolution No. 2009-075 authorizes the General Manager, or her designee, to execute and submit an application, related assurances and allocation request with the Metropolitan Transportation Commission for Regional Measure 2 funds in the amount of \$1,655,000.00, to support implementation of the Advanced Communications and Information System Project.

Adopted

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 6**

- AYES (14):** Directors Brown, Cochran, Dufty, Grosboll, Kerns, Moylan, Newhouse Segal, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
- NOES (0):** None
- ABSENT (5):** Directors Campos, Chu, Elsbernd, McGlashan and Pahre

10. Authorize the Filing of an Application with the Bay Area Air Quality Management District for FY 09/10 Transportation Funds to Support the Larkspur Ferry Shuttle Service Operations

a. Discussion by the Board of Directors

Discussion ensued, including the following inquiries:

- Director Grosboll made the following inquiries:
 - He inquired as to how the shuttle route was chosen and the reasoning behind providing shuttle service that had low ridership in the past. In response, Ms. Kupersmith stated that in 2003 all shuttle service was eliminated due to financial reasons, and that the current choice of shuttle route was made because this route was the most successful of the routes provided in the past. She added that this application is the second one the District has submitted.
 - He inquired as to the expected ridership and the level of ridership that would be considered successful. In response, Ms. Kupersmith stated that, historically, ten to fifteen riders per bus could be expected and that would be considered successful for this route at this time.

- Director Newhouse Segal made the following inquiries:
 - She inquired as to whether the grant would be competitive. In response, Ms. Kupersmith stated that the grant would be competitive.
 - She inquired as to whether the possibility of charging a fee for parking at the terminal would be included in the grant application. Ms. Kupersmith stated that the issue of parking fees at the Larkspur Ferry Terminal was being reviewed at the request of the President of the Board of Directors and that this matter would come forward soon.

b. Action by the Board of Directors

Directors STROEH/KERNS

Resolution No. 2009-075 authorizes the General Manager, or her designee, to file applications and execute funding agreements with the Bay Area Air Quality Management District for the FY 09/10 Transportation Fund for Clear Air Grant Program, to support a two-year peak period ferry shuttle service between Fairfax/Sir Francis Drake and the Larkspur Ferry Terminal, for an estimated operating cost of \$352,270.00 per year.

Adopted

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 7**

- AYES (14):** Directors Brown, Cochran, Dufty, Grosboll, Kerns, Moylan, Newhouse Segal, Sanders, Snyder, Sobel and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
- NOES (0):** None
- ABSENT (5):** Directors Campos, Chu, Elsbernd, McGlashan and Pahre

SPECIAL ORDER OF BUSINESS

11. Status Report on the Doyle Drive Reconstruction Project Plans

a. Presentation by San Francisco County Transportation Authority

Lee Saage, Deputy Director, Capital Projects, San Francisco County Transportation Authority, provided an update on the status of planning the project and the traffic management plan. He stated that all movement across the Golden Gate Bridge into the City will remain in place throughout the project. Traffic will stay on a detour until the new facility is ready to open. He stated that the project is a challenge, being a two-year design project that is to be completed within six months. The project must achieve seismic safety quickly and qualify for federal funding. He stated that, as part of the acceleration process, eight different construction packages are included.

Mr. Saage stated that the next major event would be the first weekend closure. Traffic will be on the detour, being built north of existing Doyle Drive. He stated that once traffic is on the temporary detour, demolition of Doyle Drive can begin. Following the second weekend closure, traffic will go off the detour onto Doyle Drive. He stated that on the detour route between Sunset and Marina, traffic will distribute over the grid system. People familiar with the area will choose their own detours, with Lincoln Boulevard-Presidio-Lombard seeing more additional traffic.

b. Discussion by the Board of Directors

Discussion ensued, including the following comments and inquiries:

