



MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
TAM

THURSDAY, NOVEMBER 20, 2008
7:00 PM

ROOM 330
MARIN COUNTY CIVIC CENTER
3501 CIVIC CENTER DRIVE
SAN RAFAEL, CALIFORNIA

DRAFT
MEETING MINUTES

Members Present: Steve Kinsey, Chair, Marin County Board of Supervisors
Al Boro, Vice Chair, San Rafael City Council
Paul Albritton, Sausalito City Council
Judy Arnold, Marin County Board of Supervisors
Barbara Thornton, San Anselmo Town Council Alternate
Sandy Donnell, Belvedere City Council
Joan Lundstrom, Larkspur City Council
Mary Ann Maggiore, Fairfax Town Council
Charles McGlashan, Marin County Board of Supervisors
Michael Skall, Ross Town Council

Members Absent: Susan Adams, Marin County Board of Supervisors
Peter Breen, San Anselmo Town Council
Hal Brown, Marin County Board of Supervisors
Alexandra Cock, Corte Madera Town Council
Carole Dillon-Knutson, Novato City Council
Alice Fredericks, Tiburon Town Council
Stephanie Moulton-Peters, Mill Valley City Council

Staff Members Present: Dianne Steinhauser, TAM Executive Director
Bill Gamlen, TAM Project Delivery Manager
Bill Whitney, TAM Project Delivery Manager
David Chan, TAM Programming Manager

Chair Kinsey called the Transportation Authority of Marin Meeting to order at 7:18 p.m.

1. Recognition and Appreciation for Service to outgoing Commissioner Paul Albritton

Chair Kinsey expressed appreciation for Commissioner Albritton's service. Commissioner Albritton praised the Commission's progress over the past ten years and thanked them for allowing him to serve.

2. Chair's Report

Chair Kinsey reported that the SMART (Sonoma Marin Area Rail Transit) campaign passed on the November ballot and congratulated those involved in the effort. Chair Kinsey commented that this will

lead to an important dialogue on transit and land use, with particular opportunities in Larkspur and Novato.

Chair Kinsey also reported that he and Executive Director Steinhauser are developing a workshop for early 2009, at which the board can discuss issues around global warming, particularly topics not discussed in detail at board meetings.

3. Commissioner Matters not on the Agenda

Commissioner Maggiore thanked the TAM Board for the opportunity to join Executive Director Steinhauser at the Self-Help Coalition annual meeting and commented that it was a very positive experience. She distributed a summary of the conference's meeting sessions that she attended as a report for Board members' benefit. Commissioner Maggiore commented that the Coalition of statewide sales tax counties understood the importance of incorporating transportation, land use, and water and air quality into one dialogue. Commissioner Maggiore also included an attachment from Morgan Webbush Securities on the credit crisis and how it has affected finances..

Commissioner Lundstrom reported that the Association of Bay Area Governments (ABAG) has released initial projections for 2009. ABAG projects dramatic population increases for the cities of Marin, including Larkspur. As these projections will be discussed over the course of the new year before statewide adoption, it is important to pay close attention to the projected increases. Projections are listed for all 11 cities in Marin County.

Chair Kinsey commented that San Mateo County has developed a county-wide RHNA (Regional Housing Needs Assessment) solution and that Marin County may benefit from a similar plan. Chair Kinsey suggested that a first step in considering this would be to send a letter to Marin County cities and towns to assess the level of interest in such an effort.

Commissioner Lundstrom reported that Larkspur's population is projected to increase by more than 100% due to its transportation hubs, which include ferries, a train terminal station, and the intersection of two major highways.

Commissioner Albritton suggested that the Commission should consider creating functional committees to examine specific issues, such as the housing issue, rather than solely the Executive Committee.

Chair Kinsey commented that the Executive Committee will discuss the possibility of sending out a letter and welcomed any input from other Commissioners.

4. Executive Director's Report

Executive Director Steinhauser reported that although any federal transportation stimulus effort seems unlikely before January 2009, there are some local efforts to propose possible Bay Area stimulus project candidates. Executive Director Steinhauser noted that following enactment of a transportation stimulus package, it may be necessary to submit project candidates within 120 to 180 days. This would potentially be challenging for Marin County to develop new projects, as there are at least 18 billion projects nationally that are ready to go, many of which are in the state of California. A list of projects that Marin County could move on immediately following approval of a stimulus package has

been submitted to the state and the regional agency MTC. Executive Director Steinhauser commented that staff will recommend that the Metropolitan Transportation Commission provides some flexibility with respect to any stimulus funding, that allows a diversity of projects to compete. Executive Director Steinhauser noted that the federal stimulus bill is not in final form, and so our list may change in terms of what can be built in Marin County. If stimulus funding comes to MTC as formula funds, the Board will have an opportunity to further discuss the selection of projects. This could happen as early as January.

Additionally, the business community (through the Association of Leadership Councils) initiated the compilation of a list of potential public-private partnership projects to be reported to the new transition team for stimulus funding consideration. This document includes the Bay Area High Occupancy Toll (HOT) Network, which would incorporate the 101 Marin-Sonoma Narrows Corridor.

Executive Director Steinhauser reported that MTC has been tracking the Governor's budget recommendations. TAM staff has been working with MTC to prevent the loss of what little funding is left from the State Transit Assistance (STA) account. Marin Transit should be able to absorb the cuts this year, but will be treading very carefully moving forward, examining the potential effects of the elimination of STA funding. Executive Director Steinhauser noted that, due to a statewide outcry, this elimination might not happen.

