

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT



ADOPTED BUDGET

FY 2017-2018



GOLDEN GATE BRIDGE HIGHWAY AND TRANSPORTATION DISTRICT

FISCAL YEAR 17/18 ADOPTED BUDGET

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***SPECIAL THANKS TO THE DISTRICT OFFICERS, THE DEPUTY GENERAL MANAGERS
AND THEIR RESPECTIVE STAFF***

In Dedication



We would like to dedicate this Adopted Budget book to President Dietrich Stroeh who passed away unexpectedly on May 31, 2017. President Stroeh was appointed to the Golden Gate Bridge, Highway and Transportation District's Board of Directors in February 1997. He proudly served as a member of the Bridge Board for over twenty years and was in his first year of a two-year term as president.

During the majority of his time serving the District, he chaired the District's Finance-Auditing Committee. His steady hand navigated the District through tough economic times, while exercising fiscal prudence during good times. President Stroeh was instrumental in supporting the Finance Department's effort in creating this award-winning budget. Under his leadership, the District created the financial planning process that provides the resources necessary to enable the sustainability of the operations and build reserves for large capital projects, such as the Suicide Barrier. During his tenure he was instrumental in the projects to replace steel towers under the approach viaducts, retrofit anchorage houses, implement all electronic tolling and install a life-saving moveable median barrier. While addressing whatever immediate challenge was before us, he also reminded us all to look at the long term and create a lasting impact.

In addition to chairing our Finance-Auditing Committee, with his boundless energy he also chaired our Labor Advisory Committee. Working in an organization with 25 different collective bargaining agreements is no easy task. Fortunately, President Stroeh loved people and was decisive and fair, so he thrived in this role.

He gifted us a tremendous legacy of accomplishments. In addition to the long tenure with the District, he was instrumental to progress in other parts of the community. Mr. Stroeh arrived in Marin from Pasadena at the age of four and lived in Novato his whole life. He was a graduate of San Rafael High School and the College of Marin, then earned a civil engineering degree from the University of Nevada, Reno. President Stroeh's experience as General Manager of the Marin Municipal Water District shaped his executive perspective, which was invaluable to the Bridge District Board. He was known for his ingenuity and leadership to bringing water to Marin during the drought in the 1970s by putting up a pipeline on the San Rafael-Richmond Bridge. This was the ultimate display of getting things done, and it highlights his incredible creativity. There are countless examples where he changed the built environment in the North Bay, while incorporating and respecting our values.

This legacy of accomplishments, however, is surpassed by his legacy of friendships. He made a lot of people smile. The District was fortunate and grateful to have him serve our Board all these years.



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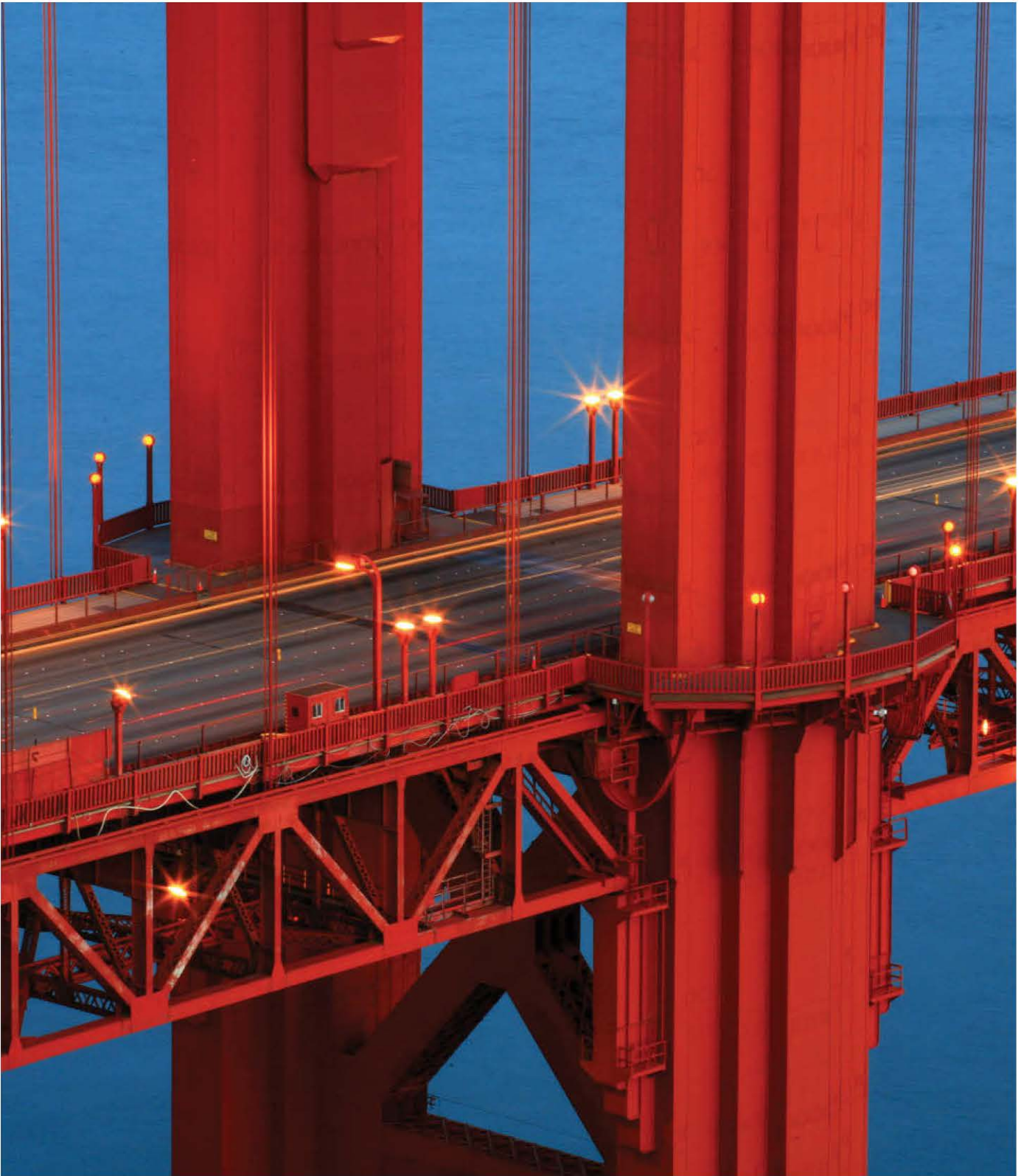
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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation award to the Golden Gate Bridge, Highway and Transportation District for its annual budget for the fiscal year beginning July 1, 2016. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.



GENERAL MANAGER'S MESSAGE

On May 27, 2017, the Golden Gate Bridge celebrated its 80th anniversary. In order to preserve the Bridge for future, more significant milestones, the District is continually maintaining, investing in, upgrading and modernizing the Bridge in order to preserve it for future generations and to meet evolving challenges.

This past year had multiple milestones marking these efforts. For example, March 27, 2017, marked the four-year anniversary of the implementation of All Electronic Tolling (AET) on the Bridge and January 12, 2017, marked the two-year anniversary of the installation of the Moveable Median Barrier (MMB) on the Bridge.



Continuing this legacy, and recognizing that there is no more noble role for government than saving lives, the District awarded the contract for the construction of the Golden Gate Bridge Physical Suicide Deterrent System on January 6, 2017, after the District's Board of Directors adopted a revised funding plan at its December 16, 2016 meeting.

The purpose of this project is to save about 30 lives each year. Unfortunately, all too many people come to the Bridge to hurt themselves. In 2016, 223 people came to the Bridge. Of those, 184 were stopped and taken off the Bridge for a psychiatric hold at a local hospital. Sadly, 39 people jumped from the Bridge and died in 2016.

This Project will construct a net to deter suicides. The net will be located about twenty feet below the sidewalk and extend out about twenty feet. It will be made from marine-grade, stainless steel wire rope supported by steel struts that are painted the Bridge's signature color. Nets have been proven as effective deterrents over the past two decades at more than a dozen bridges around the world. During this time, only one person has died at these net installations.

Other noteworthy accomplishments include the completion of full-scale testing of innovative solid-state Energy Dissipation Devices (EDDs) at the University of California at San Diego. The EDDs will serve as the linchpin for the final phase of the seismic retrofit of the Golden Gate Bridge. An independent peer review panel has reviewed and approved the test results and the design strategy for the retrofit, so preparation is underway for the final design drawings.

On the financial front, Governor Brown signed Assembly Bill 516 (AB 516) on July 25, 2016. Commencing January 1, 2019, this legislation will require all vehicles to have a license plate, either temporary or permanent, on at all times. As a result, the District should recover \$2.5 million in revenue annually, which will help fund ongoing Bridge, Bus and Ferry operations.

The third year of the five-year toll increase went into effect on July 1, 2016, increasing the toll by \$0.25. This increase generated approximately an additional \$4 million annually in revenue to help offset the District's projected \$51 million 5-year deficit. The Board also authorized a five-year fare increase for all bus and ferry riders, beginning July 1, 2017. The District will receive approximately \$1.5 million in new annual revenue from fares through this increase.

The District continues to provide first class bus and ferry service that removes thousands of cars from the Bridge, Highway 101 and the streets of San Francisco every day. During the commute period (e.g. 5:00 – 9:00

a.m.) 20 percent of all trips in the corridor are on the District's buses and ferries, reducing traffic congestion and greenhouse gas emissions.

In that vein, on March 6, 2017, the District commenced operation of commute ferry service between Tiburon and the Ferry Building in San Francisco. This is the District's first new ferry route since ferry service between Larkspur and AT&T Park began in the late nineties.

On January 12, 2017, Golden Gate Transit celebrated 45 years of providing bus service from Marin and Sonoma Counties to San Francisco. As a significant step forward in lowering the District's carbon footprint, the District has transitioned its entire bus fleet to renewable diesel fuel beginning with fuel deliveries during the week of July 11, 2016. According to the California Air Resources Board, the product the District is purchasing (RD99 renewable diesel) results in approximately 67% reduction in greenhouse gas emissions on a well-to-wheels basis when compared to standard petroleum diesel.

Providing cost effective service is paramount. In order to minimize the cost of providing commute bus service, the District leases a midday bus storage facility in downtown San Francisco. A new 25-year lease took effect on March 1, 2017, that reduced the rental rate for the midday bus storage facility by about \$1 million per year as compared to the previous lease for the site.

FY 17/18 Budget Summary

The total FY 17/18 Adopted Budget is \$249.8 million, as compared to the FY 16/17 Adopted Budget which contained \$232.1 million in spending proposals. This change is due in part to an increase in the operating budget from \$210.7 million to \$219.5 million and an increase in the Capital Budget from \$21.4 million to \$30.3 million. In FY 16/17, a \$8.6 million operating surplus was realized and no District reserves were needed to balance expenses. The FY 17/18 Adopted Operating Budget will similarly not use reserves to fund the projected Operating Budget and a \$1.1 million surplus is projected.

FY 16/17 Projects Completed and Underway

The projects mentioned above are only some of the efforts taken in FY 16/17. Other projects undertaken and completed throughout the fiscal year include:

- In support of suicide prevention efforts before the Physical Suicide Deterrent System is in place, and recognizing the changing demographics of those coming to the Bridge to hurt themselves, the District partnered with Crisis Text Line to communicate via text messaging with troubled young people who come to the Bridge.
- Added five additional Patrol Officer positions in order to assist with suicide intervention efforts.
- Integrated a customer incident system to better handle customer inquiries and incidents. This new system provides more efficient response times and better reporting and tracking mechanisms.
- The District executed a Memorandum of Understanding with SMART regarding the Interim and Permanent Improvements at the San Rafael Transit Center.
- The District and SMART developed a new design for the Interim Improvements at the San Rafael Transportation Center that avoids impacts to City of San Rafael streets.
- Added bus Route 24X which is a successful variant of the Route 24. It bypasses the congested Lucky Drive bus pad and uses the Broadway Tunnel to expedite travel to the Financial District in San Francisco.

- Recruited and trained 47 new Bus Operators.

FY 17/18 Budget Year Planned Projects

As we look ahead to FY 17/18, we will continue with projects currently underway and plan for other projects which will include:

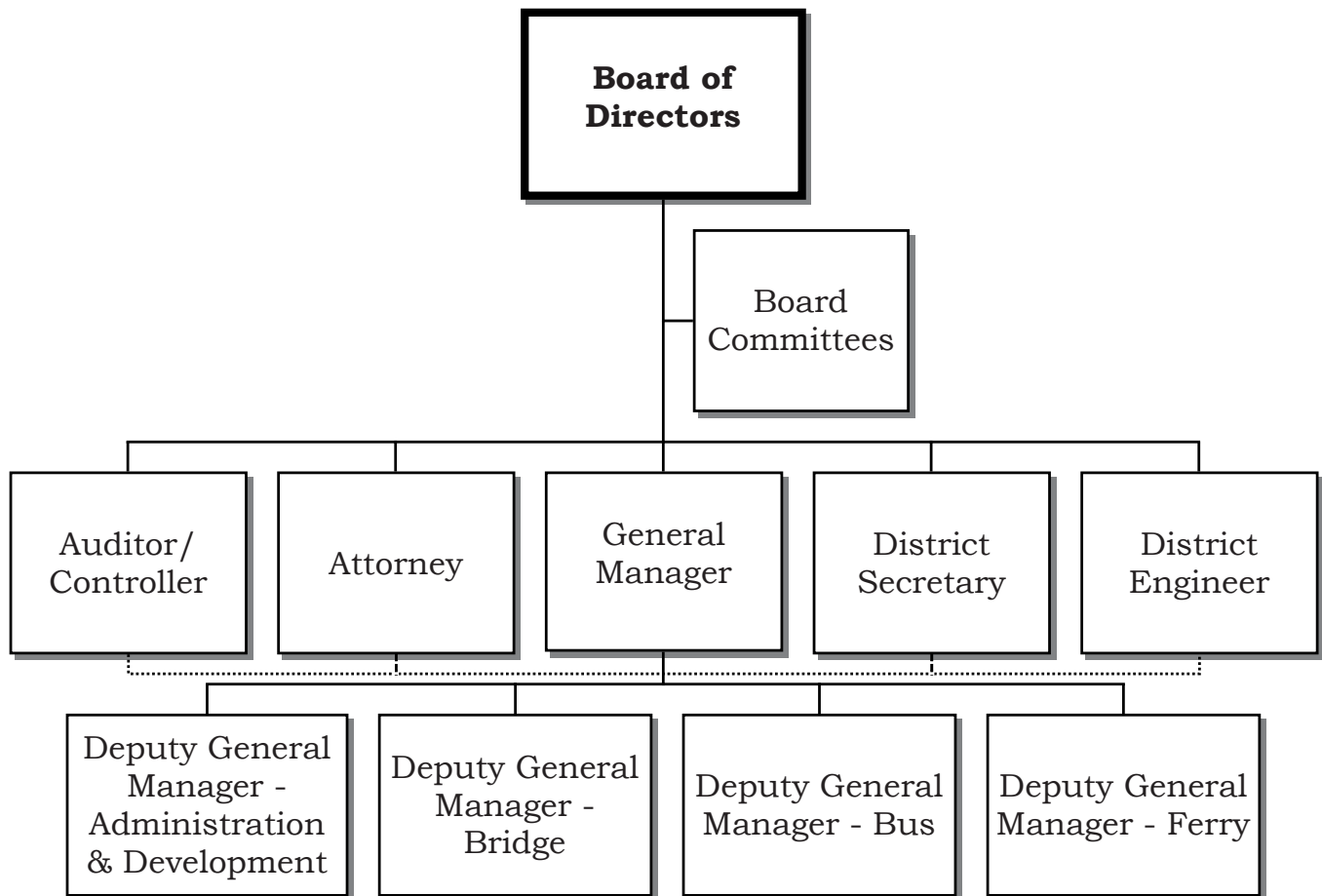
- Make progress on the construction of the Golden Gate Bridge Physical Suicide Deterrent System.
- Complete the design of the final phase of the Golden Gate Bridge Seismic Retrofit (Phase IIIB).
- Advertise and award the construction contract to replace the Sausalito Ferry Landing.
- Finalize planning and design to replace the existing tolling equipment.
- Work collaboratively with affected agencies on changes to the C. Paul Bettini Transportation Center in San Rafael necessitated by the construction of the SMART extension to Larkspur.
- Amend the District's enabling legislation with respect to procurement (Senate Bill 622) which will increase the reach of our cost procurement activity while reducing the cost.
- Advertise the construction contract to install a 1 megawatt solar array and to repave the employee parking lot in San Rafael.
- Repower the *M.S. Marin* and *M.S. Sonoma* ferries with cleaner, more modern engines.
- Continue ongoing research regarding transitioning Golden Gate ferries to renewable diesel fuel.
- Continue to grow bus and ferry ridership in order to reduce traffic congestion, reduce greenhouse gas emissions and improve the quality of life in the Bay Area.

I would like to share with you that the District is doing well by working together with our partner agencies, Bridge users and transit riders to ensure our collective success. I would like to sincerely thank and recognize our employees who help keep the Bay Area moving, whether on the Golden Gate Bridge, Golden Gate Transit Buses or Golden Gate Ferries. Lastly, I want to thank our customers for their continued support of our mission.



Denis J. Mulligan
General Manager

DISTRICT ORGANIZATIONAL CHART



THE GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT PROFILE

The Golden Gate Bridge, Highway and Transportation District (District) is a special district of the State of California which operates and maintains the Golden Gate Bridge (Bridge) and two unified public transit systems – Golden Gate Transit (GGT) and Golden Gate Ferry (GGF) connecting the counties of Marin, Sonoma, San Francisco and Contra Costa. The District provides these public services under authority of California State Law.

Mission Statement

The District's mission is to provide safe and reliable operation, maintenance and enhancement of the Golden Gate Bridge and to provide transportation services, as resources allow, for customers within the U.S. Highway 101 Golden Gate Corridor.

The District was formed under authority of the Golden Gate Bridge and Highway Act of 1923, and incorporated on December 4, 1928, to include within its boundaries the City and County of San Francisco, the counties of Marin, Sonoma, Del Norte, most of Napa and part of Mendocino counties. The District is governed by a 19-member Board of Directors who are appointed by the elected representatives of their constituent counties. Nearly 820 employees are employed by the District, working in one of three operating divisions (Bridge, GGT, GGF) or in the administrative division.

On November 10, 1969, the California State Legislature passed Assembly Bill 584 authorizing the District to develop a transportation facility plan for implementing a mass transportation program in the Golden Gate Highway 101 Corridor. This was to include any and all forms of transit, including ferry. The mandate was to reduce traffic congestion across Golden Gate Bridge using only surplus Bridge tolls to subsidize intercounty/regional public transit services.

On August 15, 1970, the District inaugurated GGF service between Sausalito and San Francisco. Service was added between Larkspur and San Francisco on December 13, 1976. Since March 31, 2000, dedicated San Francisco Giants Baseball ferry service has been provided between Larkspur and the Giants waterfront ballpark in downtown San Francisco. On March 6, 2017, the District began weekday commute Golden Gate Ferry service between Tiburon and San Francisco. Today, the fleet is comprised of seven vessels serving nearly 2.5 million passengers annually. On January 1, 1972, the District introduced GGT basic bus service and on January 3, 1972, GGT commute service began. GGT also provides local bus service within Marin County under contract with Marin Transit. January 1, 2012, marked GGT's 40th anniversary. Today, GGT serves 5.2 million annual customers with an active fleet of 189 clean diesel and diesel/electric hybrid buses.

On December 10, 1971, Assembly Bill 919 was passed requiring the District to develop a long range transportation program for the corridor. The result was the creation of the integrated bus and ferry system – GGT and GGF.

Since its opening to traffic on May 28, 1937, the Golden Gate Bridge has been recognized as an engineering marvel. Once the longest suspension span ever built, today it ranks 9th in the world. With its graceful art deco styling and inspiring natural setting, it is international icon and a destination for more than 10 million annual visitors.



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FY 17/18 ADOPTED BUDGET OVERVIEW

The FY 17/18 Adopted Budget is a policy document that identifies the strategic direction and priorities of the Board of Directors for the fiscal year. The adopted budget is the implementation tool for the Board's policy directions and initiatives that were developed in its long-term Strategic Financial Planning process. It carries out the stated mission of the District within the bounds of the Strategic Financial Plan. The Adopted FY 17/18 Budget includes:

- Operating Budget revenues of \$220.6 million
- Operating Budget expenditures of \$219.5 million
- Projected Operating Surplus of \$1.1 million
- Capital Budget revenues of \$13.9 million
- Capital Budget expenditures of \$30.3 million
- District reserves of \$16.4 million will be used to fund the FY 17/18 Capital Budget.

The FY 17/18 Adopted Budget estimates an operating surplus of \$1.1 million. This is primarily attributed to a twenty-five cent toll increase in July 2017 (the FasTrak® toll increased from \$6.50 to \$6.75 and the Pay-By-Plate toll increased from \$7.50 to \$7.75 for the majority of Bridge traffic), the five-year fare increase as approved by the Board and the new Tiburon ferry service. These increases are offset by higher cost-of-living, medical insurance, repair and operating supplies, fuel, District-wide technology programs and re-funding commercial paper debt service.

This report is a summary of the development process and general overview of the FY 17/18 Adopted Budget.

Overview of Operating Budget

The FY 17/18 Adopted Operating Budget of \$219.5 million is \$13.1 million, or 6.3%, more than the FY 16/17 Actual expenses of \$206.4 million. This 6.3% increase can be broken down into the following categories: Fully funding vacant positions, re-funding commercial paper debt service due to the indenture service requirement, the increased cost of salaries and benefits, the March 6, 2017, commencement of Tiburon Ferry Service, and District-wide technology programs. The budget includes a 3% wage increase for Coalition-represented and non-represented employees, a 2% wage increase for ATU-represented employees effective January 2018, or the amount specified in their ratified Memorandum of Understanding.

Revenue is estimated to be \$220.6 million for an increase of approximately \$5.6 million, or 2.6%, from FY 16/17 Actual revenue of \$215.0 million. This increase is primarily the result of increases in Toll Revenues (\$3.6 million), Transit Fares (\$2.1 million), Federal Operating Assistance (\$0.2 million) and Investment Income (\$0.5 million). However, those increases are offset by decreases in State Operating Assistance (\$0.2 million), Other Operating Income (\$0.2 million) and Marin County Transit Contract (MCTD) (\$0.4 million). The recent passage of Senate Bill I will increase State Operating Assistance. However, at this juncture, the exact amount of the increase is unknown so it is not included in the Adopted Budget.

This budget also includes changes to the District reserves structure and the Table of Organization. The Adopted Budget has a \$15.0 million projected positive impact on the District's financial reserves from the FY 16/17 Actual. This is primarily due to increases in toll and transit revenues.

The FY 17/18 Adopted Budget takes into account the 2014 Strategic Financial Plan approved October 2015. Every year, the Strategic Financial Plan is reviewed and updated. The FY 17/18 Adopted Budget is a baseline budget that takes into account various Financial Plan initiatives, yet also continues to reflect current service levels in the Bridge, Bus and Ferry operations. It keeps operations running at current levels while the Board and staff determine the timing and magnitude of the Strategic Financial Plan initiatives to be implemented with the goals of reducing the District's long-term deficit, guiding the District to a healthy, sustainable financial condition and ensuring replenishment of the necessary reserve accounts.

Capital Budget Overview

The FY 17/18 Adopted Capital Budget includes total expenditures of \$30.3 million, funded with \$16.4 million District funds and \$13.9 million federal, state and local grant funds. It supports the implementation of 56 (15 new and 41 continuing) projects necessary to maintain existing services and facilities and to implement high priority safety and security projects. The \$30.3 million Adopted Capital Budget, based on the percentage, is allocated to the following projects: 5% Golden Gate Bridge Seismic Retrofit; 69% Bridge Safety and Security; 4% Bus Replacement and Bus Facilities; 15% Ferry Facilities and Vessel Rehabilitation; and 7% for a variety of District Division projects. The Adopted Capital Budget contains Actual FY 16/17 project expenditures (See Appendix C). It is expected that 17 projects will be completed in FY 16/17.

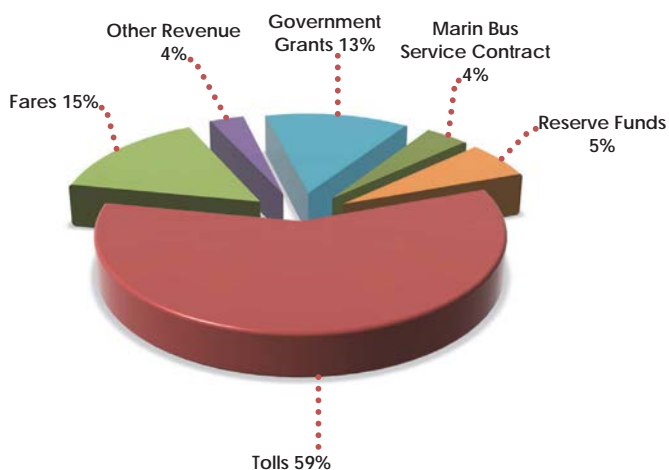
In an effort to reduce the number of new projects in the FY 17/18 budget, each division prioritized its capital projects. Higher priority projects were included in the FY 17/18 budget to allow project managers to continue working and focusing their efforts on those projects. The remaining projects were included in the FY 18/19 capital project list, which consists of projects that are ready to be included in the FY 17/18 budget pending the availability of staff resources to initiate the project. The passage of the budget will authorize the General Manager to move capital projects from the FY 18/19 list to the FY 17/18 budget.

Use of Reserves

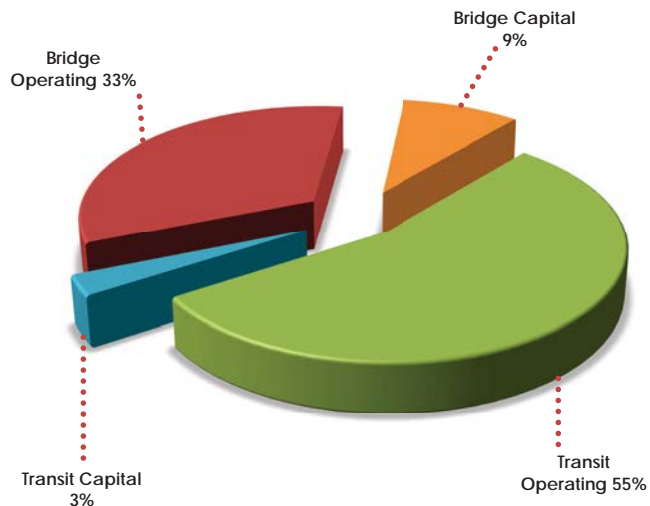
The FY 17/18 Adopted Operating Budget is estimated to produce a surplus of \$1.1 million and the Capital Budget is estimated to use \$16.4 million in District funds for a net decrease reserve impact of \$15.3 million. As an offset to this \$15.3 million reserve spending, the FY 17/18 Adopted Budget also includes \$30.3 million in transfers to reserves resulting in a net reserve increase of \$15.0 million. A balanced Adopted Budget is structured to raise and spend Capital Reserves. The District will use the initiatives in the Financial Plan to keep future agency budgets balanced.

Revenue Sources and Expense Allocation FY 17/18 Adopted Operating and Capital Budget (In Millions)

Source of Revenues	
Tolls	\$146.6
Fares	37.5
Other Revenue	7.7
Government Grants	32.9
Marin Bus Service Contract	9.8
Reserve Funds	15.3
Total	\$249.8



Type of Expense	
Transit Operating	\$136.9
Transit Capital*	7.1
Bridge Operating	82.6
Bridge Capital*	23.2
Total	\$249.8



*District Division capital projects are apportioned to Transit and Bridge in the same manner as District expenses allocation.

FY 17/18 Adopted Operating and Capital Budget Three-Year Comparison (In Millions)

	Actual FY 15/16	Actual FY 16/17	Adopted FY 17/18
Revenue			
Bridge Tolls	\$137.4	\$143.0	\$146.6
Transit Fares	35.9	35.4	37.5
Other*	21.2	17.6	17.5
Operating Assistance	16.5	19.0	19.0
Operating Revenue Sub-total	\$211.0	\$215.0	\$220.6
Capital Grants	28.2	10.0	13.9
Total Revenue	\$239.2	\$225.0	\$234.5
Expenses			
Labor and Fringes	\$121.8	\$128.8	\$135.5
Services/Supplies/Other	47.3	47.4	55.1
Contribution to Capital & Other Reserves	27.6	30.2	29.0
Operating Expenses Sub-total	\$196.7	\$206.4	\$219.5
Capital Project Expense	37.7	19.5	30.3
Total Expenses	\$234.4	\$225.9	\$249.8
Total Revenue Over/(Under) Total Expense	\$4.8	(\$0.9)	(\$15.3)

Net Impact on District Reserves Three-Year Comparison (In Millions)

	Actual FY 15/16	Actual FY 16/17	Adopted FY 17/18
Total Revenue Over/(Under) Total Expense	\$4.8	(\$0.9)	(\$15.3)
Transfers to District Reserves			
District Capital Contribution**	\$19.0	\$21.0	\$21.0
Bridge Self-Insurance Against Losses	1.3	1.3	1.3
Depreciation	8.6	9.2	8.0
Sub-Total Transfers to Reserves	\$28.9	\$31.5	\$30.3
Impact on Reserves	\$33.7	\$30.6	\$15.0
Transfers to OPEB (Other Postemployment Benefits) Trust	\$3.9	\$1.5	\$1.3

* Other revenue consists of Investment Income, Advertising, Contract Revenue, Parking, and Regional Measure 2 (RM2) funding.