- Director Reilly made the following inquiries:
 - She inquired as to the ramps that will be closed. In response, Mr. Saage stated that northbound Park Presidio to southbound Doyle and northbound Doyle to southbound Park Presidio would be closed to accommodate construction. The signed detour will be along Van Ness and Geary Boulevard. A back-up detour is planned northbound onto Lincoln Boulevard.
 - She inquired as to the length of delay for those traveling Sunset to Marina. In response, Mr. Saage stated that the length of delay will depend largely upon the route chosen, for example, Sunset to Marina could produce a fifteen-minute delay while Lincoln to Park Presidio may produce only a two-minute delay. Ms. Kupersmith added that, once ramps close, there will be a two-lane exit from Doyle Drive to Park Presidio to improve traffic flow and travel times.

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 8**

- President Boro made the following comments and inquiries:
 - He inquired as to the length of time detours will last. In response, Mr. Saage stated that the horseshoe ramp will be closed for the duration of the project. The shorter ramp will be closed for approximately eighteen months, during Contracts 3 and 4.

Mr. Saage added that a transportation management plan work group has been formed, has met every week since July 2009, and has identified issues. The next update will be a consensus document, with procedures agreed upon by all affected agencies. He stated that, among the issues to be addressed would be assuring that transit and vehicle operation are disrupted minimally. He noted that separate sections of the update will include short term closures, such as the tree removal closure that recently took place. Contingency plans are to be put in place, as requested by District Planning Director Alan Zahradnik to allow quick reaction to unexpected events. He stated that modeling suggests there will be no increase in traffic.

Mr. Saage added that a capacity analysis has been done to determine demand. Currently, use is approximately 4,100 vehicles per hour. He stated that as the economy improves, traffic may increase, and an estimate of 4,700 vehicles per hour has been modeled as well, with a new model planned to estimate the effects of the reduction of lanes to five. He stated that the first ramp closure could be as early as November 2009.
 - He inquired as to when the movable barrier will be in use. In response, Mr. Saage stated that about eighteen months after the project has begun, at the conclusion of Contracts 3 and 4, the five-lane detour with movable barrier is expected to be in place.
 - He stated that the District was committed to public safety and to this project. Concern was not just direct impact on the Bridge, but also the impact on those crossing the Bridge, especially northbound.

- Director Sobel made the following comments and inquiries:
 - He inquired as to whether any analysis has been done to define the number of minutes' delay that can be expected. In response, Mr. Saage stated that analysis has shown an increase of approximately 14 seconds for Doyle Drive, so that commuters will experience minimal impact.
 - He inquired as to whether the cascading effect of people slowing down to look at construction was part of this analysis. In response, Mr. Saage stated that the model did consider such effect because minor reductions in speed can result in a greater reductions farther back in traffic.
 - He stated that public outreach will be critical to success. In response, Mr. Saage stated that advertising has already been purchased.

- Director Stroeh made the following inquiries:
 - He inquired as to whether traffic control workers will be utilized. In response, Mr. Saage stated that there will be new pedestrian crossings, pedestrian signals and traffic control officers for safety. He stated that

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 9**

- the increase in traffic on Park Presidio would likely be greater than increases elsewhere.
- He inquired as to whether the left turn lane on Lombard will be closed. In response, Mr. Saage stated that there is resistance to closing that left turn lane but it has not been ruled out.

 - Director Snyder inquired as to whether roads within the Presidio were modeled. In response, Mr. Saage stated that Presidio roads have been modeled. In some of those areas, no detectable increase in traffic was seen. The Arguello, Lincoln Boulevard and Presidio entries showed slightly greater increases. He added that the new detour will be five lanes, with a movable barrier providing a 3-2 traffic arrangement that can be moved to accommodate morning traffic and afternoon/evening traffic. The five lanes of the detour will be much wider than the present lanes. Traffic will flow more smoothly and the movable barrier will provide safety.