Executive Director Steinhauser highlighted the November 4 election results. Transportation sales tax reauthorizations passed in Santa Barbara County and Imperial County. Los Angeles County barely passed its new sales tax, Measure R. Sales taxes in Monterey County and Stanislaus County failed to pass. Santa Clara Valley Transportation Authority's Measure B, which would help fund a new Bay Area Rapid Transit (BART) expansion, seems likely to pass.

Executive Director Steinhauser reported that SMART Measure Q passed, with a gain of almost five points in Marin County over the 2006 vote. Executive Director Steinhauser thanked the SMART Working Group for its recommendations for improving public information on the measure, which included Chair Kinsey, Commissioners Adams, Breen, Lundstrom, Dillon-Knutson and Fredericks, who worked very hard to digest information and report to the full Board, resulting in TAM's support of the measure in July.

Executive Director Steinhauser noted that the Air District is now requiring congestion management agencies (CMAs) to administer Transportation Funds for Clean Air and ensure compliance with eligibility requirements. This is more work and responsibility than TAM had previously.

Executive Director Steinhauser reported that staff recommends changing January's Board meeting from January 22 to January 29, and will be checking with Board members for availability.

Executive Director Steinhauser reported that the Marin City Community Based Transportation Plan Stakeholder Committee will hold its last meeting tonight. Funded by a grant from MTC, the committee is currently considering 12 projects as priority improvements in Marin City, two of which will be considered for funding under the Lifeline Program. Executive Director Steinhauser thanked Carey Lando as well as Supervisor McGlashan and his staff for their efforts to develop and finalize this plan in the community.

Executive Director Steinhauser reported that staff is not planning any meetings for December. Executive Director Steinhauser reported that, along with representatives from Orange County and Placer County, she participated in a workshop at Caltrans on obstacles to successful project delivery

and the local perspective. The group talked to about 60 Caltrans managers and had a very good discussion about their respective experiences.

Executive Director Steinhauser reported that in January, staff will distribute the 2nd Quarter Financial Report on the changes in sales tax revenue. Revenues were down three percent last year in 2007-2008 compared to 2006-2007. In the first quarter of 2008-2009, which includes July, August, and September, revenues were down another three percent. Sonoma is reporting a decrease of four percent. MTC is currently collecting information from the counties, most of which appear to have between zero and four percent reductions in revenues. Staff will have more information in March, when real data is available on December sales. Fortunately, due to TAM staff's very conservative estimates for sales tax revenue, Marin County is able to face reductions of five percent or greater before dipping below the estimated revenue levels adopted for the Board's Strategic Plan. Staff had conservatively assumed no growth in the first few years of this tax collection. Staff remains in close contact with Marin Transit and our other recipients of sales tax funds and will bring further discussion to the Board in March.

Commissioner McGlashan thanked Carey Lando for her work in Marin City. The Commissioner praised the grant proposals and commended Ms. Lando for raising an unprecedented amount of public support for the projects.

Chair Kinsey commented that tonight's agenda will be modified to discuss the Doyle Drive funding commitment earlier than noted.

5. Commissioner Reports

a. Executive Committee

Chair Kinsey reported that the Executive Committee met and discussed several items on tonight's agenda, including the Gap Closure project, HOT lanes and the Doyle Drive issue. The Executive Committee received an update on the 580-101 Connector and discussed the Southern Marin Transit Study.

b. Marin-Sonoma Narrows Policy Advisory Group

Chair Kinsey reported that no meetings have currently been scheduled. A meeting will be held just before the release of the final environmental document, which is anticipated for release after the first of the year.

c. SMART

Commissioner Boro reported that at yesterday's SMART Board meeting, the Executive Director presented a detailed work program for immediate implementation. Many critical decisions will be made in 2009, including vehicle selection, initiation of the final engineering, and an operating agreement. The existing committee structure for the SMART Board, which currently includes three committees, may need to be adjusted according to the workload. A consultant team will do the bulk of the work along with three or four new permanent employees. As-needed subject matter experts would be ideal for the bulk of the work. Commissioner Boro noted that this model was very effective for the Water Transit Authority (WTA) Board.

Commissioner Boro reported that he attended last Sunday's ribbon-cutting for the 4th Street West End project in San Rafael, from E Street to the Miracle Mile. This was an approximately \$7 million project, including the work that was done by the sanitation district and by the Marin Municipal Water District (MMWD) last year. The improvement project was approximately a \$5 million effort, from property line

to property line with curbs and sidewalks and about 120 new trees replacing the 90 that were removed. Commissioner Boro reported that, due to an incentive program with the contractor, the project came in under budget and approximately eight months ahead of schedule. The project was originally scheduled for completion in Spring 2009. Commissioner Boro thanked the Board for its support of the project. Transportation sales tax Measure A funds were used for a majority of the construction.

6. Consent Calendar

- a. Approval of TAM Minutes of October 23, 2008
- b. LGS Contract Extension
- c. Reappoint Commissioner Boro to SMART Board
- d. Vali Cooper Contract Extension
- e. Highway 101 Greenbrae/Twin Cities Corridor Improvements Project IPR Update
- f. Highway 101 Greenbrae/Twin Cities Corridor Improvements Contract Addendum
- g. Allocate Measure A Funds from Swapped HIP Funds to Corte Madera for the Bayside Trail Park Improvements Project
- h. Acceptance of TAM FY2007-08 Single Audit Report

Executive Director Steinhauser clarified an element under Consent Item 6.e..In the Initial Project report, or IPR, there is a requirement by MTC to specify present and future funding for Regional Measure 2 toll program projects. Possible future funds include State & Local Partnership funds, which were shown in the report, and would provide approximately \$1.3 million per year over five years, totaling approximately \$6.5 million. Staff is not assuming these funds are available until the Board can discuss the issue.