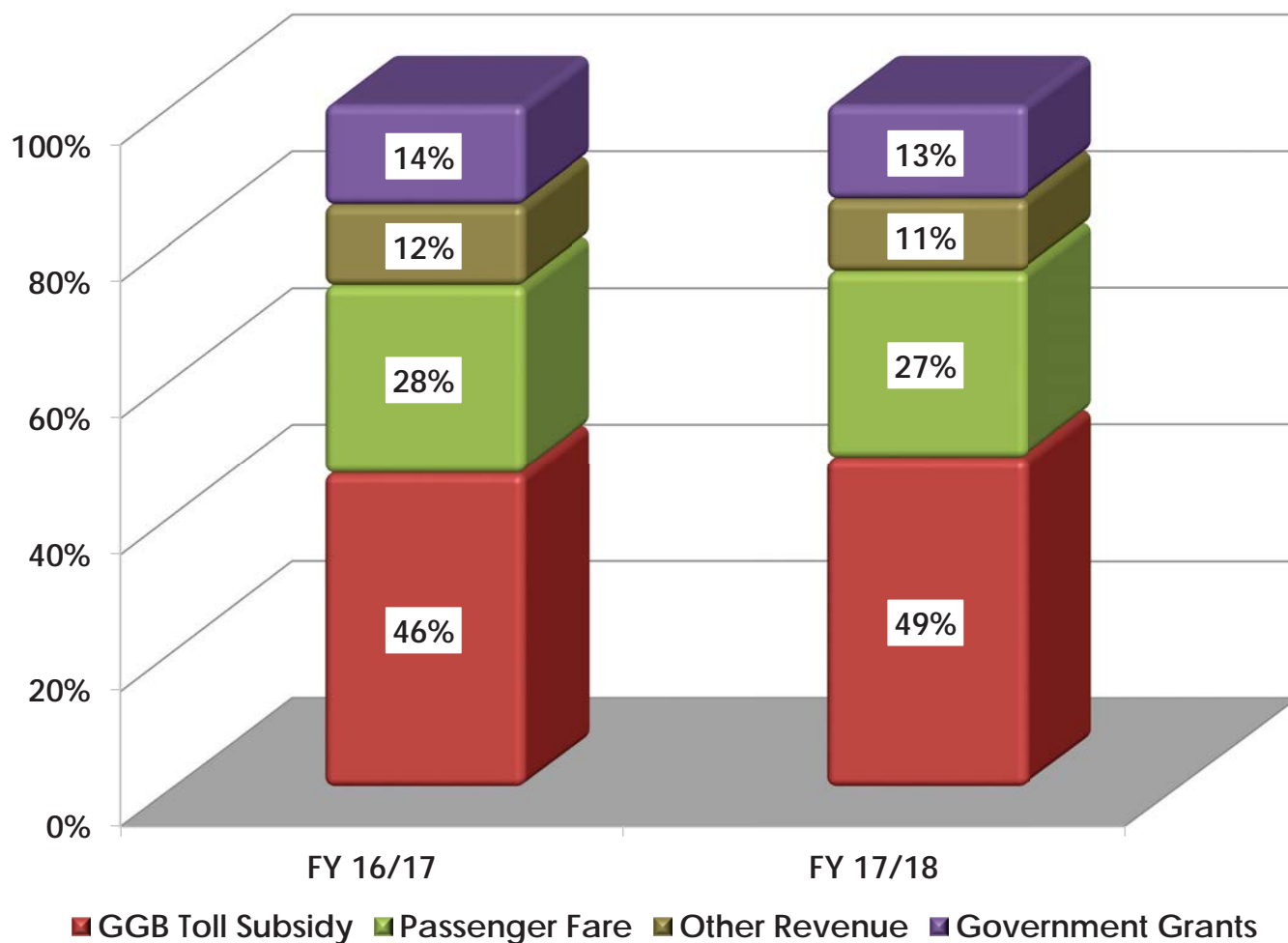
** See Capital Contribution section on page 43 for more detail.

TRANSIT SYSTEM FUNDING

The total subsidy required to fund the transit system is projected to increase from \$59.1 million in FY 16/17 to \$66.0 million in FY 17/18.

The following table displays how the toll subsidy and other revenues are allocated for the FY 16/17 Actual expenses and Adopted FY 17/18 Budget.

	How Golden Gate Transit was Funded in FY 16/17 (In Millions)				How Golden Gate Transit is Estimated to be Funded in FY 17/18 (In Millions)			
	Bus Division	Ferry Division	Total Transit	% of Cost	Bus Division	Ferry Division	Total Transit	% of Cost
GGB Toll Subsidy	\$45.6	\$13.5	\$59.1	46%	\$51.4	\$14.6	\$66.0	49%
Passenger Fare	15.1	20.3	35.4	28%	14.9	22.6	37.5	27%
Other Revenue	13.8	1.3	15.1	12%	13.3	1.1	14.4	11%
Government Grants	15.6	3.3	18.9	14%	15.8	3.2	19.0	13%
Total	\$90.1	\$38.4	\$128.5	100%	\$95.4	\$41.5	\$136.9	100%



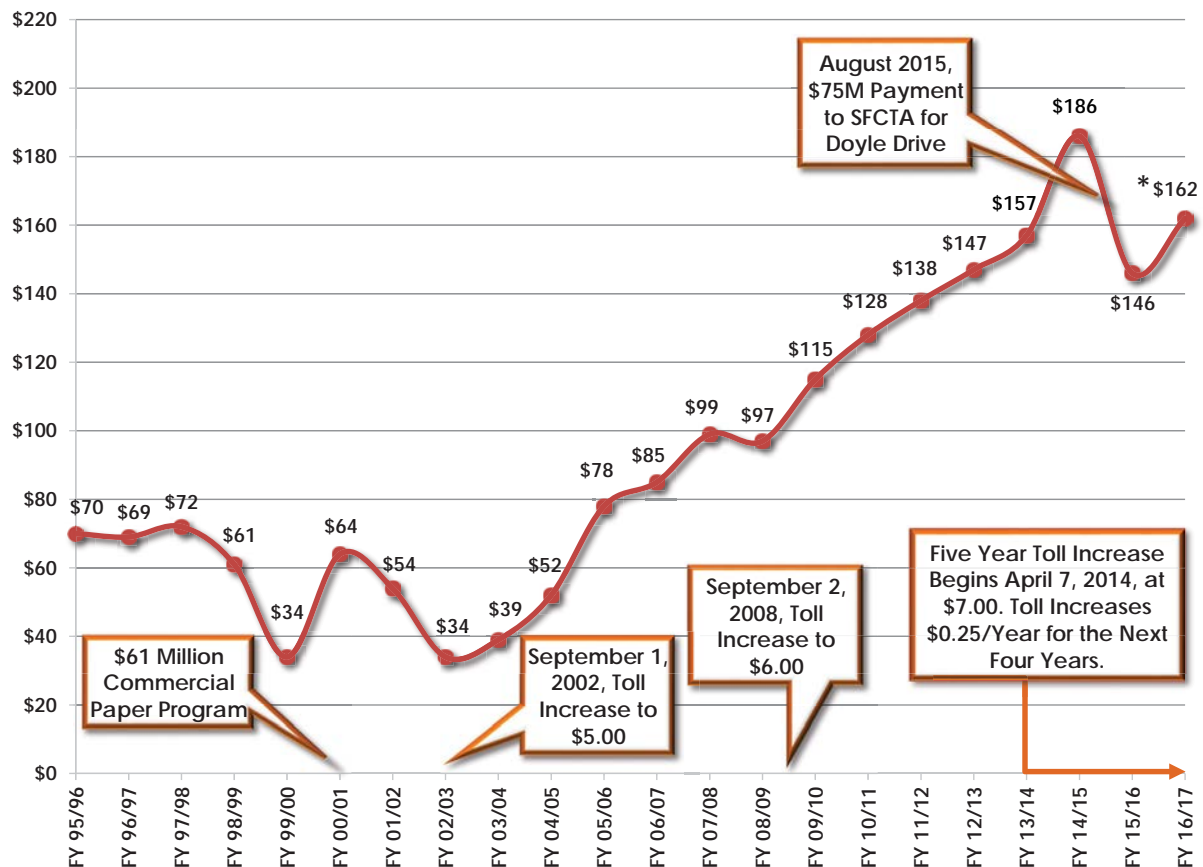
DISTRICT FINANCIAL SITUATION

Financial Reserves: Impact of Fiscal Year 16/17 (Unaudited)

On June 30, 2017, the District expects to finish the FY 16/17 operating budget year (which includes a \$21 million transfer to the capital reserves) with expenses approximately \$8.6 million under actual revenues.

The District's short-term and long-term financial situations have been improved because the Board has taken steps over the previous years to increase revenues and decrease expenses. To increase revenues the Board implemented a toll increase, increased carpool and multi-axle vehicle tolls, instituted successive transit fare increases and conducted discussions with local and regional partners that produced millions more in contract and grant revenue. To decrease expenses, in the recent past the Board instituted administrative and program staff reductions, salary freezes, medical plan reforms, bus transit service reductions and ferry service restructuring. In addition, the Board has implemented new technologies that will reduce operating expenses such as Ferry Ticket Machines and All Electronic Tolling. The Board has previously passed long-term Strategic Financial Plans in 2002 and 2009. In October 2014, the Board passed the 2014 Strategic Financial Plan that contains initiatives to balance revenues and expenses over the long term as discussed in greater detail at the end of this section.

Reserve Funds Available for Capital Projects Fiscal Years Begin July 1st (All Numbers in Millions)



* Note: Graph amounts represent beginning of the year balances. See Appendix A for more details.

Impact of FY 17/18 Adopted Budget

The FY 17/18 Adopted Budget continues the Board's efforts toward achieving long-term financial sustainability. It builds on the actions taken in previous years to increase revenues and reduce operating costs. The FY 17/18 Adopted Operating Budget is estimated to produce a surplus of \$1.1 million and the Capital Budget is estimated to use \$16.4 million in District funds.

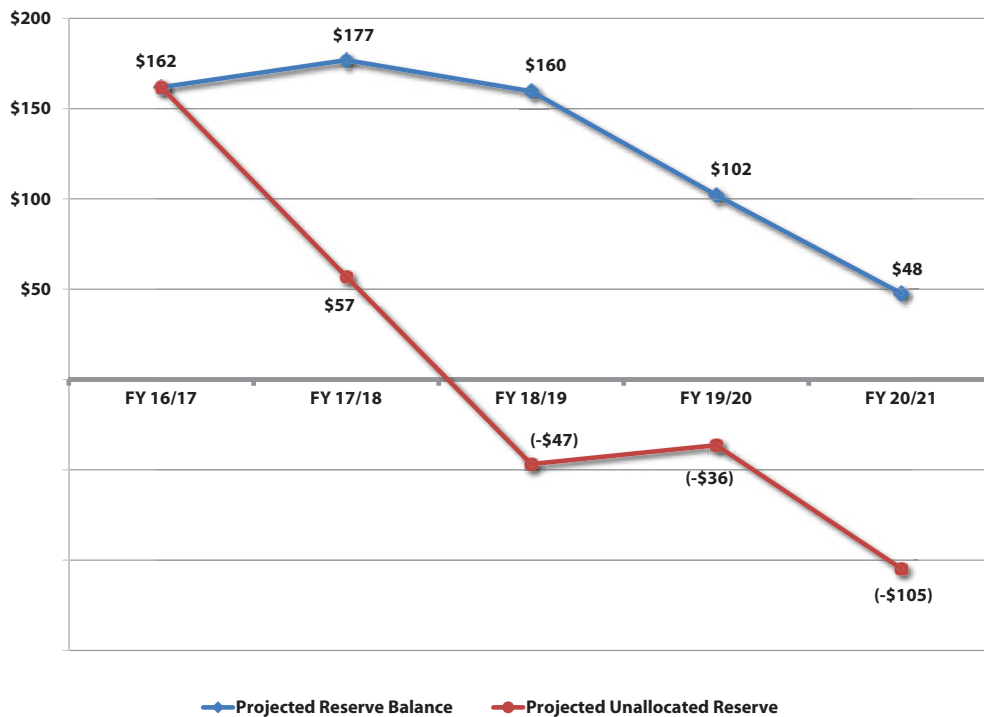
Due to provisions that add to capital reserves, the reserves available for capital and operating are projected to decrease less than expected given the large outflow (See Appendix A). As an offset to the Capital reserve spending of \$15.3 million, the FY 17/18 Adopted Budget also includes \$30.3 million in transfers to reserves resulting in a net reserve increase of approximately \$15.0 million.

The District's share of the capital budget is funded by reserves. Capital budgets are designed to be balanced over the long-term, which is the objective of the long-term financial plan. The \$21 million Capital Contribution included as an expense in the operating budget is designed to cover these costs. Since the operating budget is projected to have a \$1.1 million surplus, it is expected that the entire \$21 million amount will be available to transfer to the capital reserves.

In this manner, the District accumulates reserves through balanced operating budgets. Those reserves are set aside until the Board allocates them to fund the District share of the cost of capital projects or to cover temporary operating budget deficits. After funds are allocated by the Board, they are spent over several years depending on the particular multi-year spending pattern of the capital budget. The graph on the following page, *Projected Reserves for Capital Projects*, represents a projection of how the current total of capital reserves (as presented on the previous page) would be allocated (see *Projected Unallocated Reserve* line) and spent out (*Projected Reserve Balance* line) if capital projects are undertaken as laid out in the 10-Year Capital Plan (See Appendix E). Several factors have a significant impact on the rate at which reserves are allocated and thus impact the amount of reserves available. These factors include acquiring additional operating funds, capital grant funds and/or delaying/eliminating projects from the 10-Year Capital Plan.