 - Director Sanders made the following inquiries:
 - She inquired as to whether southbound drivers would be able to travel Park Presidio. In response, Mr. Saage stated that southbound Park Presidio traffic will be unaffected. Of the four connectors, two will remain open throughout construction.
 - She inquired as to the location of the new movable barrier. In response, Mr. Saage stated that the movable barrier will be located on the temporary facility, not on the new Doyle Drive.

c. Public Comment

Norman Rolfe stated his concern about damage to the Presidio and the cost of the project, noting that in the past, high cost caused rejection of a similar project. He stated his hope that media will investigate, and believes this project to be a mistake.

Dr. Herbert Korckoff inquired as to why Doyle Drive cannot be repaired rather than replaced. In response, Mr. Saage stated that a nine-year study was done. He further stated that the current roadway has reached the end of its useful life as a reinforced concrete structure built to 1930's standards and cannot be repaired. A new roadway must be built to modern standards.

Gerald Cauthen stated he is convinced Caltrans can maintain free traffic flow, although it will be very costly. He stated that other bridges require seismic upgrade, but those projects are not being funded. He stated his opinion that twenty-eight feet of shoulder added to a tunnel is not reasonable.

Jerry Grace stated his concern that travelers will experience confusion because of the ramp changes, and inquired as to the speed limit on detours. In response, Ms. Kupersmith stated that traffic control workers will be on site and signage will be in place. She added that speed limits will be approximately ten to fifteen miles per hour.

Action by the Board – None Required

**BOARD OF DIRECTORS MEETING
SEPTEMBER 11, 2009/PAGE 10**

CLOSED SESSION

12. Attorney's Report

Attorney David Miller, at the request of President Boro, stated that the Board of Directors would convene in closed session to discuss the following matter: Conference with Legal Counsel – Anticipated Litigation, Significant Exposure to Litigation, Pursuant to Government Code Section 54956.9(b)(1): One Potential Case, listed on the Agenda as Item 6.B.

After closed session, President Boro called the meeting to order in open session with a quorum present. Attorney Miller reported that the Board of Directors met in closed session, as permitted by the Brown Act, to discuss the matter listed above. Mr. Miller reported that no action was taken on the matter.

ADJOURNMENT

- 13.** All business having been concluded, the meeting was adjourned at 11:10 a.m., in memory of the victims of the 9-11 terrorist attacks, U.S. Senator Edward Moore “Ted” Kennedy, Kenneth D. Jones, Terri Johnson, Gloria Quilici and Anastasia O’Brien.

Respectfully submitted,

Janet S. Tarantino
Secretary of the District

JST:LGF:lgf



13-2009

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

AUGUST 14, 2009

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, August 14, 2009, at 10:00 a.m., President Boro presiding.

ROLL CALL

Directors Present (16): Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

Directors Absent (3): Directors Dufty, Kerns and Stroeh

Staff Present: General Manager Celia G. Kupersmith; Attorney David J. Miller; District Engineer Denis J. Mulligan; Secretary of the District Janet S. Tarantino; Deputy General Manager/Bridge Division Kary H. Witt; Deputy General Manager/Bus Transit Division Teri Mantony; Deputy General Manager/Ferry Transit Division James P. Swindler; Deputy General Manager/Administration and Development Z. Wayne Johnson; Executive Assistant to the General Manager Amorette Ko; Public Affairs Director Mary Currie; Assistant Clerk of the Board Lona Franklin

Visitors Present: John Diamante, Threshold Environmental Center; Raymond Messier, President, Amalgamated Transit Union Local No. 1575

PLEDGE OF ALLEGIANCE

Director Dick Grosboll led the Board of Directors in the Pledge of Allegiance to the Flag.