David Schonbrunn of TRANSDEF highlighted item 6e as the first of a series of funding selections before the Board. With the approval of this document, the Board will designate this project as a funding priority; not only for funds acquired this quarter from Regional Measure 2, but also from other sources. Mr. Schonbrunn questioned whether the project is actually worth \$150 million, and urged the Board to hold a formal discussion of this decision rather than incorporating it into the Consent Calendar.

Executive Director Steinhauser clarified that item 6e is a Regional Measure 2 project spelled out in State statute under Regional Measure 2 legislation. It is an operations and safety improvement project; it does not add capacity. It includes a number of transit, bicycle and pedestrian enhancements. The future funding of this project will increase the operational and safety improvements, as described in the Regional Transportation Plan (RTP) to be published by MTC on December 10. Executive Director Steinhauser commented that staff would be glad to go over the project and funding when the RTP is released.

Chair Kinsey noted that the Commissioners from Corte Madera and Larkspur identified this project and as one of the highest priority projects.

Commissioner Maggiore moved to approve the Consent Calendar and Commissioner Lundstrom seconded. Motion passed unanimously.

7. Caltrans Report

This item was not discussed. (A detailed discussion of Highway 101 occurred later in the agenda.)

8. Approve Doyle Drive Funding Commitment

Chair Kinsey requested that the Board approve the Doyle Drive funding commitment in the amount of \$4 million, noting that the Board has followed this discussion for over a year. Chair Kinsey reported that after review, the Executive Committee unanimously supported the funding commitment and asks that the Board support it as well.

Executive Director Steinhauser commented that since Fall 2007, TAM has been discussing this project, which would replace the seismically deficient Doyle Drive facility. The project cost, to be shared by State, federal and local entities, has risen from an original \$33 million to over \$1 billion. Since Marin residents represent about 43% of southbound users crossing the bridge daily, with a higher percentage during commute periods, a \$1 toll increase would likely result in approximately \$8.5 million annually from Marin residents. Our discussions have focused on trying to prevent a toll increase on the Golden Gate Bridge or a toll on Doyle Drive from being levied to pay for the facility. Following discussion in 2008, the Board opposed a toll unless a transit alternative is included and unless said toll covered all users of the facility, particularly those who use the facility to travel across San Francisco. The Board also objected to the toll terms being completely administered by the City and County of San Francisco. The Board urged that the federal Urban Partnership Program grant be secured without having to completely fund Doyle Drive at the same time, as these were distinctly different issues. As a result, to meet the UPP grant requirements, the Golden Gate Bridge District agreed to implement congestion pricing at the Golden Gate Bridge gateway with respect to carpools that pass through the gateway and use the facility. Although this did not solve the problem of funding the facility, the Urban Partnership Program grant was captured. This summer, MTC issued a "challenge grant" to the Golden Gate Bridge District with respect to using excess regional toll funds to close the funding gap, which at that time was approximately \$400 million. Shares have been set as \$75 up to \$80 million from BATA, and an equal amount from MTC. This was approved by the Bay Area Toll Authority (BATA) last week. The Golden Gate Bridge District's share will be considered tomorrow.

Executive Director Steinhauser reported that current negotiations have resulted in a \$4 million consideration to Doyle Drive funding from Marin County and \$1 million from Sonoma County, based on proportional share usage between the two counties. The Sonoma County Transportation Authority approved this commitment on November 10, and staff asks that the TAM Board approve the \$4 million commitment tonight. Executive Director Steinhauser noted that staff has concerns regarding TAM's direct commitment to the project in the event of future funding shortfalls. Therefore staff recommends that TAM assign the funding to a Golden Gate Bridge project in Marin County that specifically benefits Marin County, freeing up the Golden Gate Bridge District to contribute additional funding to Doyle Drive. A Memorandum of Understanding (MOU) has been developed that specifies this as the full and

final contribution to this project from Marin and Sonoma counties, and guarantees that if a toll is ever exercised for Doyle Drive, all parties will be repaid, including TAM and SCTA. The MOU would also specify that the responsibility for fully funding the project remains with the City and County of San Francisco, in particular the San Francisco County Transportation Authority (SFCTA) as project sponsor along with Caltrans.

Executive Director Steinhauser reported that the funding comes from existing Statewide Transportation Improvement Program (STIP) funds formerly dedicated to a joint SMART-bus facility in Novato. While TAM's initial vision was to construct a joint facility under the direction of Marin Transit, the project has been revised into a series of high quality bus stop improvements at certain locations, along with a commitment to continue to work with the city of Novato on downtown station options that might be able to accommodate both buses and SMART. This has received relative concurrence from Novato representatives on the TAM Board, leaving sufficient funds to fully fund the bus stop improvement projects and transfer the remainder to a Golden Gate Bridge District project, freeing up funds for the Doyle Drive project.

Executive Director Steinhauser corrected an item in the staff report, removing a reference to a Golden Gate Bridge toll, as the Golden Gate Bridge District clearly opposes a toll for Doyle Drive. The language will be changed to reflect that with respect to the policy, it is a toll levied for funding Doyle Drive that is not a bridge district toll. Executive Director Steinhauser urged the Board to support staff's recommendation.

Commissioner McGlashan commented that the \$80 million from the Golden Gate Bridge District, which includes the \$4 million from TAM and \$1 million from SCTA, is clearly a contribution from the North Bay because the funds come at the expense of other projects that would have benefited the North Bay. Since the bridge itself is a critical resource on which all ferry and transit operations depend, the effects will be felt primarily by transportation programs. MTC is transferring \$80 million that could have funded other projects in order to fund Doyle Drive. Commissioner McGlashan expressed his support of the commitment but cautioned that the Board must take this contribution very seriously.