In accordance with GASB 68, \$101 million of CalPERS unfunded pension liability was recognized effective June 30, 2016. The graph on the following page does not include the impact of the GASB 68 requirement. The reason being that those funds are set aside to cover liabilities that are decades into the future and the District is on track to pay down those liabilities prior to their coming due. Also, in accordance with GASB 68, \$186 million of ATU unfunded pension liability was recognized June 30, 2016. The ATU pension is independent, thus the District is not legally liable for the unfunded liability. The ATU Pension Trust's financial reports also show the unfunded liability. Nonetheless, GASB 68 requires the District to report it in order for the ATU Pension Trust's unfunded liability to be clearly noted. In both cases, the District counts the funds that offset the unfunded pension liabilities as available for capital projects.

Projected Reserves for Capital Projects (All Numbers in Millions)



Note: Graph amounts represent beginning of the year balances, but do not represent GASB 68 accounting change.

Board Restricted Reserves

The Board has created four designated reserves, Bridge Self-Insurance Reserve (BSIR), Capital Plan Reserve, the Operating Reserve and the Emergency Reserves. The latter three are discussed in footnotes in Appendix A. The BSIR was created by the Board in FY 05/06. The BSIR was intended to be built up to \$25 million and would be used to offset the need to insure the loss of toll revenue in the event of an emergency. This budget includes the \$1.3 million contribution, based on the Board's annual approval to contribute to this reserve, for a total of \$15.9 million to fund the reserve in place of purchasing insurance.

Commercial Paper Notes Program

On July 12, 2000, the District issued commercial paper notes in Series A and Series B in an amount of \$30.5 million for each series, for a total of \$61 million, to provide funds for the Golden Gate Bridge Seismic Retrofit Project and the renovation of the main cables of the Bridge. Under this program, the District is able to issue commercial paper notes at prevailing interest rates for a period of maturity not to exceed 270 days. The commercial paper notes are secured by a pledge of the District's revenues and two dedicated reserves, and additionally secured by a line of credit.

The authorization to issue commercial paper is initiated by the Board either by resolution or by an indenture and/or an issuing and paying agreement entered into by the District. There is no legal debt limit except the pledge of revenues pursuant to and in a manner consistent with Subsection 27300 of the Bridge and Highway District Act, being Part 3 of Division 16 of the Streets and Highways Code of the State of California.

Standard & Poor's and Fitch began rating the District in 2000 when the District issued commercial paper for the first time. The District continues to have the highest credit rating (AA- and A+) in the nation for a single toll facility. These are implied credit ratings as the District has no outstanding long-term debt. The District has no plans at this time to increase the current \$61 million in commercial paper notes.

In connection with the sale of the commercial paper, the District has secured a Line of Credit with JP Morgan to guarantee the payment of interest when due. As additional security, the District established both an Operating Reserve Fund and a Debt Service Reserve Fund, both of which have been and will remain fully funded throughout the Commercial Paper Program (CP Program). (See Appendix B for details on the budget covenant.)

The FY 17/18 Adopted Budget provides that the \$61 million remains outstanding throughout FY 17/18 and does not provide for further borrowing. In addition, the FY 17/18 Adopted Budget fully funds the maintenance of the commercial paper program, including long-term arrangements with Goldman Sachs and Morgan Stanley, to market the commercial paper and JP Morgan to provide a line of credit. Total commercial paper program costs as a percentage of the total commercial paper notes outstanding are summarized in the table below.

Commercial Paper Program Costs as a Percentage of Notes Outstanding

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Adopted
Average Annual Interest Rate**	0.10%	0.07%	0.13%	0.70%	2.48%*
CP Program Related Costs	0.93%	0.70%	0.73%	0.74%	0.78%
Total CP Program Costs as a % of Total CP Notes Outstanding	1.03%	0.77%	0.86%	1.44%	3.26%

Note: CP Program Related Costs include line of credit fees, rating agency fees, dealer costs, and various bank fees. As required by the indenture, FY 17/18 Adopted Budget reflects the average interest rate for the preceding 12 months.

*The indenture requires the increase in budget authority of 2%.

**See page 39 for Interest Expense.

Long-Term Strategic Financial Planning

In May of 2009, as a result of projected increases in financial obligations, the Board established the Financial Planning Advisory Committee to create a plan to address the projected financial deficit. The Financial Plan for Achieving Long-Term Financial Stability (Plan) was drafted by the Advisory Committee and approved by the Board on October 30, 2009. The Plan contained 35 initiatives of which 22 were completed. The others were either moved to the new plan or deferred by Board action. In November 2013, the Advisory Committee was reconvened and drafted the 2014 Strategic Financial Plan (2014 Plan) with 45 initiatives. The 2014 Plan was approved on October 24, 2014.

Guiding Principles of the 2014 Plan

- Uphold the Mission Statement of the District to provide reliable transportation services and operations for customers within the U.S. Highway 101 Golden Gate Corridor.
- Identify general priorities to guide implementation work on each initiative in recognition that staff resources are limited and not all initiatives can be completed simultaneously.
- Include both expense reductions and additional revenue generation. The focus of the expense reduction initiatives will be on improving efficiency of current activities in such a way that savings result from the efficiencies and in finding new ways to provide the core services of the District. Outright elimination of any services will be minimized as much as possible.
- Seek to keep existing projects currently underway at the District moving forward, on schedule and to the degree possible, while undertaking new initiatives that are set forth by the Committee and ultimately adopted by the Board of Directors.

The 2014 Plan has become part of the Board's regular financial planning cycle and is monitored, reviewed and updated annually with completed, dropped or added initiatives. The 2014 Plan, when compared to each updated projection, is an essential means to monitor the progress of reducing the deficit. The 2014 Plan utilizes the current five- and ten-year period projections submitted annually to the Board. The use of these financial projections enables the 2014 Plan to provide estimates of each initiative's impact on the projected deficit. All Plan initiatives must be approved by the Board on an individual basis.

Financial Plan Initiatives Implemented in FY 16/17

Financial Plan Initiative No. 3: Review of Capital Plan. This initiative is complete. The Capital Plan reduced the number of projects. Both the costs and timing of the projects are incorporated in the FY 16/17 Budget.

Financial Plan Initiative No. 4: One Set of Board and Committee Meetings a Month. This initiative is complete for FY 16/17 with the 2017 meeting schedule reflecting one set of meetings per month.

Financial Plan Initiative No. 8: Using Clean Diesel over Bio-Diesel in the Ferry Fleet. This initiative is implemented. The staff evaluated the cost-effectiveness of using Clean Diesel over Bio-Diesel and converted fuel for cost savings while retaining a similar environmental footprint.

Financial Plan Initiative No. 13: Improve the Efficiencies of Legal Claims Process. This initiative is complete in FY 16/17. With a new third party claims administrator, with increased tracking capacity and better project management practices, the District and Legal have been able to improve their systems and increase efficiency.

Financial Plan Initiative No. 22: Analyze and Implement a Five Year Fare Increase Plan for Transit when the Current Plan Expires. This initiative is completed as the Board passed a new five year fare plan in FY 16/17 which will be implemented beginning in FY 17/18.

Financial Plan Initiative No. 25: Implement Temporary Plate Legislation. This initiative is complete with AB 516 approved for temporary plates to be implemented in 2019.

Financial Plan Initiatives to be Implemented in FY 17/18

Financial Plan Initiative No. 5: Implement Time Collection and Payroll Automation Throughout the District. This initiative to implement a system to automate payroll and time collection is underway. It will allow for accurate and real time information. The project is expected to be completed in FY 17/18.

Financial Plan Initiative No. 9: Non-Represented Employees. This initiative is intended to promote efficiencies in the areas of health plan design and employee premium contributions. This initiative is underway and will continue in FY 17/18.

Financial Plan Initiative No. 11: Coalition Labor Negotiations. This initiative advances health plan design, employee premium contributions and work rule efficiencies. This initiative is underway and parts were implemented in FY 16/17.

Financial Plan Initiative No. 17: Implement Administrative Efficiencies. Implement opportunities to reduce costs, including increased use of technology and the streamlining of administration processes. This initiative is underway with a set of administrative efficiencies being implemented in FY 17/18.

Financial Plan Initiative No. 19: Winter Holiday Facility Closures. This initiative evaluates the practicality of closing facilities for non-operational functions during the Winter holiday period. In FY 16/17, staff implemented the pilot phase of this initiative on a voluntary basis and will continue to monitor the pilot phase.

Financial Plan Initiative No. 21: Develop a Comprehensive Initiative for Paid Parking and Tour Bus Access to the Bridge Visitor Areas to Reduce Congestion and Increase Revenues. This initiative is currently underway and the District is working with partners to develop a long term plan. An assessment of technologies to manage traffic and paid parking is being reviewed.

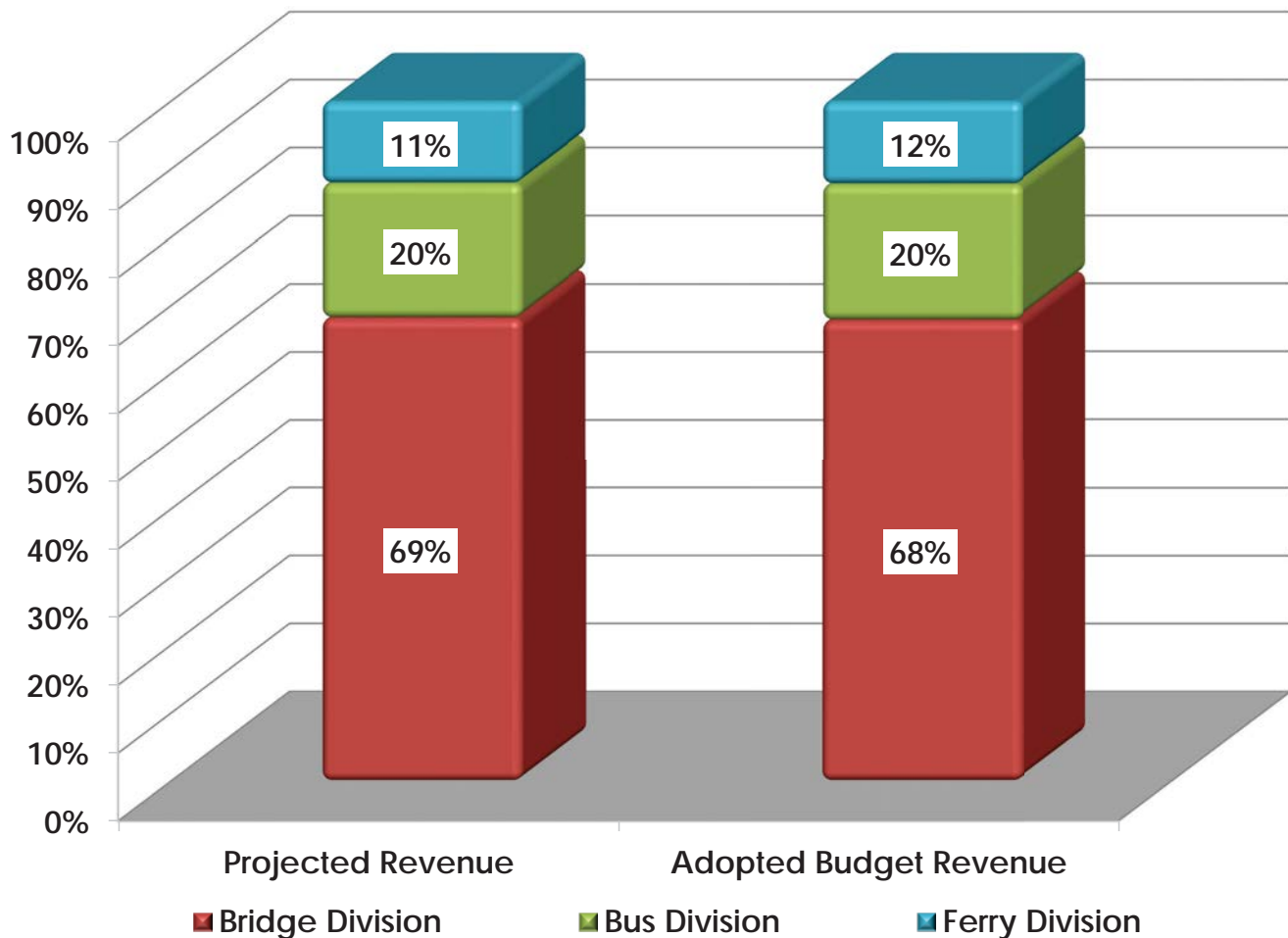
Financial Plan Initiative No. 32: Replace Existing Ferry Terminal Gangways and Piers. This initiative is to create operating efficiency by replacing the gangways and piers at all of the Ferry terminals. This initiative is underway with the Sausalito portion of the project under review by the community and the San Francisco portion of the project in the environmental review stage.

FY 17/18 Projection vs. FY 17/18 Adopted Budget - Revenue

The following exhibit compares the latest projected revenues for FY 17/18 contained in the Long-Term Projections with the FY 17/18 Adopted Budget revenues. The FY 17/18 Adopted Budget revenue is approximately \$0.7 million more than projected.