**BOARD OF DIRECTORS MEETING
AUGUST 14, 2009/PAGE 2**

PUBLIC COMMENT

Public comment by John Diamante on Item #10 was taken out of order by President Boro. John Diamante, Threshold Environmental Center, expressed concern about the Doyle Drive Reconstruction project. He stated he and others seek leadership to provide alternatives that will save taxpayers and the Bridge money. He stated that the problems created by an obsolete freeway system can be solved by a better reconstruction plan for the southern approach to the Bridge. He stated that an all-party solution would be desirable.

CONSENT CALENDAR

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

- AYES (16):** Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (3): Directors Dufty, Kerns and Stroeh

1. Approve the Minutes of the Following Meetings:

- a. Finance-Auditing Committee/Committee of the Whole of July 23, 2009 **Carried**

2. Denial of Claims

- a. Claim of Beverly Lee **Carried**
b. Claim of Lawrence M. Hoburg **Carried**
c. Claim of Francisca De Leon **Carried**
d. Claim of Erica Harrold **Carried**
e. Claim of Nancy Chin **Carried**
f. Claim of Brad Gaffney **Carried**
g. Claim of Vicenta Cortez **Carried**

3. Ratify Actions by the Auditor-Controller

Resolution No. 2009-068 (Finance-Auditing Committee/Committee of the Whole, July 23, 2009) ratifies actions taken by the Auditor-Controller, as follows:

- a. The Board of Directors ratifies commitments and/or expenditures for the period June 1, 2009, through June 30, 2009, totaling \$10,500.00;
- b. The Board of Directors ratifies investments made by the Auditor-Controller during the period June 16, 2009, through July 13, 2009, as follows:

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
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**BOARD OF DIRECTORS MEETING
AUGUST 14, 2009/PAGE 3**

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
CBA (Delaware) Fin., Commercial	6/25/09	9/25/09	6,339,649.05	0.33

- c. The Board of Directors authorizes the Auditor-Controller to reinvest, within the established policy of the Board, investments maturing between July 14, 2009, and August 3, 2009, as well as the investment of all other funds not required to cover expenditures which may become available; and,
- d. Accept the Investment Report for June 2009 prepared by PFM.

Adopted

NERAL MANAGER'S REPORT

4. Presentation of Twenty-Year Service Award to Karen Olson, Office Coordinator, Transportation Department of Bus Division

President Boro presented a twenty-year service award to Karen Olson, of the Bus Transportation Division, and expressed his congratulations on behalf of the Board of Directors.

5. Presentation of Employee of the Month Award to Patsy Whala, Assistant Clerk of the Board, District Division

President Boro presented the Employee of the Month Award to Patsy Whala, Assistant Clerk of the Board, District Division, and expressed his congratulations on behalf of the Board of Directors.

6. Announcement

General Manager Celia G. Kupersmith noted that the District's newly adopted FY 09/10 Operating and Capital Budgets are available on the District's website.

ATTORNEY'S REPORT

7. Attorney David Miller reported that all items contained in the Attorney's Report are informational. Mr. Miller also reported that a closed session would be held just prior to the conclusion of the meeting for a conference with the District's labor negotiator and to discuss one matter of potential litigation.

ENGINEER'S REPORT

8. District Engineer Denis Mulligan reported that all items contained in the Engineer's Report are informational.

REPORT OF THE TRANSPORTATION COMMITTEE OF AUGUST 7, 2009

9. **Authorize Execution of the FY 09/10 Inter-County Paratransit Services Agreement with the Marin County Transit District**

Directors BROWN/McGLASHAN

Resolution No. 2009-069 authorizes execution of a one-year Agreement with the Marin County Transit District, for the provision of inter-county paratransit services by its local paratransit service contractor, Whistlestop Wheels, to comply with the Americans with Disabilities Act and to reflect the principles of the Marin Local Fixed Route Bus Agreement (ending June 30, 2017), for a total cost of \$1,280,382.00, effective July 1, 2009, through June 30, 2010.