Commissioner Arnold commented that the City of Novato had \$6 million in STIP funds for three bus transfer facilities, and, as work was done on two of them, Novato was able to keep funding for two of the three. But because the city council wanted to wait and see if SMART passed before designing the combined facility, funding for that project was lost and the City of Novato ended up giving up the \$4 million for the Doyle Drive project. Commissioner Arnold acknowledged the verbal commitment to return the funds to Novato when needed.

Commissioner Boro commented that he supports this commitment as a regional solution rather than a bridge solution. However, this is also a huge hit to the Bridge District. With approximately \$9 million going into district reserves each year for construction projects, it will be necessary to analyze expected project shortfalls and funding resources when this payment is due in 2014. The Commissioner noted that federal funds may be available. Partnership programs that could potentially raise approximately \$5 million per year will be discussed with the City and County of San Francisco. Commissioner Boro emphasized that although the funding commitment on the table is not an ideal solution, TAM has successfully prevented a toll from being levied primarily on the drivers from the North Bay. The Commissioner urged the Board to choose this regional and reasonable solution and to get the City and County of San Francisco to complete Doyle Drive.

Karen Nygren addressed Commissioners McGlashan and Boro, urging that the \$75 million being allocated to the Golden Gate Bridge District not come from the Marin County bus system.

Rocky Birdsey of the Marin Center for Independent Living urged the Board to include transit operation funding in TAM's reserves for next year as insurance against the elimination of the State Transit Assistance (STA) program. Mr. Birdsey emphasized that transit operations are critical to transit-dependent people with disabilities.

Chair Kinsey agreed that the funding commitment represents a significant price for Marin County. However, Chair Kinsey noted that the solution has improved significantly since its initial proposal last year. Chair Kinsey noted that as Marin County has recently been the beneficiary of some regional funding, particularly with regards to the Gap Closure, this commitment presents an opportunity to show willingness to participate in a regional solution.

Commissioner Albritton moved and Commissioner Arnold seconded. Motion passed unanimously.

9. Highway 101 Gap Closure Project

a. Highway 101 Update

Connie Preston Fremier reported that with regard to the Puerto Suello Hill segment of the Highway 101 Gap Closure project, the opening of the High-Occupancy Vehicle (HOV) lanes has been delayed from December 2008 to January 2009, weather permitting. Delays are due to design issues as well as weather conditions. The project is 60% complete, with soundwalls approximately 95% complete. On Linden Lane, the widening for the railroad and pedestrian bridges are currently being completed and Linden Lane is expected to reopen in early 2009. Work continues on the East soundwall retrofit, with installation of sound-absorbing materials pending the opening of the HOV lanes. There will be a traffic shift in mid-December in order to allow work in the median for completion of the HOV lanes. The bicycle path is expected to open by June 2009.

With respect to the Central San Rafael project, a southbound SB HOV lane was opened in November as well as a two-lane connection to the flyover. Those two lanes drop to one lane pending completion of work at Bellam. This project is set for completion in January.

Ms. Fremier noted that the northbound HOV lanes thru both project areas, from Calpark Hill up thru Puerto Suello Hill, would be opened following the completion of the Puerto Suello Hill project.

Ms. Fremier reported that the Traffic Demand Management (TDM) program will include public outreach in preparation for the opening of the HOV lanes. Staff is coordinating this effort with 511, Marin County, and transit agencies.

David Schonbrunn of TRANSDEF urged the Board to discuss HOV operations before the lanes open. Mr. Schonbrunn commented that the current operating plan is inadequate as it addresses only a small portion of the time that the highway will be congested. Mr. Schonbrunn noted that a plan he proposed one or two years ago included a free-flowing carpool lane for as long as the highway is congested, and urged the Board to discuss it, as the current rules do not well serve the funds that have been spent.

Executive Director Steinhauser commented that TAM has been discussing the idea of adjusting the operating hours for the HOV lanes with MTC and Caltrans for some time, along with a freeway corridor performance analysis done by MTC. Executive Director Steinhauser commented that in the interim, it has been decided by Caltrans that the lanes be opened for an evaluation period, following which the hours can be adjusted.

b. Highway 101 Funding

Bill Gamlen reported that the item before the Board is to address TAM's remaining financial commitments to the Puerto Suello Hill/ Gap Closure project. As the project is currently 60% complete, there is still a significant amount of work to be done. When the project was bid in early 2007, TAM took a loan from the City of San Rafael for \$1,050,000. In Spring 2007, bids came in approximately \$4.3 million lower than the engineer's estimate, so these funds were returned to TAM. Since then, numerous changes, unexpected challenges and previously unknown site conditions have resulted in much of that money being put back into the project. To date, \$3.3 million of the \$4.3 million in bid savings has been returned to the project. TAM has a remaining commitment to Caltrans in the cooperative project agreement for \$1,050,000. Staff anticipates that those funds will be needed to complete the project, and has identified three funding sources for this purpose: the remaining TDA Article 3 funds, the Non-Motorized Transportation Program, and the State & Local Partnership funding.

Executive Director Steinhauser reported that approximately \$1 million is available in TDA Article 3 Funds that have been preliminarily programmed, through a process involving TAM's Bicycle-Pedestrian Advisory Committee, to bicycle/pedestrian facilities in Marin County. The release of these funds was specified as conditional on being able to successfully identify remaining obligations for the Gap Closure. Therefore, although these funds are intended for bicycle/pedestrian projects that have already been brought before the Board, they have not yet been released. The State & Local Partnership funds are the most flexible, as they can match not only measure funds in the county but also Measure 2 toll funds. They can be spent on any Measure A project with a 50% match requirement. At this point, since they are the most flexible, staff prefers to hold these with respect to several pending issues, including the decline in transit funds, and major road projects throughout Marin that may not end up having enough funds to go to construction. This funding could be applied to those projects to ensure that each planning area in Marin can have at least one of those major road projects successfully completed.