FY 17/18 Projection Compared to FY 17/18 Adopted Budget Revenues 10-Year Projection (In Millions)

	Projected Revenue	Adopted Budget Revenue	Variance	
Bridge Division	\$149.9	\$149.6	(\$0.3)	(0.0%)
Bus Division	43.4	44.0	0.6	1%
Ferry Division	26.6	27.0	0.4	2%
Total	\$219.9	\$220.6	\$0.7	0.3%

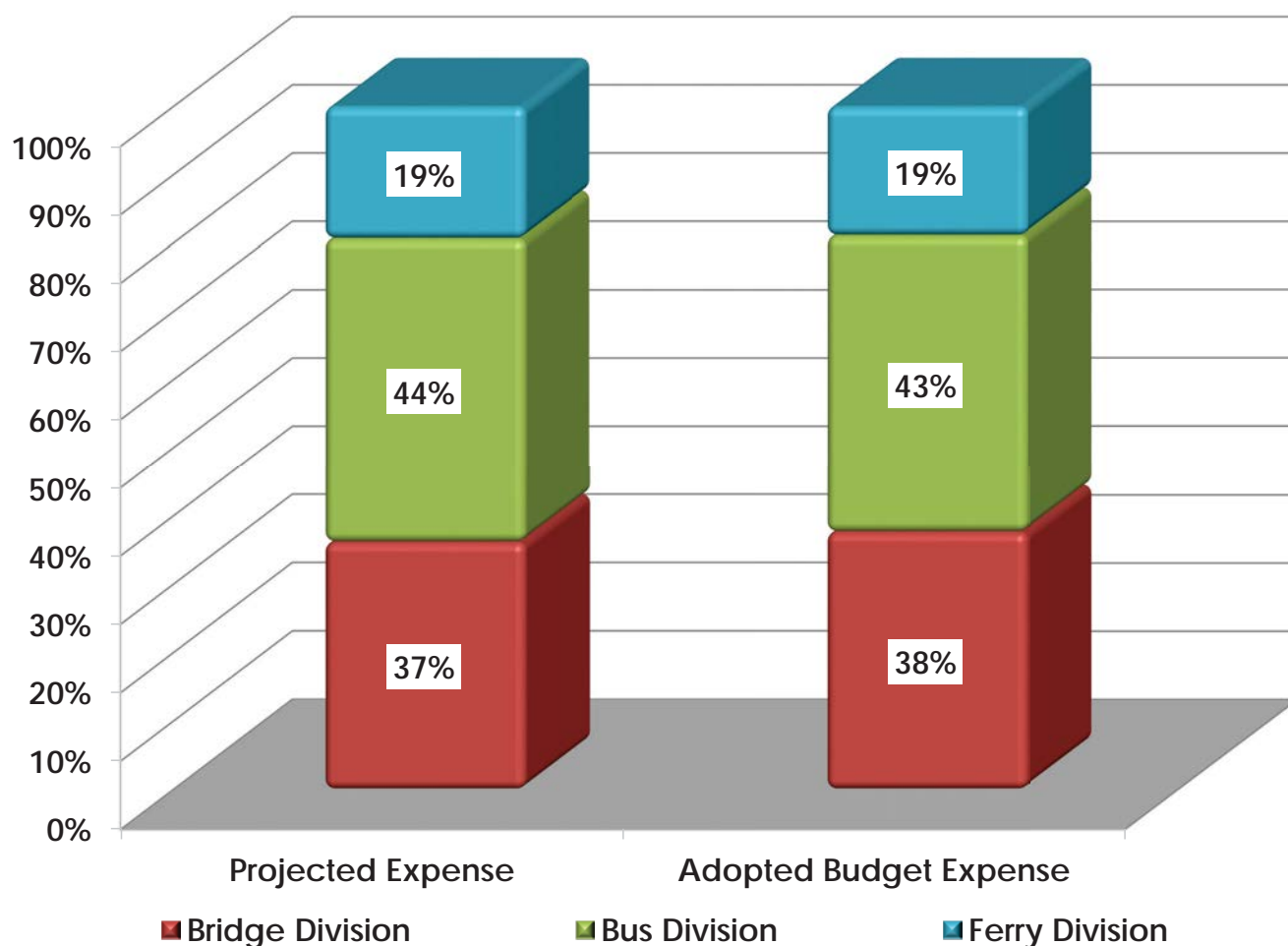


FY 17/18 Projection vs. FY 17/18 Adopted Budget - Expense

The following exhibit compares the latest projected expenses for FY 17/18 contained in the Long-Term Projections with the FY 17/18 Adopted Budget expenses. The FY 17/18 Adopted Budget is approximately \$7.0 million more than projected.

FY 17/18 Projection Compared to FY 17/18 Adopted Budget Expenses 10-Year Projection (In Millions)

	Projected Expense	Adopted Budget Expense	Variance	
Bridge Division	\$76.8	\$82.6	\$5.8	8%
Bus Division	94.5	95.4	0.9	1%
Ferry Division	41.2	41.5	0.3	1%
Total	\$212.5	\$219.5	\$7.0	3%



THE BUDGET PLANNING AND DEVELOPMENT PROCESS

Basis of Budgeting: The District Budget process is designed to identify goals and objectives and to allocate resources accordingly. The basis of budgeting is the same as the basis of accounting. The District's financial statements, and the Operating and Capital Budgets, are prepared on an accrual basis in accordance with generally accepted accounting principles of the Governmental Accounting Standards Board (GASB). An "accrual basis" is a method of accounting that recognizes expense when incurred and revenue when earned, rather than when payment is made or received. The District is structured as a single enterprise fund and is operated similarly to private business enterprises. The District provides transportation services to the public and is financed primarily through Bridge tolls and passenger fares.

Performance Review: Budget performance is monitored and controlled throughout the year by the Budget Office and Operating Divisions using exception reporting and variance analysis. The budget for the upcoming fiscal year is approved by the Board of Directors at the end of the budget process in June. When necessary, budget adjustments are recommended and approved by the Board of Directors.

Process and Timeline: The budget process begins in December 2016, with a review of District and division level goals and objectives with the Budget staff, General Manager and Auditor-Controller. The Budget and Program Analysis Office and the Capital and Grant Programs Office are responsible for the distribution of budget instructions and materials for the operating and capital budgets, as well as the long-range capital program. These offices work together to coordinate their efforts and facilitate a budget process that is focused on achieving the District's short-term and long-term goals and objectives.

Budget Structure: The FY 17/18 Adopted Budget identifies the strategic directions and priorities of the Board of Directors and is structured to reflect the goals of the Board's long-term strategic planning process. It incorporates actions taken by the Board resulting from that process, such as the multi-year goal to reduce operating costs and an additional five-year toll and fare increase plan. In addition, the FY 17/18 Adopted Budget includes full funding of expense for accrual of retiree health benefits (Other Postemployment Benefits, or OPEB).

Operating Budget Procedure: The operating budget is prepared initially at the department level, then the division level and finally at the total agency level. The Budget Office prepares and distributes historical and year-to-date actuals and projections in the form of budget worksheets. Department and organization budgets are then prepared, reviewed by division management and then submitted to the Budget Office for analysis. The Budget Office and Auditor-Controller conduct an extensive review of the requested budgets, validate current and projected expenditures and identify outstanding issues for consideration during reviews with the General Manager. Budget requests must include justifications in order to remain or be added to the budget.

Division Capital Plans: Working closely with the Budget Office, the Capital and Grant Programs Office is responsible for preparing the Capital Budget. At the start of the budget process, each Division is asked to update their current capital project lists and nominate potential projects for inclusion in next year's budget. The capital projects undergo several levels of careful evaluation and discussion with the Auditor-Controller, Deputy General Managers, District Engineer and the General Manager. Due to limitations in both funding and staff resources, each project is vetted and prioritized based on several criteria, including but not limited to each Division's workplan and need, grant funding deadlines, safety and ADA compliance. The results of these discussions ultimately determine which projects will be included in next year's budget and their proposed budget amounts.

Review Process: The completed division budgets are then reviewed at the policy level by the Executive Team consisting of the General Manager, District Officers and the Deputy General Managers. The Executive Team reviews and analyzes operating and capital budgets to ensure that they meet the goals and objectives for the upcoming budget year. This review of budget requests may result in adjustments in order to maximize District resources.

Capital Project Funding: In general, it is the District's policy to secure the maximum amount of external funds possible and to spend these funds prior to relying on internal funds for capital projects. The Adopted FY 17/18 Capital Budget includes \$13.9 million in Federal, State and Other Local funding and \$16.4 million in District funding. This represents a Federal/State/Other Local funding percentage of 46% and a District funding percentage of 54%.

Board Approval: Once the operating and capital budgets have been thoroughly reviewed and approved by the General Manager and the Auditor-Controller, they are formally presented to the Finance-Auditing Committee. This Finance-Auditing Committee meeting marks the initial discussions which culminate with the final adoption by the Board of Directors. The budget is scheduled for Board consideration before the end of the fiscal year preceding the new budget year. The FY 17/18 Adopted Budget is presented to the Finance-Auditing Committee in May 2017, and adopted by the Board of Directors in June 2017.

Budget Preparation and Process Calendar for FY 17/18

Dates	Activity
December 20, 2016	General Manager, Auditor-Controller and Budget Office review District's goals and objectives, establish budget expense targets and timelines.
Jan 10 – Feb 3, 2017	Budget Kickoff Meetings with Departments: Budget Office submits budget calendar to Executive Team. Budget packets are distributed to the Deputy General Managers (DGMs) and Executive Team.
Feb 6 – Mar 2, 2017	Departments work on Goals, Estimated Accomplishments, Review of Division Profile and Performance Standards. Budget Office, Capital and Grant Programs Office, and DGMs work together to develop operating and capital budgets.
February 27, 2017	Operating and capital budgets are submitted to the Budget Office and Capital and Grant Programs Office for review and consolidation.
Mar 13 – Mar 17, 2017	CFO meets with DGMs to review proposed budgets.
Apr 3 – Apr 7, 2017	DGMs, CFO, Director of Budgets and Director of Capital and Grant Programs Office meet with General Manager to discuss Division budgets and Division goals.
Apr 10 – May 12, 2017	Budget Office prepares the Proposed Budget document
May 26, 2017	Budget presented and reviewed by the Finance-Auditing Committee
May 26 – June 23, 2017	Budget Discussion and possible Board Approval
June 23, 2017	FY 17/18 Proposed Budget adopted by the Board of Directors
August 25, 2017	Final Adopted Budget is published

FY 17/18 ADOPTED BUDGET POLICIES

Balanced Budget: The District is committed to a long-term balanced budget defined as all current operating and capital expenditures to be funded by current revenue and Federal, State and Local grants. When necessary, additional funding is drawn from District reserves. A balanced budget is a budget in which the expenditures incurred during a fiscal year are matched by revenues.

Long-Range Financial Planning: The District has a long-range plan that is updated on an annual basis. The current financial planning process begins with an updated District projection followed by an annual review process. This process includes developing solutions to eliminate the financial deficit if applicable.

Typically on an annual basis, the Board of Directors attend a Strategic Plan Special Session or Workshop in which staff presents the current long-term plan and develops strategies for implementing deficit reduction plans and projects. Every year, immediately following adoption of the current budget, Finance staff develop a long range 5- and 10-year projection, which is used in the Board Special Session or Workshop review and discussion. Please refer to District Financial Situation on page 20 of the budget document for a more in-depth discussion of the District's financial situation.

Sources of Revenue: Sources of revenues for the District are Bridge tolls, fares from bus and ferry patrons, grants from Federal, State, and local agencies, contract services and investment income. Tolls fund not only the majority of the Bridge operations, but they also subsidize the District's transportation operations in the Bus and Ferry Divisions. Please refer to Transit System Funding on page 19 of the budget document for a more detailed overview of the toll subsidy for the Bus and Ferry Divisions.

The District is unique among transit operations as it provides Bus and Ferry transit services without support of direct property tax, sales tax measures or dedicated general funds. As a result, the District uses the toll revenue to subsidize the District's regional and transbay transit services in conjunction with State and local funds received from Marin and Sonoma counties. The District closely monitors toll, transit fare, and State and local funding revenues to guard against revenue shortfalls which could result in disruptions in service.

Capital Improvement Plan: Each year the District develops an annual and multi-year capital improvement plan. This capital improvement plan is part of the budget development process. Multi-year capital plans are included in Appendix E of the budget document. At least 46% of the District's Adopted FY 17/18 capital projects are funded by capital grants; the remaining 54% of projects are funded through District capital reserves.

Budgetary Expenditure Control: The District closely monitors expenses to ensure fiscal stability and accountability. Each Division must operate within each budgeted line item. If a Division is over its budget in an expense, budget transfers are required to ensure funding is available for the overage. These are handled through an approval from the General Manager for transfers less than \$50,000 and Board approval for transfers more than \$50,000.

Special Reserve Accounts:

Operating Reserve – Board policy funds the operating reserve at 7.5% of the operating budget or to cover the expected operating deficit, whichever is larger.

Emergency Reserve – Board policy funds the emergency reserve at 3.5% of the operating budget to enable the amount kept in reserve for emergencies to remain relative to the size of the District's operations.

Debt Issuance and Management – See *Commercial Paper Notes Program* under the *District Financial Situation* for definition and discussion of the District’s Commercial Paper Program.

Board Designated Reserves – Board policy funds the Bridge Self-Insurance Loss Reserve and the Capital Plan Reserve. See *Board Restricted Reserves* under *District Financial Situation* for definition and discussion of these specific Board Designated Funds.



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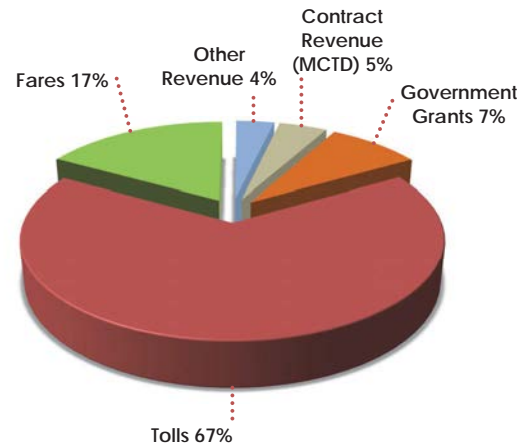


OPERATING BUDGET SUMMARY

The FY 17/18 Adopted Operating Budget of \$219.5 million has a surplus of approximately \$1.1 million. The following tables and graphs provide information on the sources of funding and areas of expenditures in the FY 17/18 Adopted Operating Budget.

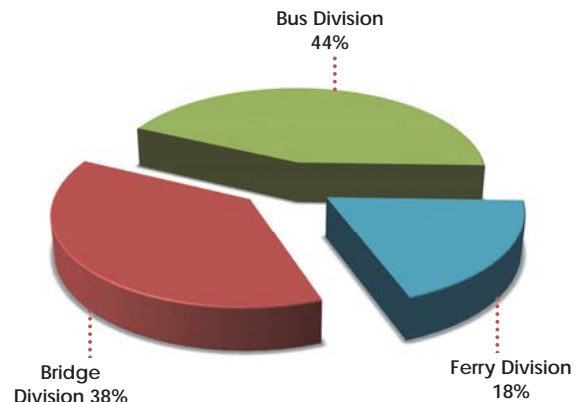
Where Will the Money Come From to Operate GGBH&TD In FY 17/18?

	FY 17/18	% of Total
Tolls	\$146.6	67%
Fares	37.5	17%
Other Revenue	7.7	4%
Contract Revenue (MCTD)	9.8	5%
Government Grants	19.0	7%
Total	\$220.6	100%



Where Will the Money Go to Operate GGBH&TD In FY 17/18?