Adopted

AYES (16): Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (3): Directors Dufty, Kerns and Stroeh

10. **Authorize Establishment of a Reciprocal Transfer Arrangement with Sonoma County Transit and Santa Rosa CityBus and, Amend Master Ordinance 2009 Accordingly**

Directors BROWN/SOBEL

Ordinance No. 2009-004 authorizes establishment of a Reciprocal Transfer Arrangement with Sonoma County Transit and Santa Rosa CityBus to allow for a transfer credit of \$1.00 for adults and \$.50 for youth, seniors and persons with disabilities, for all transfers made from Sonoma County Transit and Santa Rosa CityBus to Golden Gate Transit; and, amends *Master Ordinance 2009* accordingly.

Adopted

AYES (16): Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (3): Directors Dufty, Kerns and Stroeh

**REPORT OF THE BUILDING AND OPERATING COMMITTEE/COMMITTEE OF
THE WHOLE MEETING OF AUGUST 13, 2009**

11. **Authorize Execution of a Professional Services Agreement with HDR Engineering, Inc., Relative to Request for Proposals No. 2010-B-1, Golden Gate Bridge Seismic Retrofit Phase IIIB Design Services and Authorize a Revised Golden Gate Bridge Seismic Retrofit Phase III Design Project Budget**

Directors EDDIE/MOYLAN

Resolution No. 2009-070 approves actions relative to the execution of a Professional Services Agreement regarding the *Golden Gate Bridge Seismic Retrofit Phase III Design Services*, as follows:

- a. Authorizes the General Manger to execute a Professional Services Agreement with HDR Engineering, Inc., Walnut Creek, CA, relative to Request for Proposals No. 2010-B-1, Golden Gate Bridge Seismic Retrofit Phase IIIB Design Services, in an amount not to exceed \$18,260,000.00, subject to receipt of approval from the Federal Highway Administration and the California Department of Transportation;
- b. Authorizes a contingency fund in the amount of \$1,740,000.00;
- c. Establishes a total project budget of \$40,725,913.00; and,
- d. Authorizes a budget increase in the Golden Gate Bridge Seismic Retrofit Phase III Design Project budget in the amount of \$35,725,913.00, to be funded with \$34,518,203.00 federal funds and \$1,207,710.00 District funds, as concurred with by the Finance-Auditing Committee at its meeting of August 13, 2009.

Adopted

AYES (16): Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro

NOES (0): None

ABSENT (3): Directors Dufty, Kerns and Stroeh

12. **Authorize Rejection of Bids Relative to Contract No. 2010-FT-2, Installation of New Propulsion System for Re-Powering and Dry-Docking of the M.V. Del Norte**

Directors EDDIE/COCHRAN

Resolution 2009-071 authorizes rejection of bids relative to Contract No. 2010-FT-2, *Installation of New Propulsion System for Re-Powering and Dry-Docking of the M.V. Del Norte*.

Adopted

AYES (16): Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan,

**BOARD OF DIRECTORS MEETING
AUGUST 14, 2009/PAGE 6**

Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (3): Directors Dufty, Kerns and Stroeh

REPORT OF THE FINANCE-AUDITING COMMITTEE/COMMITTEE OF THE WHOLE MEETING OF AUGUST 13, 2009

13. Authorize the Filing of an Application with the Metropolitan Transportation Commission for Regional Measure 2 Funds to Support Implementation of the Golden Gate Ferry Electronic Fare System

Directors PAHRE/SOBEL

Resolution No. 2009-072 authorizes the General Manager to execute and submit an application, related assurances and allocation requests with the Metropolitan Transportation Commission for Regional Measure 2 funds in the amount of \$400,000.00, to support implementation of the Golden Gate Ferry Electronic Fare System capital project.