Staff recommends that the Board approve using the Non-Motorized Transportation Pilot Program funds. These funds were reserved for the CalPark Hill Tunnel project until bids were opened. Bids have been opened for one of the two projects that will construct that tunnel, and the low bid was within appropriated funds. Approximately \$2 million was reserved for the CalPark Hill Tunnel, as well as north-south corridor projects from Novato to Sausalito, recognizing projects in Corte Madera as well as this project on Puerto Suello Hill. There is a smaller contract that has yet to be advertised for CalPark, but staff would be glad to work with the County of Marin if further funds are needed for that project in the future. This request would leave \$1 million in the Non-Motorized Transportation program funds, if the Board of Supervisors agrees with the request. Executive Director Steinhauser strongly emphasized staff's recommendation to hold the State & Local Partnership funds for as long as possible, and to use the Non-Motorized Transportation funds to fill this commitment.

This will complete TAM's co-op agreement commitment on the Gap Closure. Although it may not be all the funds needed to complete the Gap Closure, TAM is legally obligated to fulfill its obligations as detailed in the contract.

Chair Kinsey clarified that upon the Board's approval of this request, the Board of Supervisors has final authority on whether it is appropriate to use the partnership funds in this way. The Board will want some assurance that, should the second phase of the CalPark project have cost escalations, there will be the opportunity to come back and talk to TAM about it. With regard to the TDA funds, many of the local Southern Marin communities deserve funding for their bicycle-pedestrian facilities, so they should be preserved.

Deb Hubsmith of the Marin County Bicycle Coalition (MCBC) commented that despite a desire to see the HOV Gap Closure project completed, MCBC strongly disagrees with the staff recommendation. TAM is being asked to ask the County of Marin to take \$1 million of funding in reserve for the CalPark Hill Tunnel project, when it is currently under construction and the second segment has not even gone to bid yet. There is no guarantee that there will not be another shortfall. An as-yet unallocated \$1.3 million per year for five years is available from the State & Local Partnership funds. Ms. Hubsmith urged that this would be a better choice than taking funds from the Non-Motorized Transportation program for a project with unknown costs. Ms. Hubsmith commented that it would put the Board of Supervisors in a difficult position unless the TAM Board explicitly requests that cost overruns on the CalPark Hill Tunnel will result in the repayment of the \$1,050,000.

Rocky Birdsey of the Marin Center for Independent Living commented that although he serves as a member of the Marin County Bicycle-Pedestrian Advisory Committee (BPAC), he is speaking personally here on the \$500,000 in TDA funds. Mr. Birdsey suggested that the State & Local Partnership funds be used in combination with Non-Motorized Transportation funds, taking \$500,000 from each. This would leave a more than adequate reserve in each fund. Mr. Birdsey expressed concern that the CalPark Hill Tunnel Phase 2 bids have not yet been opened, emphasizing a need to see that project completed as it would provide a first-time pedestrian connection between Larkspur and San Rafael.

Executive Director Steinhauser clarified that although \$1.3 million in State & Local Partnership funds has been approved by the legislature for this year, this must be approved annually. Therefore, the estimated \$6.5 million total is likely but not guaranteed. There is also much discussion that as bond funds, these funds may not be available in a timely manner.

Commissioner Arnold asked for clarification of the Board's options.

Chair Kinsey encouraged the Board to support the staff recommendation, as the Board of Supervisors was the initiator of the CalPark project and will not do anything to jeopardize its completion. Chair Kinsey commented that it would be appropriate for the Board of Supervisors to approve with conditions, clarifying that TAM will be prepared to work with the Board of Supervisors in the case of a cost escalation on the CalPark project. Chair Kinsey clarified that as the tunnel is fully funded at this point, only the approaches to the tunnel are under discussion.

Executive Director Steinhauser noted that although staff did not include this in its recommendation, another option would be to delete elements of TAM's \$12 million commitment to the bicycle path over Puerto Suello Hill. If requested, staff can bring this to the Board.

Commissioner Maggiore asked for comment from other members of the Board of Supervisors. Commissioner Arnold expressed agreement with Chair Kinsey's comments. Commissioner McGlashan reiterated that the CalPark Hill Tunnel project is a critical project for the county. The Commissioner noted that, as the non-motorized pilot funding was specifically reserved for CalPark and the north-south corridor, it is legitimate to reprogram those funds as suggested. The Commissioner urged that this discussion be reopened should challenges arise in the CalPark Hill Tunnel project. The Commissioner emphasized that the Board of Supervisors will absolutely not allow this project to lapse.

Commissioner Albritton asked whether this jeopardizes the projects that have been allocated between Novato and Sausalito. Executive Director Steinhauser confirmed that it does not.

Commissioner Arnold moved and Commissioner Maggiore seconded. Motion passed unanimously.

Chair Kinsey expressed confidence that both the Puerto Suello Hill and the CalPark Hill Tunnel projects will be completed next year.

Executive Director Steinhauser added that any Measure A cash available for the Gap Closure this year will be traded with the Non-Motorized funds, which will assist small cities and towns to implement small non-motorized projects through the federal process. Staff's dual recommendation is to request that the Board of Supervisors release these funds, and also to offer the Measure A swap as an incentive.

Commissioner McGlashan commented that this would be a significant advantage, as it would effectively de-federalize the process for some of the struggling local non-motorized projects.

10. Legislative Update

Gus Khouri reported that the State is facing a total budget deficit of \$36 billion, \$11 billion of which must be resolved by June 2009. An additional deficit of \$22 billion is projected through 2013. The Governor has called a special session to address this unprecedented fiscal crisis, and the current class will attempt to resolve this. If they are unsuccessful, the new class will be sworn in on December 1 and will continue with the effort.