	FY 17/18	% of Total
Bridge Division	\$82.6	38%
Bus Division	95.4	44%
Ferry Division	41.5	18%
Total	\$219.5	100%



Revenues Over Expenses \$1.1

OPERATING REVENUES

Operating revenues are expected to increase approximately \$5.6 million to \$220.6 million from FY 16/17 Actual of \$215.0 million. This increase is primarily the result of higher toll revenues, transit fares and Investment Income, offset by a decrease in Marin Local Service Contract revenue, STA/TDA funding and Other Operating Income.

Principal Categories of Revenue

Bridge Tolls: Bridge toll revenues are projected to be \$146.6 million, which is \$3.6 million more than FY 16/17 Actual. The Bridge toll will increase by twenty-five cents accounting for the increase in revenue. Bridge vehicle traffic is projected to increase 0.2%.

Transit Fares: In March 2017, the Board approved a five-year fare program for Bus transit and Ferry fare increase. For FY 17/18, Bus transit fare revenue is estimated to decrease \$185,000. Bus ridership is projected to decrease 3.0%. Ferry Transit fare revenue is projected to increase \$2.3 million due to the fare increase and a projected \$1.2 million in fare revenue from the new Tiburon service. Ferry ridership is forecasted to increase 6.8% primarily due to an estimated 166,000 new riders for Tiburon ferry service.

Other Operating Income: Other Operating Income includes the continuation of approximately \$2.8 million in Regional Measure 2 (RM2) funds from the Metropolitan Transportation Commission (MTC) to assist in subsidizing Bus Routes 40, 40X, 72X and 101. The Adopted Budget assumes a decrease in other operating revenues due to one-time marine insurance recoveries in FY 16/17.

State Operating Assistance: A net decrease of \$0.2 million is expected in Operating Assistance in FY 17/18. State Operating Assistance is composed of two funding sources: 1.) State Transit Assistance (STA) program projected to be \$5.4 million; and 2.) Transportation Development Act (TDA) funds of \$13.2 million. See page 38 for a detailed overview of STA/TDA funding.

Federal Operating Income: FY 17/18 includes \$388,000 in Federal funding from an FTA grant for a marketing “Building Ridership” promotion.

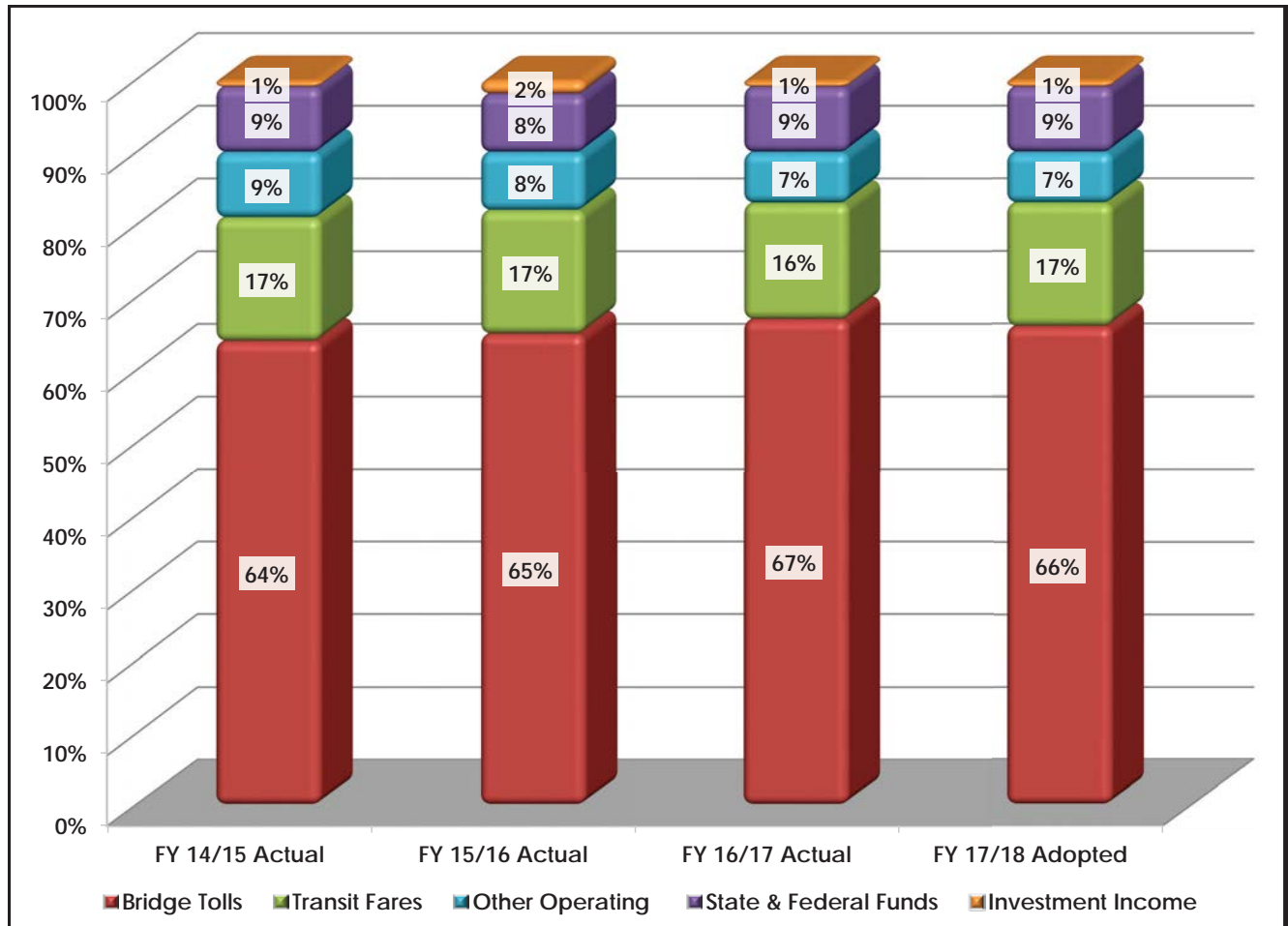
Contract Revenue (MCTD): Effective July 1, 2015, the District implemented a new five-year intergovernmental agreement with the Marin County Transit District to provide local intra-county bus service within Marin County through June 30, 2020. The District has projected the receipt of a Marin County Local Service payment of \$9.8 million for FY 17/18.

Investment Income: Actual Investment Income consists of both interest income and market valuation gains and losses relating to the District’s overall investment portfolio. The total investment return on the investment portfolio was 1.02% for FY 14/15, 1.85% for FY 15/16 and 0.83% for FY 16/17 Actual. The FY 17/18 Adopted Budget investment income reflects a 1.16% average investment rate of return resulting in a \$0.5 million increase from FY 16/17 Actual largely due to expected higher interest rates in FY 17/18 as well as \$1.5 million in market valuation losses realized in FY 16/17. It is District policy not to budget for market valuation gains and losses.

Operating Revenues

Revenues	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Toll Revenues	\$137,418,500	\$138,000,000	\$143,028,555	\$146,600,000
Transit Fares	35,880,067	38,866,800	35,417,752	37,525,000
Other Operating Income	6,227,352	5,497,700	5,427,767	5,248,800
State Operating Assistance	16,309,921	18,175,800	18,737,122	18,570,100
Federal Operating Income	209,682	200,000	231,647	387,800
Contract Revenue (MCTD)	11,172,378	9,993,300	10,209,962	9,800,200
Investment Income	3,787,386	1,600,000	1,969,370	2,500,000
Total Revenues	\$211,005,286	\$212,333,600	\$215,022,175	\$220,631,900
Percent Change		0.6%	1.3%	2.6%

Chart of Operating Revenues



Investment Income

	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Actual	FY 17/18 Adopted Budget
Interest Earned	\$2,273,230	\$2,504,590	\$3,450,043	\$2,500,000
Market Gains and Losses	134,608	1,317,574	(1,480,673)	0
Average Investment Return	1.02%	1.85%	0.83%	1.16%

State Operating Income

State Operating Income Funding Source	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Transit Development Act				
Marin County's Apportionment	\$7,791,738	\$7,946,100	\$7,594,363	\$7,507,100
Sonoma County's Apportionment	5,219,169	5,380,700	5,354,409	5,652,900
State Transit Assistance (STA)				
MTC for Administering Clipper SM Grant	\$10,000	\$10,000	\$10,000	\$10,000
Revenue-Based Funds	2,453,746	4,041,600	5,321,929	4,776,000
Population-Based Funds North Cities	690,397	678,500	377,829	528,800
Regional Paratransit				
Marin County	73,859	80,300	42,344	60,400
Sonoma County	45,955	38,600	31,424	34,900
S/T State Assistance Transit Operations	\$16,284,864	\$18,175,800	\$18,732,298	\$18,570,100
State Assistance Feeder Bus Service Demo (Bus Operations) and Other	\$25,057	\$0	\$0	\$0
STA Lifeline	\$0	\$0	\$4,824	\$0
Total State Operating Revenue	\$16,309,921	\$18,175,800	\$18,737,122	\$18,570,100
Percent Change		11%	3%	(0.9%)

OPERATING EXPENSES

The FY 17/18 Adopted Operating Expense Budget is \$219.5 million (including a \$21 million contribution to reserves for future capital projects). This is an increase of 6.3% over FY 16/17 Actual Expenses and 4.2% over the FY 16/17 Budget.

Operating Expenses

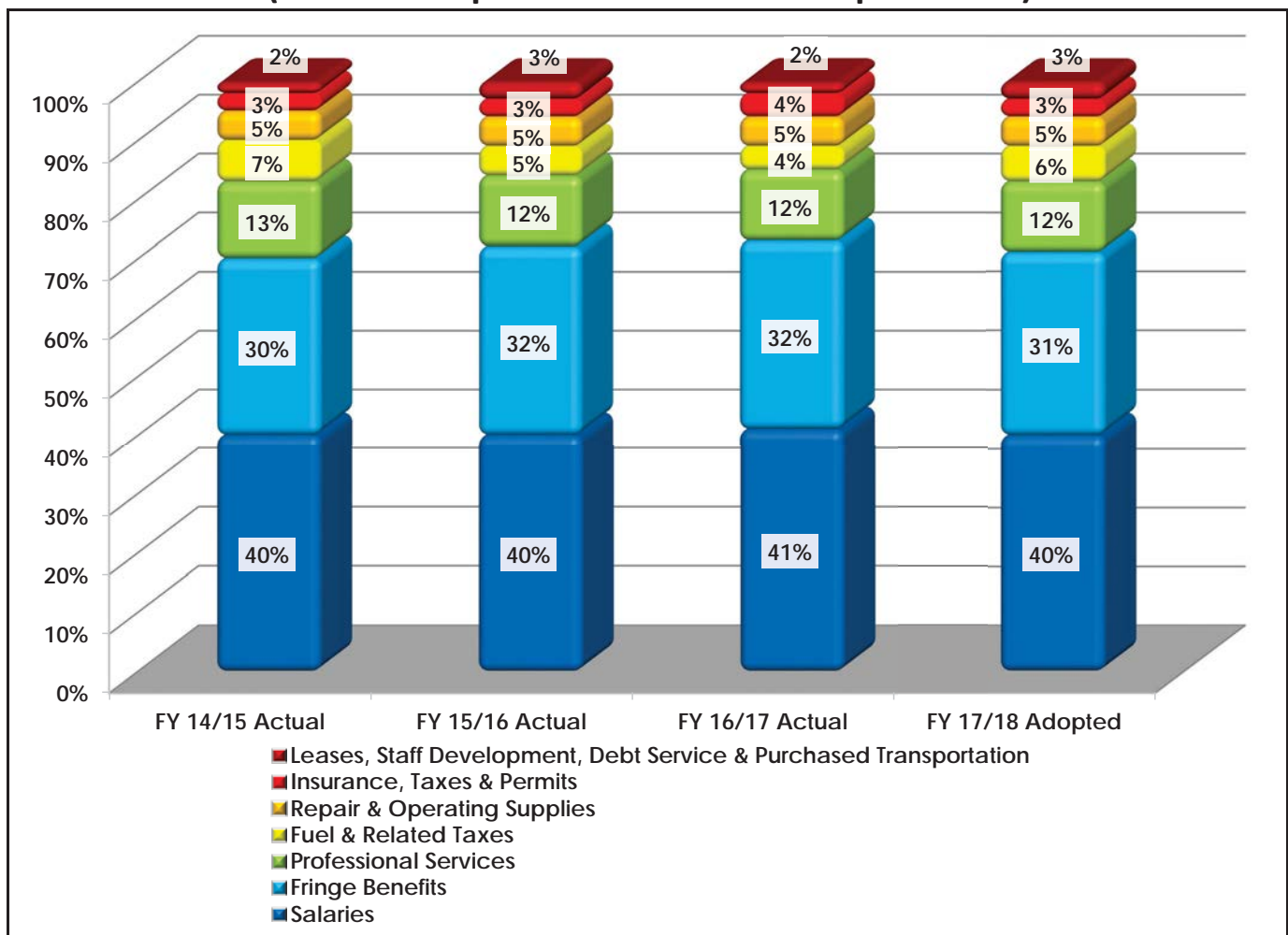
Expenses	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Salaries	\$67,270,434	\$72,577,200	\$72,273,632	\$76,288,500
Fringe Benefits	54,540,271	\$57,403,200	56,525,881	59,166,400
Professional Services	21,087,983	21,667,400	20,634,586	23,484,700
Fuel & Related Taxes	7,649,884	8,571,700	8,009,038	11,523,300
Repair & Operating Supplies	9,247,232	9,307,000	8,717,582	8,902,100
Insurance, Taxes & Permits	4,912,668	6,882,200	6,815,580	5,910,500
Purchased Transportation	2,341,874	1,916,500	1,385,915	1,982,500
Other	1,012,236	940,900	798,607	1,143,600
Leases & Rental	950,201	888,500	690,123	598,500
Debt Svc - Interest Expense	81,000	470,000	426,000	1,510,000
Subtotal Expenses	\$169,093,783	\$180,624,600	\$176,276,944	\$190,510,100
Percent Change		6.8%	-2.4%	8.1%
Capital Contribution	19,000,000	21,000,000	21,000,000	21,000,000
Depreciation	8,593,330	9,099,200	9,180,962	7,996,600
Total Expenses	\$196,687,113	\$210,723,800	\$206,457,906	\$219,506,700
Percent Change		7.1%	-2.0%	6.3%

Expense Budget Assumptions:

- Assumes a 3% salary increase for Coalition-represented and non-represented employees, and a 2% salary increase for ATU represented employees effective January 2018, unless otherwise specified in their ratified Memorandum of Understanding.
- Includes Pension contributions for PERS, ATU, MEBA and IBU.
- Medical insurance costs increase due to re-funding of vacancies and increase in annual costs.