Adopted

AYES (16): Directors Brown, Campos, Chu, Cochran, Elsbernd, Grosboll, McGlashan, Moylan, Newhouse Segal, Pahre, Sanders, Snyder and Stroeh; Second Vice President Eddie; First Vice President Reilly; President Boro
NOES (0): None
ABSENT (3): Directors Dufty, Kerns and Stroeh

SPECIAL ORDER OF BUSINESS

14. Status Report on the Doyle Drive Reconstruction Project Plans

Ms. Kupersmith reported that this week a letter was sent to the California Department of Transportation (Caltrans) and to the San Francisco County Transportation Authority relative to the above-referenced Project. She stated that the Doyle Drive Reconstruction Project (Project) is critical and seismically vulnerable. The District is working to insure that the project is safe. She stated that many steps must be taken before a Traffic Management Plan can be finalized. She explained the normal bidding process. She stated that, because some federal stimulus funds are being used, strict timelines must be adhered to. She provided an overview of the current status, and stated the District's focus should be on working with Caltrans to develop a good Traffic Management Plan. Ms. Kupersmith stated that an all-stakeholders meeting is to be held in the near future, and further stated that ramp closures are expected to occur in January 2010.

Ms. Kupersmith also stated that several meetings between the parties had occurred, including one this week. Subjects discussed included the Environmental Impact Report for the Project. Ms. Kupersmith stated that, during construction, when Doyle Drive is impacted, the contractor will become involved in traffic management, although the District will not cease traffic control operations. She also stated that a smooth transition is

**BOARD OF DIRECTORS MEETING
AUGUST 14, 2009/PAGE 7**

expected and that a Traffic Management Plan is projected to be in place by the end of this year.

Discussion ensued, including the following comments and inquiries:

- Director Elsbernd commented regarding the District's letter to Caltrans and the San Francisco County Transportation Authority. He stated that he would have preferred a different tone and would plan to contact their representatives in this regard. He further stated that ramp closures should be well noticed so travelers have adequate warning to choose alternate routes.
- Director Campos stated his agreement with Director Elsbernd.
- Director Grosboll inquired as to whether the chief traffic management concern was the rerouting under the District Administration Building. In response, Ms. Kupersmith stated that while rerouting was an important concern, safety and movement would be equally important. She discussed the possible impact on revenues from delays resulting from rerouting during the Project and from a decrease in toll revenues if fewer drivers cross the Bridge, noting that delays for buses are very costly for the District. Ms. Kupersmith stated further that, because this area is a national park, a wide variety of traffic types must be addressed. In addition, she noted that snarled northbound vehicular traffic to the Bridge can cause delays on San Francisco city streets.
- Director Reilly inquired as to whether data was available for the Traffic Management Plan. In response, Ms. Kupersmith stated that traffic data were available and that the data were current.
- Director Pahre inquired as to the impact on Golden Gate Bridge employees and whether they might experience a decrease in their work hours. In response, Ms. Kupersmith stated that no significant differences are expected.
- Director Chu stated that a hearing called for by the San Francisco County Transportation Authority would be held before the end of September, 2009, and that, after that meeting, more information would be available.
- Director Moylan stated that contractor responsibility for traffic control during the reconstruction project was appropriate.
- Director Newhouse Segal thanked Ms. Kupersmith for the expertise, professionalism and skill displayed.

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- Director Eddie inquired as to the kind of barrier expected to be used. In response, Ms. Kupersmith stated that a final decision has not been made, but this information would be available after the contractor became known.
- Director Sanders inquired as to delays in the movable barrier and stated that town hall meetings and outreach should take place to provide information about alternative travel methods and routes. In response, Ms. Kupersmith stated that delays in the movable barrier are not anticipated and that information will be made available in the various media so that commute difficulties can be kept to a minimum.
- Director McGlashan inquired as to the potential BART strike and how it might impact the District's service. In response, Ms. Kupersmith stated that training has taken place over a period of time to deal with such situations as they arise. She stated further that the District's service providers were standing ready to provide additional service, such as expanded ferry and bus services.
- President Boro commented that during the Bay Bridge closure in early September, more traffic across the Golden Gate Bridge could be expected.