Mr. Khouri highlighted the strategies proposed by the Governor for increasing revenue, which could lead to \$2 billion over three years for public transportation. However, other implications for public transit are dire. The State Transit Assistance program (STA) will lose 75% of its approved funds and may be permanently deleted in the future, leaving local transit operators dependent on fare box recovery and local revenues such as sales taxes. The Air Resources Board (ARB) is considering making transit a more pronounced recommendation within their scoping plan, which is the only viable solution for transit at this point. Prop 42 will not be suspended, but incoming funds are being suggested for diversion once there are in the Prop 42 account and this sets a dangerous precedent, as it could affect funding that goes to the STIP and to the cities and counties. Lack of transportation funds would make it more difficult for TAM to comply with new global warming regulations.

Mr. Khouri emphasized that although transit agencies are fortunate to have Proposition 1B funding as a temporary partial solution, the current proposed changes would eliminate a staple source of funding, leaving the legislature with a long-term problem.

Andrew Antwih reported that the Governor has proposed focusing parts of Prop 1B funding for economic stimulus, primarily through the acceleration of \$700 million of the remaining Local Street & Roads funding from Prop 1B. Local agencies will be required to use currently held funds before receiving new funds. The Governor also proposes accelerating \$800 million in public transit funds from Prop 1B through the STA formula.

Mr. Antwih emphasized the need for legislators in Sacramento to resist this proposal, especially the elimination of the STA, which would make California the only urban state in the union to eliminate its funding partnership with local transit agencies.

Mr. Antwih reported that the Governor has also proposed a relaxing of environmental requirements on \$822 million in previously allocated funds for Prop 1B-funded projects.

Mr. Antwih commented that the California Transportation Commission (CTC) will meet in December to discuss proposed guidelines to implement the State & Local Partnership program, including what types of projects will be eligible for this funding. The CTC is expected to approve use of the funding exclusively for construction projects. It is still unknown how the CTC will address local sales tax issues for cities and counties, but adoption of final program guidelines is expected in January or February 2009.

Mr. Khouri noted the need for the legislature to act very quickly, as the State is expected to run out of money by February. The Transit Association has been working closely with MTC to ensure public understanding of what is going on, and has found support from both environmental and labor groups. The Transit Association has brought a lawsuit that will be ready for a hearing in June 2009. Mr. Khouri noted that the Association is leaning toward bringing an initiative in coordination with all interested parties, and urged the Board to help raise support for this.

Chair Kinsey requested a few simple talking points for Board members in order to facilitate this effort.

Commissioner Maggiore asked whether there is any movement toward amending the State budget approval process. Mr. Antwih clarified that there has been some significant conversation on this issue, especially from incoming Pro Tem Elect Darrell Steinberg. As it appears that Democrats will lack the 2/3 majority necessary to put a constitutional amendment on the ballot, the Pro Tem Elect's Policy Director has confirmed that an initiative process is being planned.

Commissioner Maggiore asked for clarification on whether the streamlining of environmental regulations might amount to \$1 billion in Prop 1B SHOPP projects that would avoid the California Environmental Quality Act (CEQA). Mr. Antwih confirmed this and clarified that the amount he had heard was \$822 million. Commissioner Maggiore noted that the current proposals ruin not only the public system but also CEQA.

Commissioner Maggiore asked for recommendations on alternative cuts to the budget. Mr. Antwih emphasized that the Legislative Analyst has been very clear on recommendations that the budget cannot be resolved through cuts alone, but also with increased revenues. Cuts should also be distributed more evenly throughout the budget rather than disproportionately from one area.

Commissioner Boro asked whether there is an effort to contest special-interest tax exemptions such as candy and oak wine barrels. Mr. Khouri responded that it is a difficult question to answer, as the exemptions may have roots in any number of issues. Mr. Antwih added that the Governor is currently assembling a special commission to examine California's tax structure and attempt to stabilize revenues. The State Franchise Tax Board, the Board of Equalization and the Legislative Analyst have also recommended revisions to current tax credits.

Commissioner Arnold asked whether the Governor is still considering the Public Safety Augmentation, which is essentially a partial reinstatement of the Vehicle License Fee (VLF). Mr. Khouri noted a partial VLF increase of approximately \$12 has been discussed, but noted a general lack of support in the legislature.

Commissioner Arnold asked whether Brian Kelly will stay on for the new Pro Tem. Mr. Khouri confirmed that he will stay on and has been promoted to Policy Director for Senator Steinberg.

Karen Nygren commented that the news reported tonight that the VLF will be increased from .65% to 2%. Mr. Antwih noted a rumor that staff had convinced legislative counsel to draw up a legal opinion

that the VLF could be increased by majority vote, thereby giving Republicans cover under which to go along with it. Mr. Khouri confirmed this report, noting that this increase was originally expected to generate about \$4.5 billion after various costs associated with DMV and others. Mr. Khouri expressed surprise, as repeal of the VLF was the Governor's first action following his election. Mr. Antwih noted that the Howard Jarvis Taxpayers' Association and others are ready with a lawsuit to potentially challenge this.

Chair Kinsey thanked Mr. Khouri and Mr. Antwih for their report.