- Workers' Compensation expense is budgeted based upon historical experience.
- A percentage of Engineering Capital Labor expenses are transferred to the capital projects reducing the operating budget.
- \$2.45/gallon for fuel costs has been projected for all Divisions.
- All fiscal years show the transfer of District Division expense by its respective line item.
- As required by the commercial paper indenture, FY 17/18 Adopted Budget interest expense reflects the average interest rate for the preceding 12 months ending March 30th plus 2%.
- Capital Contribution of \$21 million is included in the FY 17/18 Adopted Budget to fund the 10-year Capital Plan.
- The District's contribution to Other Postemployment Benefits (OPEB) is included in the line item of Fringe Benefits.
- Includes a full year of the operating expenses for the new Tiburon ferry service.

**Chart of Operating Expenses
(Excludes Capital Contribution & Depreciation)**



Summary of Changes to Expenses

On a net basis, the FY 17/18 Adopted Operating Budget shows an increase of 6.3% over FY 16/17 Actual Expenses. The 6.3% increase can be broken down into the following categories: a 3% wage increase for Coalition represented and non-represented employees and a 2% wage increase in January 2018, for ATU represented employees, or as ratified in their respective Memorandum of Understanding, fully funding vacant positions and re-funding commercial paper debt service due to the indenture service requirement. The Adopted Budget includes the estimated cost for the Ferry Seasonal extra service for Sausalito and the new Tiburon Ferry Service.

The following is a summary of changes to the FY 17/18 Adopted Budget from FY 16/17 Actual Expenses.

Summary of Changes to Expenses

Expense (In Millions)	% Change (from Actuals)	Description
\$206.4		FY 16/17 Actual Expenses
\$4.0	1.9%	Salary Increase; Re-funding Vacant Positions
\$2.6	1.2%	Fringe Benefit Increase; Re-funding Vacant Positions
\$2.9	1.4%	Professional, Maintenance & Security Services
\$3.5	1.7%	Fuel & Related Taxes
\$0.2	0.1%	Repair & Operating Supplies
(\$0.9)	(0.4%)	Insurance, Taxes & Permits
\$0.6	0.3%	Purchased Transportation
\$0.3	0.2%	Other
(\$0.1)	(0.0%)	Leases & Rental
\$1.1	0.5%	Debt Service - Interest Expense
(\$1.2)	(0.6%)	Capital Contributions/Depreciation
\$219.5	6.3%	Total FY 17/18 Adopted Operating Budget

A detailed discussion of expense changes can be found under each Division's summary pages.

Significant Categories of Expense

The following is a more detailed discussion of how the following key categories of expenses are presented in the Adopted FY 17/18 Budget:

1. Average Cost of Toll Transactions
2. Other Postemployment Benefits (OPEB)
3. Workers' Compensation
4. Indirect Cost Allocation (ICAP)
5. Capital Contribution
6. Pension Contribution

1. Average Cost of Toll Transactions

In 2013, the District implemented all electronic tolling to collect tolls at the Bridge. The average cost per toll transaction includes the costs for the technology and collection of tolls divided by the number of annual toll transactions. The percentage of toll revenue used for collecting tolls represents how much of the toll revenue is needed to collect tolls.

	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Est. Actual
Average Cost/Toll Transaction	\$0.54	\$0.51	\$0.50	\$0.51
Percentage of Toll Revenue Used for Collecting Tolls	9.54%	7.99%	7.55%	7.39%

2. Other Postemployment Benefits (OPEB)

In July 2004, the Government Accounting Standards Board (GASB) issued Statement 45 (GASB 45), Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This statement requires public entities to account for retiree health benefits on an “actuarial accrual basis” during an employee’s career instead of using the past practice of “pay-as-you-go” during retirement.

The District accrues the cost of retiree health benefits based on the Annual Required Contribution (ARC) for OPEB. The ARC consists of two parts: 1) an amount that covers the current normal cost of benefits as they are earned during active employment; and, 2) an amount that amortizes the unfunded OPEB liability for prior service.

The FY 17/18 Adopted Budget OPEB expense is based on the actuarial valuation as of July 1, 2015. The ARC for FY 16/17 was \$11.6 million with a FY 16/17 Operating Budget Actual of \$11.5 million. The Adopted FY 17/18 Budget fully funds the ARC payment of \$12.0 million.

OPEB Expense by Operating Division

Division	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Bridge	\$2,926,684	\$2,706,200	\$2,652,740	\$2,809,100
Bus	7,526,920	7,468,300	7,411,794	7,679,800
Ferry	1,499,857	1,475,000	1,438,014	1,546,400
Total	\$11,953,461	\$11,649,500	\$11,502,548	\$12,035,300

Note: All years reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB.

3. Workers’ Compensation

The Workers’ Compensation estimates are based on historical incident trends and current management practices that have reduced the District’s liability. The following table shows the expected claim costs for FY 16/17 and the projected adjustments to past claims. The increase in Workers’ Compensation for FY 17/18 is due to unforeseen higher Workers’ Compensation claims in the FY 16/17 Actual. The net totals are reflected in the FY 16/17 Actual.

Workers' Compensation Expenses

	FY 16/17 Adopted Budget	FY 16/17 Estimated Claims	FY 16/17 Estimated (Credits)/ Adjustments	FY 16/17 Actual Net Total	FY 17/18 Adopted Budget
Total District	\$3,723,700	\$7,090,700	(\$949,200)	\$6,141,500	\$6,000,000

4. Indirect Cost Allocation Plan (ICAP)

The indirect cost allocation plan (ICAP) was developed and implemented in FY 07/08 in order to identify and capitalize administrative costs associated with and in support of various capital projects. Capitalization of labor, benefits and indirect costs are transferred from operating to capital. As a result, the salary and benefit categories are displayed in each Division as a net expense of capitalization of labor and indirect costs. The following chart outlines District Division's gross salaries and benefits, the capitalized labor and indirect costs, and the resulting net salaries and benefits expense.

Indirect Cost Allocation Plan Expenses

	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
District Division's Gross Salaries & Benefits	\$22,323,706	\$27,188,000	\$24,495,637	\$27,429,700
Capitalized Salaries & Benefits	(2,114,560)	(3,532,700)	(2,033,242)	(3,928,000)
Capitalized Indirect Costs	(1,225,411)	(1,895,000)	(1,124,680)	(2,379,400)
Net Operating Salaries, Benefits & Indirect Costs	\$18,983,735	\$21,760,300	\$21,337,715	\$21,122,300

5. Capital Contribution

The Adopted Budget includes the Capital Contribution, which is a transfer of \$21 million to future capital reserves. This transfer, instituted by the Board in 2003, provides funding (including local match) for future capital projects. The annual contribution is based on the District-funded portion of the 10-year Capital Plan requirements. For FY 17/18, the Capital Contribution of \$21 million is distributed to each Division according to its percentage share of District-funded capital projects from the 10-Year Capital Plan. The FY/17/18 capital contribution will remain at \$21 million, instead of dropping to \$19 million as shown in the September 2017 "5- and 10-Year Projection Report," because of subsequent information about larger than projected long-term costs of the suicide deterrent project and the seismic retrofit project. The following is a distribution by Operating Division. (The District Division's portion is allocated using the District Allocation percentages.)

Capital Contribution Expenses

Division	FY 16/17 Budget		FY 17/18 Adopted Budget	
Bridge	\$15,000,000	71%	\$15,000,000	71%
Bus	2,000,000	10%	2,000,000	10%
Ferry	4,000,000	19%	4,000,000	19%
Total	\$21,000,000	100%	\$21,000,000	100%

6. Pension Contribution

All eligible District employees participate in a pension retirement system dependent on their union affiliation. Miscellaneous (represented and non-represented) employees participate in CalPERS; it offers a defined benefit plan which provides benefits that are calculated using a defined formula. Depending on their CalPERS tier, the employee contribution rate can range from 6.5% - 8% of their salary towards their pension. The projected FY 17/18 CalPERS District employer contribution rate is 29.16%, amounting to \$12.5 million. The Amalgamated Transit Union (ATU) bus operators currently have a 5% employee contribution rate, increasing to 8% in January 2018, for their defined pension benefit plan. The ATU employer contribution rate for FY 17/18 is 20.165% from July 2017 through December 2017 and then increases to 22.165% from January 2018 through June 2018, amounting to \$4.2 million. The District pension contribution rate for FY 17/18 is 17.88%, amounting to \$741,000 for Inland Boatmen's Union (IBU). For Marine Engineer's Beneficial Association (MEBA) the District contributes 14.34%, amounting to approximately \$322,000 for FY 17/18.

District Pension Contribution Expenses (In Thousands)

Pension Plan	Contribution to Pension			Employer Contribution Rate	Employee Contribution Rate	Funding Level	
	Actual FY 15/16	Actual FY 16/17	Adopted FY 17/18	Adopted FY 17/18	Adopted FY 17/18	Percentage	Valuation Date
CalPERS	\$9.7	\$11.5	\$12.5	29.16%	2.5% @ 55 - 8% 2.0% @ 60 - 7% 2.0% @ 62 - 6.5%	75.6%	6/30/14
ATU	4.2	4.3	4.2	20.165%/22.165%	5% - 8%	70.1%	1/1/15
IBU	0.6	0.7	0.7	17.88%	2%	60.2%	1/1/17
MEBA	0.3	0.3	0.3	14.34%	1%	100.6%	1/1/16
Total	\$14.8	\$16.8	\$17.7				

FY 17/18 Adopted Budget Position Changes

Division Summary of Changes to the Table of Organization

Positions by Division	FY 15/16 Year-End	FY 16/17 Adopted Budget	FY 16/17 Year-End	FY 17/18 Adopted Budget
Bridge	172	174	179	179
Bus	401	401	401	401
Ferry	93	93	97	97
District	136	142	143	143
Total	802	810	820	820

The Division-level details of the Table of Organization can be found in each Division's sections. By the end of FY 17/18, there will be no net increase of positions in the organization: Two (2) additions, two (2) eliminations and one (1) reclassification. The Table of Organization changes for the FY 17/18 budget process are discussed in detail below.

Bridge Division

New Positions:

Chief House Painter (1 position) – Add a Chief House Painter position due to change in work scope.

Position Eliminations:

Lead House Painter (1 position) – Eliminate one filled full-time position and replace it with a Chief House Painter position. While this position is currently filled, it will not result in a reduction-in-force as the Chief House Painter position is added and will be filled from within the organization.

District Division

New Positions:

Information Systems Administrator (1 position) – Add one full-time position to support the ACIS program with the daily operation of this program including tasks such as data pushes to the buses, assisting end-users with basic application support issues and management of support contracts related to the ACIS system. They would also be responsible for the field testing and system administration tasks/monitoring.

Position Eliminations:

Data Architect (1 position) – Eliminate one vacant full-time position as this position was added to the budget last year to accommodate the succession planning of the current Data Architect with the understanding this position would be eliminated in the next fiscal year.

Position Reclassifications:

Information Systems Security Engineer to Information Systems Network Administrator (1 position) – Re-classify one Information Systems Security Engineer to Information Systems Network Administrator. Down-grade this vacant position to allow its scope to be limited to focus on maintaining the VOIP telephone system, cellular devices and networking devices. The systems security scope will be looked to be filled via a third party solution. This will allow the District to recruit more effectively for this position as its focus is more narrow.

CAPITAL PROGRAM SUMMARY

The FY 17/18 Capital Program (Program) is developed jointly by the General Manager, Auditor-Controller, District Engineer, Operating Divisions and the Capital and Grant Programs Office. The Program allocates financial resources to maintain and improve the District's level of service and infrastructure by acquiring, constructing, rehabilitating and replacing revenue and non-revenue vehicles, facilities and major equipment. Expenditures on capital equipment costing \$5,000 or more and capital improvement projects with total budgets of \$5,000 and over are included in the Program. Capital improvement projects generally occur in phases over multiple years. The Program focuses on advancing and completing projects to maintain or improve existing operations within the financial constraints of the District.

The total for the Program is \$453.7 million and is funded with grants (\$299.0 million, or 66%, see FY 17/18 Capital Expenditures by Fund Source table on the following page). Including single and multi-year projects, the Program plans \$30.3 million in expenditures in the FY 17/18 Capital Budget, which is funded with \$16.4 million, or 54%, District funds and \$13.9 million, or 46%, Federal, State and local grant funds. The FY 17/18 Budget provides financial resources in the following distribution:

- 5% of expenditures fund Bridge Seismic Retrofit activities;
- 69% fund Bridge projects;
- 4% fund Bus projects;
- 15% fund Ferry projects; and,
- 7% fund the District's various other projects.

This Program will implement 15 new projects and 41 continuing projects to maintain existing services and facilities and to further implement high-priority safety and security projects, including modifications to existing facilities and vessels (Please refer to the Division sections for more details on the new and continuing projects for FY 17/18). Seventeen (17) capital projects will be completed in FY 16/17, demonstrating another successful and productive year in project delivery (Please see Appendix C for a list of all of the projects in the FY 16/17 Capital Budget).

The Final FY 17/18 Capital Budget will include accounting adjustments to reflect final total expenditures for FY 16/17. The Final Program also includes projects that are carried over to FY 17/18 that were anticipated for completion in FY 16/17. A discussion of each Division's FY 17/18 Adopted Capital Budget is contained in the individual Division chapters of this budget document.