CLOSED SESSION

15. Attorney's Report

Attorney David J. Miller, at the request of President Boro, stated that the Board of Directors would convene in closed session to discuss the following two matters: Conference with Legal Counsel – Pending Litigation, Willie Curry, Jr. vs. Golden Gate Bridge, Highway and Transportation District, pursuant to Government Code Section 54956.9(a), listed on the Agenda as Item 6.B.1; and, Conference with Labor Negotiator, 2009 Union Coalition, pursuant to Government Code Section 54957.6, listed on the Agenda as Item 6.B.2.

After closed session, President Boro called the meeting to order in open session with a quorum present. Attorney Miller reported that the Board of Directors met in closed session, as permitted by the Brown Act, to discuss the two items: (1) pending litigation in *Willie Curry, Jr. vs. the District*; and, (2) a conference with the labor negotiator regarding 2009 Union Coalition. Mr. Miller reported that the Board unanimously provided settlement authority for disposition of *Willie Curry, Jr. vs. the District*. Mr. Miller also reported that the Advisory Committee for Labor Relations presented a report regarding Labor Coalition negotiations with the 2009 Union Coalition.

ADJOURNMENT

- 16.** All business having been concluded, the meeting was adjourned at 11:20 a.m., in memory of Ersie "Chuck" Everette, Cleo Russo, Amelia Kazanjian Davis, Myles Carey, Andrew Patrick Kelleher, Edgar (Bud) Wilson and Sydna Kostin.

Respectfully submitted,

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JST:LGF:lgf

Janet S. Tarantino
Secretary of the District

Memorandum

TO: Board of Directors
FROM: David J. Miller
DATE: November 11, 2009
RE: Board Meeting on November 20, 2009

Claim of Lisa Culbertson

The District received a claim on behalf of Lisa Culbertson alleging property damage in the amount of \$683.59. Claimant alleges that on September 16, 2009, as she was stopped in her vehicle at a red traffic signal on Howard Street at the intersection of Howard and 4th Streets in San Francisco, a District bus pulled up on the left side of her vehicle. The claimant asserts that when the bus proceeded forward after the light turned green, the bus struck her driver's side mirror. As a result of the incident the claimant's vehicle allegedly sustained damage to the driver's side mirror and mirror casing. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Subrogation Claim of Farmers Insurance Exchange (Insured: Curtis Lubiszewski)

The District received a subrogation claim on behalf of Farmers Insurance Exchange (Insured: Curtis Lubiszewski) alleging property damage in the amount of \$3,614.77. Claimant alleges that on August 10, 2009, a District bus struck the insured's unoccupied vehicle, which was parked near the intersection of South McDowell Boulevard and Baywood Drive in Petaluma. The insured's vehicle allegedly sustained damage to the front fender, bumper, front tire and axle. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Claim of Jackie Pierce

The District received a claim on behalf of Jackie Pierce alleging personal injuries in the amount of \$7,213.00. Claimant alleges that on June 16, 2009, she was a passenger on a District bus that collided with another District bus on The Embarcadero in San Francisco. The claimant asserts that she was thrown from her seat into a metal plate on the seat in front of her when the collision occurred. As a result of the incident the claimant allegedly experienced neck pain and sensitivity along her lower front teeth, and sustained facial abrasions and swelling and bruises on her lips and gums. Claimant further asserts that she lost wages in the amount of \$392.00 as a result of the incident. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

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Amended Subrogation Claim of Allstate Insurance Company (Insured: Caro Bourdon)

The District received an amended subrogation claim on behalf of Allstate Insurance Company (Insured: Caro Bourdon) alleging property damage in the amount of \$3,034.09. Claimant alleges that on September 4, 2009, a District bus made a wide right turn, colliding with the insured's vehicle as the insured was stopped on B Street in Petaluma at the intersection of B and 4th Streets. The claimant alleges that this intersection has four-way stop signs. As a result of the incident, the claimant's vehicle allegedly sustained damage to the driver's side quarter panel, rear door, rear bumper, fuel filler door and tail lamp assembly. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the amended claim.