Rocky Birdsey of the Marin Center for Independent Living commented that the past five years have seen a systematic attack on people with disabilities and the transit-dependent population. This year there have been cuts to In-Home Supportive Services (IHSS), MediCal, possibly to minimum wage, and Supplemental Security Income (SSI), significantly reducing support for those on a fixed income. Cuts to transit have resulted in a diversion of funds from school bus and home-based transportation among other cuts. Mr. Birdsey expressed extreme disappointment with the Governor's proposal and emphasized the need for STA. Mr. Birdsey commented that Golden Gate Transit, Marin Transit and Whistlestop have taken a combined hit of almost \$4 million, cautioning that although there may be reserves this year, there won't be next year. As Golden Gate Transit has seen a 17% increase in ridership due to recent fuel costs, cutting transit funds is counterproductive. Mr. Birdsey commented that the Marin Center for Independent Living does support the reinstatement of the VLF fee. Mr. Birdsey urged all present to engage in advocacy in order to assist those with disabilities.

David Schonbrunn urged the Board to formally direct its representatives to support STA and to oppose the proposed CEQA exemptions.

Mr. Khouri noted that he would prepare talking points for the Board members on these issues as requested.

11. High Occupancy Toll (HOT) Lane Presentation

Jim Bourgart, Deputy Secretary for Transportation and Infrastructure from the Business Transportation and Housing Agency, highlighted the State's interest in HOT lanes as an opportunity to maximize the efficiency of existing systems through pricing mechanisms. HOT lanes are a proven transportation management technique, with the added advantage of providing all users with options. HOT lanes introduce a clear supply and demand model into the transportation system, raising revenue from those who benefit. Additionally, this would be a network rather than a patchwork. MTC proposes increasing the existing 370 lane miles of HOV lanes in the Bay Area to 800 miles of HOT lanes, which will make HOV travel more attractive to drivers.

Mr. Fremier gave a PowerPoint presentation on HOT lanes. He defined HOT lanes, emphasizing that carpool vehicles would still ride free of charge. Mr. Fremier highlighted the successful implementations of toll lanes in other locations, citing increased carpool use, fewer delays, and reduced crashes as advantages of implementation. He presented details of the Regional HOT Network and highlighted projected benefits for funding, user efficiency, and the environment. Mr. Fremier presented the HOT Network Principles, designed to ensure collaboration and corridor-based implementation and improvement.

Mr. Fremier summarized some challenges of the proposed project, including the challenge of design approach. MTC is currently working with CMA staff to ensure that HOT lane projects can be

implemented with minimal environmental impact. MTC is evaluating existing models, including limited access and continuous access to the HOT lanes, and considering specific corridors with the help of CMA staff. Marin 101 is one of the corridors being studied.

Mr. Fremier highlighted MTC's next steps, which include conducting a finance analysis, refining design approach and costs, legislation in 2009, corridor improvement plans, and continued education and outreach on the project.

Chair Kinsey asked what actions MTC has taken in anticipation of MTC's expected adoption of the RTP early next year. Mr. Fremier reported that MTC has approved converting the region's existing HOV lanes to HOT lanes, generating the revenue to build out the system. Chair Kinsey asked for confirmation that this would generate revenue for the region, allowing the system to be built faster. Mr. Fremier confirmed this and added that one pay-as-you-go model would actually allow the system to be built 20-40 years faster. Although there are some gaps that are too cost-prohibitive at this time, project priorities would include the gaps from Oakland International Airport to the Bay Bridge and San Francisco International Airport to the City of San Francisco.

Commissioner Maggiore asked whether the system is like Fastrak. Mr. Fremier confirmed this and added that current legislation requires all HOT lanes to use Fastrak technology.

Commissioner Maggiore cited Minneapolis' improved travel speed with HOT lanes as five percent faster, and asked whether this is enough increase to make it worthwhile for the driver. Mr. Fremier clarified that it does not take a lot of increased speed to make HOT lanes work, and that this would guarantee a speed from point a to point b.

Commissioner Maggiore asked for clarification of the incentive for more people to carpool, and Mr. Fremier responded that the incentive is in the guaranteed speed as well as the availability of the network. A motorist traveling a long distance through the network would experience considerable savings.

Executive Director Steinhauser clarified that this is the beginning of a series of discussions on this subject, with tonight as an overview of regional activity. A more detailed analysis of local corridors will be held in the Spring. Staff wishes to explore how much revenue is likely to come out of a HOT lane implementation that could be dedicated to a corridor investment plan. At that time staff will also discuss conducting revenue and operations study to figure out how much funding could be generated under the HOT lane scenario in Marin County.

Executive Director Steinhauser introduced a video produced by Solem & Associates for the Alameda County CMA on the I-680 Express Lane, a HOT lane from Pleasanton to Milpitas. The video highlighted the details of the Express Lane, including a user simulation and explained the concept of "dynamic pricing," which changes according to traffic.

David Schonbrunn commented that transit advocates are universally opposed to this concept. As emissions growth has doubled since the year 2000, there is an immediate need to act. HOT lanes encourage more people to drive, thereby increasing greenhouse gas emissions. Congestion pricing should be charged for all lane usage, thus reducing congestion in the very near-term. HOT lanes would take several decades to build out and are not a near-term solution. Furthermore, HOT lanes will force a change in occupancy requirements for the HOV lane, from 2 to 3 or to 4 in East Bay, making the HOV lane much less useful for existing residents. Mr. Schonbrunn emphasized that HOT lanes

encourage people to drive alone, and also make it harder for people who carpool now to continue to do so.

Karen Nygren of the Sierra Club Marin Group commented that the Sierra Club is opposed to the construction of new lanes as well as HOT lanes, and opposes HOT lanes as an environmental justice issue, as many people cannot afford to pay the toll. Additionally, more cars in the HOT lanes will slow down buses in those lanes. As the Gap Closure project was mostly paid for through Measure A, charging Marin residents for use of the HOT lanes amounts to doubly charging them for this roadway. The proposed project footprint would extend far beyond the footprint targeted through the Marin-Sonoma Narrows. Ms. Nygren also questioned the logistics of enforcing HOT lane rules.

Chair Kinsey thanked Mr. Bogart and Mr. Fremier for being here and thanked the public for comments, adding that these discussions will continue in January.

12. Sir Francis Drake Blvd. Project

David Bernardi of the County of Marin gave a PowerPoint presentation on the project, including what the roadway is expected to look like once the work is completed. The project is a 5.2 mile stretch of road from Shafter Bridge to Platform Bridge Road, and is part of Strategy 3 in the Marin County Measure A Transportation Sales Tax Expenditure Plan. Mr. Bernardi highlighted the history and details of the project.

Mr. Bernardi summarized the current proposed plan for rehabilitating the roadway, which would not require the removal of any trees. Mr. Bernardi highlighted potential environmental impacts and ways to mitigate them. He reported on public input on the project and how this input shaped the current proposed plan, which includes shoulders varying in size from one to four feet, numerous drainage and pullout improvements, and slope repair. Another possible plan, labeled Option A, would have the same components except that shoulders would vary in width from two to four feet with an average width of three feet along the entirety of the roadway, requiring the removal of up to 24 trees. The cost vs. benefit will be evaluated as part of the EIR.

The public scoping period ends on November 24, at which point consultants will begin drafting the EIR. The EIR should be ready for distribution by June 2009, the Board of Supervisors will hold a public hearing on the EIR sometime in July 2009, and the final EIR and project decision will be made in the fall of 2009. If the project is approved by the Board, construction is scheduled to begin in Summer 2010.

Commissioner Maggiore thanked Mr. Bernardi, Mr. Whitney and their team. The Commissioner commented that she was interested to see the diversity of attendance at a recent scoping meeting. The Town of Fairfax had written a letter to the TAM Board in May protesting the project's potential removal of trees, and for that reason remains most supportive of the first option. The Commissioner thanked County staff for coming tonight and thanked TAM for looking at this issue.

Karen Nygren of the Marin Sierra Club commented that the Sierra Club has discussed this issue, and prefers the first option over Option A. One of the trees is 78 inches in diameter, and several are 50 and 55 inches in diameter, so removing these would be removing historic, ancient trees in that area. Marin Sierra Club advocates absolutely no removal of any significant trees.

Deb Hubsmith of MCBC commented that MCBC advocates both improving safety and protecting the environment. Four bicyclists have been killed on the roads of West Marin since 1999, making West Marin the most dangerous place to operate a bicycle. MCBC asks the Board to consider an analysis of what it would take to ensure at least an 18-inch shoulder on the roadway, even if it means removing some trees, for the sake of bicycle safety.

Commissioner Albritton commented that while old asphalt is stable, it does become uneven, which is actually a good traffic calming mechanism. Since asphalt roadways are failing, funding tends to go there first. Commissioner Albritton emphasized the need to protect trees but also to look out for bicycle safety.

Chair Kinsey commented that the issue of safety will be important, and improving the quality of the road edge to edge will improve safety for bicyclists. However, the uniformity of the road will lead to faster driving so we will need to consider ways to calm traffic there. Chair Kinsey thanked David Bernardi for being here.

13. Approve Projects for the Lifeline Transportation Program and Plan to Use Marin Transit to Facilitate the Process

Chair Kinsey reported that four projects were recommended, falling within funding capacity. Chair Kinsey commented that as this is an important program that has been carefully reviewed by staff, he feels comfortable moving forward.

Executive Director Steinhauser reported that due to the nature of these projects, funding must be claimed through the Marin Transit District. While there are four sponsors: Marin County, Marin Transit, City of San Rafael and the San Rafael School District, all funding must come through the Marin Transit District. For those Board members who are also on the Marin Transit Board, stay tuned for a proposal from TAM that will ask Marin Transit to accept funding and pass it through to the recipients. TAM will fund Marin Transit's administrative costs so that this will not be an unfunded mandate.

Commissioner McGlashan moved to approve and Commissioner Donnell seconded. Motion passed unanimously.

14. TAM Website Update

Executive Director Steinhauser gave a PowerPoint presentation on the TAM website, summarizing the various problems and resolution by TAM staff and consultants. This PowerPoint will be shared with other agencies for their benefit. Executive Director Steinhauser highlighted lessons learned from the experience and reported that staff hopes to launch the new website in December 2008. Executive Director Steinhauser showed the Board a preview of the new site, designed by Vision Internet. New capabilities include a range of built-in security and tools for calendaring, posting meeting information, and information and updates on projects and programs.

Commissioner Albritton thanked Executive Director Steinhauser for the presentation and commented that it is valuable to have this information directly available.

15. Open time for items not on the agenda

David Schonbrunn commented that Golden Gate Transit is proposing an express bus service that will come from Santa Rosa, stop in Sonoma County, then stop in Novato and downtown San Rafael. He warned that although this will better serve those going to San Francisco, it will push all local passengers onto Marin Transit, and there may be significant costs associated with that.

Deb Hubsmith of MCBC commented that the Chairman of the Energy Committee, Congressman John Dingle, has been replaced by well-known environmental leader Congressman Henry Waxman of California. The Senate and House will be undertaking climate bills in the spring, one of which includes an allocation of 5% of the funding to public transit. Today, Hillary Clinton also called for more funding for public transit. So while the situation at the state level may be bleak, there may be opportunities for funding at the federal level. Marin lobbyists are also well positioned to get local projects in the pipeline. According to Congressman Oberstar, the federal transportation bill is expected to be on the House floor in March. The bill is up for renewal by September, and with the new administration there will be plenty of opportunity to fulfill funding needs for transit.

By Order of Chair Kinsey, the TAM meeting adjourned at 10:26 p.m.

DRAFT