Claim of Luxor Cab Company

The District received a claim on behalf of Luxor Cab Company alleging property damage in the amount of \$2,332.37. Claimant alleges that on September 8, 2009, as its taxi cab was traveling near the intersection of Battery and Bush Streets in San Francisco a District bus traveling to the right of the cab turned into the side of the cab. As a result of the incident, the claimant's vehicle allegedly sustained damage to the right front door. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Claim of Anne Saulnier

The District received a claim on behalf of Anne Saulnier alleging property damage in the amount of \$450.00. Claimant alleges that on September 10, 2009, a District bus sideswiped the passenger side mirror of her vehicle as she was stopped in traffic northbound on Doyle Drive. As a result of the incident, the claimant's side mirror was allegedly damaged and she incurred rental car charges in the approximate amount of \$50.00. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Claim of Eduardo Rivera

The District received a claim on behalf of Eduardo Rivera alleging property damage in the amount of \$1,839.62. Claimant alleges that on September 1, 2009, he was stopped in his vehicle on Hetherton Street between 3rd and 4th Streets in San Rafael, waiting at a red light, when a District bus struck the rear of his vehicle as the bus turned right from 4th Street onto Hetherton Street. As a result of the incident the claimant's vehicle allegedly sustained damage to the driver's side brake light, bumper and trunk lid. Claimant further asserts that he incurred car rental charges in the amount of \$125.00. The claim has been forwarded to John Glenn Adjusters.

Recommend denial of the claim.

Respectfully submitted,


DAVID J. MILLER

DJM:aer

EXCERPT FROM THE OCTOBER 22, 2009, MEETING OF THE FINANCE-AUDITING COMMITTEE

1. Ratification of Previous Actions by the Auditor-Controller:

In a memorandum to Committee, Auditor-Controller Joseph Wire and General Manager Celia Kupersmith outlined commitments, disbursements and investments made on behalf of the District. The report also included a copy of the District's Investment Report from PFM Asset Management LLC (PFM). A copy of the staff report, with attachments, is available in the Office of the District Secretary and on the District's web site.

Staff recommended and the Committee concurred by motion made and seconded by **Directors EDDIE/COCHRAN** 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 following actions by the Auditor-Controller:

- a. Ratify commitments and/or expenditures for the period September 1, 2009 through September 30, 2009, totaling \$13,602.00;
- b. Ratify investments made by the Auditor-Controller during the period September 15, 2009 through October 12, 2009, as follows:

Security	Purchase Date	Maturity Date	Original Cost	Percent Yield
Calyon North America, Inc. Commercial Paper	9/15/09	11/02/09	2,028,350.72	0.24
Bank of America Commercial Paper	9/25/09	12/28/09	6,344,021.92	0.24
FNMA Notes (Callable)	9/29/09	09/29/14	5,000,000.00	3.13
BNP Paribas Fin., Inc. Commercial Paper	10/05/09	12/07/09	3,548,881.75	0.18
Societe Generale NA Commercial Paper	10/05/09	12/07/09	4,998,337.50	0.19
US Treasury Notes	10/09/09	11/15/10	871,466.02	0.52

- c. Authorize the Auditor-Controller to re-invest, within the established policy of the Board, investments maturing between October 13, 2009, and November 9, 2009, 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 September 2009 prepared by PFM.

**Action by the Board at its meeting of October 23, 2009 -- Resolution
CONSENT CALENDAR**

- AYES (6):** Acting Chair Moylan; Directors Cochran, Eddie, Grosboll and Sobel; President Boro (Ex Officio)
- NOES (0):** None
- ABSENT (3):** Directors Elsbernd, Pahre and Stroeh