FY 17/18 Capital Expenditures by Division*

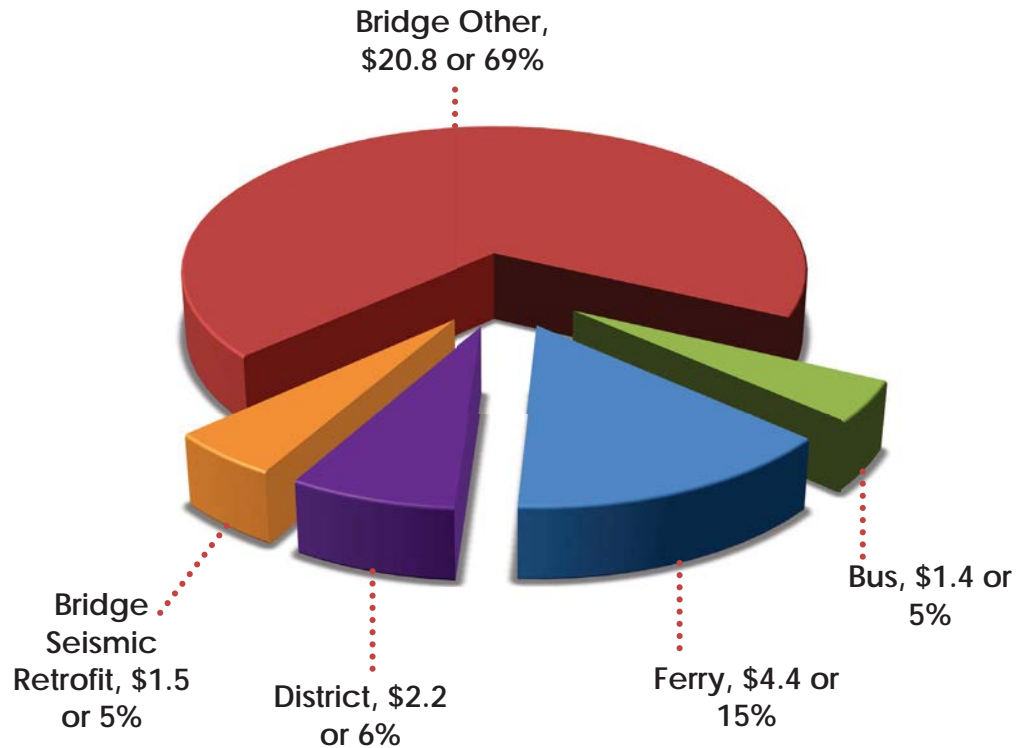
	Total Project	Prior Years	FY 17/18 Budget	Future Years
Bridge - Seismic Retrofit	\$52,244,200	\$27,054,500	\$1,500,000	\$23,689,700
Bridge - Other	238,684,400	15,791,000	20,812,300	202,081,100
Bus	77,194,100	788,200	1,319,600	75,086,300
Ferry	68,627,500	9,250,600	4,417,000	54,959,900
District	16,903,900	1,686,600	2,201,500	13,015,800
Total Expenditures	\$453,654,100	\$54,570,900	\$30,250,400	\$368,832,800

FY 17/18 Capital Expenditures by Fund Source*

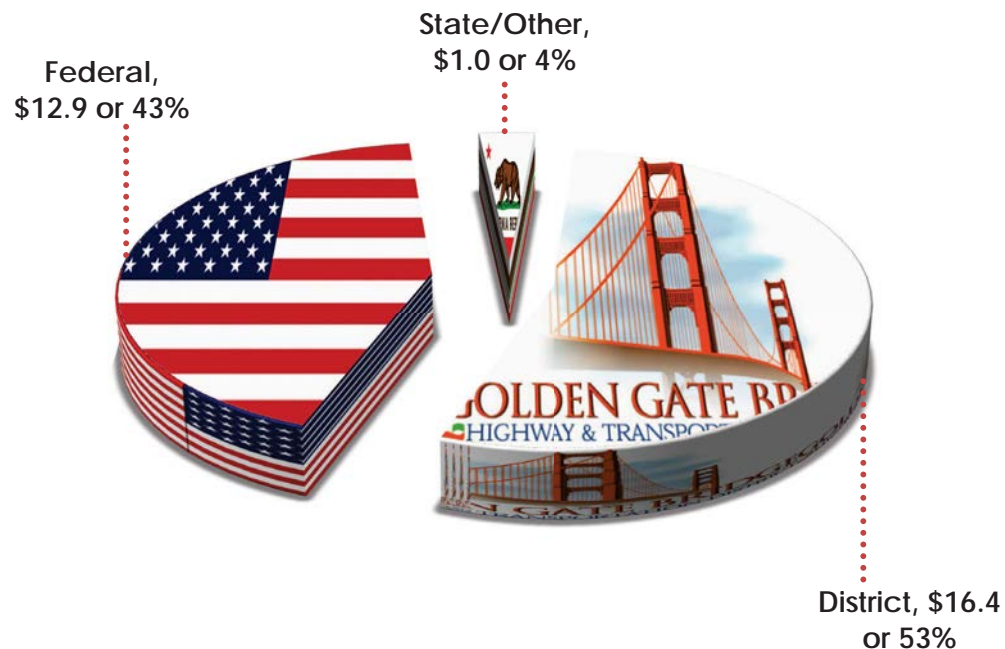
	Total Project	Prior Years	FY 17/18 Budget	Future Years
District	\$154,667,200	\$18,451,500	\$16,362,100	\$119,853,600
Federal	283,230,400	34,788,800	12,910,400	235,531,200
State	15,211,600	1,323,300	889,500	12,998,800
Other Local	544,900	7,300	88,400	449,200
Total Expenditures	\$453,654,100	\$54,570,900	\$30,250,400	\$368,832,800

*All dollar amounts are rounded to the nearest hundred.

FY 17/18 Capital Budget by Division
Total FY 17/18 Capital Budget = \$30.3 Million
(Rounded to Millions)



FY 17/18 Capital Budget by Fund Source
Total FY 17/18 Capital Budget = \$30.3 Million
(Rounded to Millions)



Capital Projects Increasing Through the FY 17/18 Budget Process

Typically, requests for increases to capital project budgets coincide with another significant action to the project, such as a scope change or contract award to the prime contractor. In the case of the projects listed below, analysis during the design phases resulted in construction estimates that exceed the initial estimates for the project. Since the revised estimates are known but the projects are not seeking additional Board action at this time, staff recommends increasing the total capital project budgets through the annual budget process in anticipation of the increased cost. This does not preclude the projects from seeking additional budget throughout the fiscal year (via Board authorization) if deemed necessary to complete the project.

The following two continuing projects will increase in size and scope through the FY 17/18 budget process:

Main Cable Access (Project 9826, Bridge Division): from \$4,180,000 to \$13,180,000

This project includes the design, construction and installation of the access systems and specialized equipment. Since the design was not complete when the original budget was established, the full scope of construction could not be determined. The design is nearly complete and the scope of construction will require the replacement of the existing hand ropes and the construction and installation of eight specialized main cable access travelers. Staff estimates that an additional \$9 million will be required.

D1 Resurface Employee Parking Lot & Solar Panels (Project 1431, Bus Division): from \$2,130,000 to \$5,130,000

This project's original scope included resurfacing the San Rafael employee parking lot, to reduce trip and fall hazards and improve drainage. Staff later found that there was room to install solar panels which could generate between 700 and 800 kilowatts: nearly equal to the energy used at the San Rafael Bus facility. The project will include drilling foundations, running conduits and upgrading the electrical service at the facility. Staff estimate that an additional \$3 million will be needed to design and install solar panels over the parking lot.

Capital Project Impact on Operating Budget

Many of the capital projects planned for FY 17/18 will have significant impacts on operations as well as a financial impact on operating revenue and expense. Significant projects impacting operations are detailed below:

- **Golden Gate Bridge Suicide Deterrent System (Project 1526, \$192,335,000).** The construction phase on the Suicide Deterrent System began in January 2017, and is expected to be completed in 2021.
- **Gangways and Piers (Projects 0503 and 1441, \$11,862,700 and \$11,500,000, respectively).** The project will replace and rehabilitate the existing hydraulic ramp and gangway systems at Sausalito, San Francisco and Larkspur Ferry Terminals.

Projects are monitored after completion to determine annual operations cost and/or revenue impacts. In the instances where operations are affected, future operating budgets will include these cost/revenue impacts. For project details, please refer to the Division budgets located in the Division chapters of this document.

The impact of capital projects on the operating budget is analyzed during the capital budget review and prioritization process. Baseline projects typically involve the replacement of vehicles and equipment which usually results in savings in materials and labor costs through lower maintenance costs.

The operating budget impact of each project included in the capital budget was estimated and categorized as one of the following three types:

1. **No Significant Impact:** Less than \$10,000 impact on the operating budget.
2. **Increase:** The project will increase operating costs in the amount of:
 - \$10,000 - \$50,000
 - \$50,000 - \$100,000
 - \$100,000 - and up
3. **Reduction:** The project will reduce operating costs or generate revenues to offset expenses in the amount of:
 - \$10,000 - \$50,000
 - \$50,000 - \$100,000
 - \$100,000 - and up

The operating impact is provided in the capital project descriptions in each Division's section.

Fiscal Year 17/18 Capital Budget Project List

As done annually, the operating divisions were asked to prioritize their capital projects. The projects included in the FY 17/18 budget consist mostly of ongoing prior year projects to allow project managers to focus and continue work until project completion. There were a number of new projects introduced into the FY 17/18 budget, which were selected after a thorough discussion amongst the operating divisions, the Auditor-Controller, the District Engineer and the General Manager (Please refer to the Division sections for more details on the new projects for FY 17/18). Both operating division and engineering staff resources were considered to determine a reasonable and realistic work plan for FY 17/18.

Some of the projects that were not prioritized for the FY 17/18 Capital Budget were included in the FY 18/19 Capital Project List, which consists of projects that are poised and ready to be included in the FY 17/18 budget pending the availability of staff resources to deliver the project. Creating a list of FY 18/19 capital projects limits the number of projects in the FY 17/18 budget, which serves to reflect a more reasonable and accurate estimate of FY 17/18 expenditures for the District. There are four (4) projects on the FY 18/19 Capital Budget project list, which are shown on the following page. All projects are included in the 10-Year Capital Improvement Program (see Appendix E).

Through the budget process, each fiscal year the General Manager requests the Board of Directors' authorization to move individual projects from the future year's project list to the current year's budget, pending the availability of staff resources. For this budget year, this allows the General Manager the flexibility to move projects from the FY 18/19 list forward as FY 17/18 projects are completed.

FY 18/19 Capital Budget Project List

Project Name	Total Project Cost
BRIDGE	
Alexander Avenue Slope Strengthening Design/Env (ENG)	\$500,000
Subtotal Bridge	\$500,000
BUS	
San Francisco Curb Cut Bus Stop Improvements (ENG)	\$50,000
Subtotal Bus	\$50,000
FERRY	
Upgrade Automatic Identification System (AIS) – All Vessels (Ferry)	\$64,500
Subtotal Ferry	\$64,500
DISTRICT	
GFI®/Fare Collection System Upgrade (IS)	\$245,000
Subtotal District	\$245,000
Total FY 18/19 Capital Budget Project List	\$859,500

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BRIDGE DIVISION PROFILE

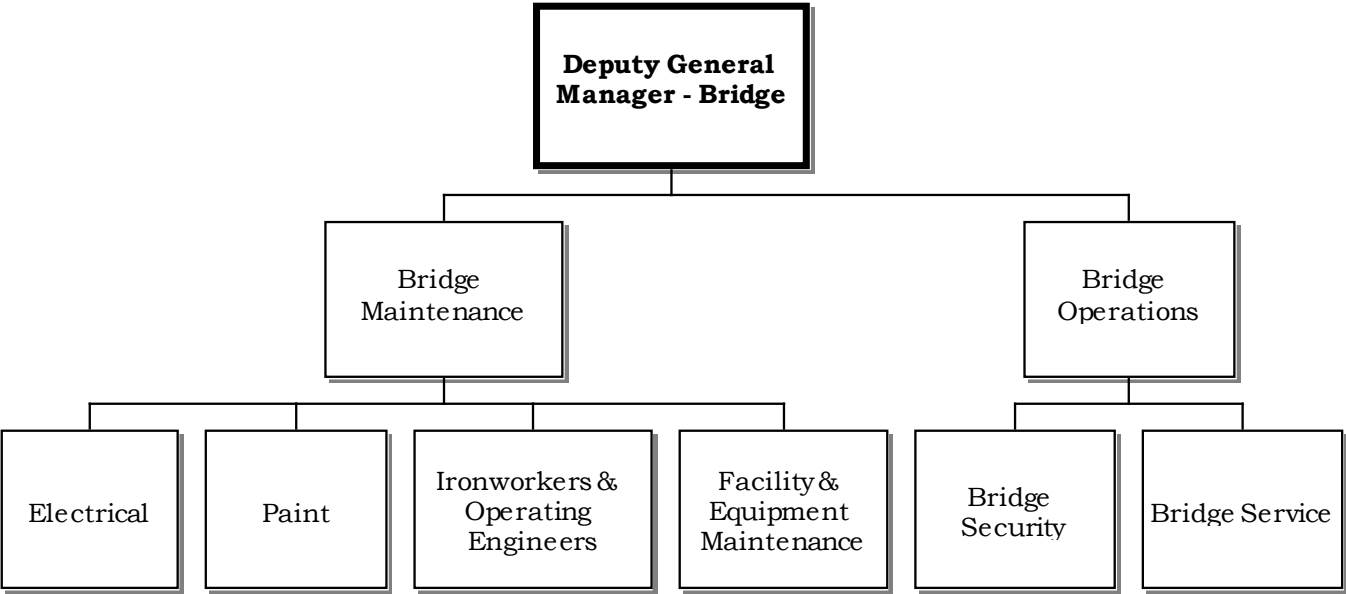
One of the Seven Wonders of the Modern World, the Golden Gate Bridge is one of the most iconic architectural and engineering monuments in the world. For 80 years the Bridge has represented the uniqueness of San Francisco, the beauty of the Bay Area and the promise of California. A welcoming gateway to America, the Bridge opened to vehicular and pedestrian traffic on May 27, 1937, providing a key transportation link between San Francisco and the North Bay. Today the Bridge is an essential thoroughfare for commuters and tourists with over 41 million vehicles crossing each year and millions of visitors enjoying its wonders. With a main span of 4,200 feet, towers 746 feet tall and an overall length of 1.7 miles including approaches, the Golden Gate Bridge is an internationally-recognized engineering marvel.

Responsibility for the safe and efficient operation and maintenance of the Golden Gate Bridge rests with the Bridge Division. In FY 16/17, the Bridge Division workforce was comprised of 179 skilled craft, security, service, administrative and management employees. The Deputy General Manager of the Bridge Division is responsible for the Bridge, which is comprised of two major organizational units: Bridge Maintenance and Bridge Operations.

Bridge Maintenance is responsible for the preservation, repair and upkeep of the Bridge along with the associated visitor areas, shops, offices, specialized equipment and communications and security equipment. Bridge Maintenance is comprised of four Departments: Electrical, Paint, Ironworkers/Operating Engineers and Facilities and Equipment.

Bridge Operations is responsible for public safety, security, emergency response and managing the flow of traffic across the Bridge and its approaches. Bridge Operations consist of Bridge Patrol Officers, Sergeants and Lieutenants, Laneworkers and Roadway Services Technicians, all of whom are managed day-to-day by the Bridge Captain.

BRIDGE DIVISION ORGANIZATIONAL CHART



BRIDGE DIVISION STATUS

Continual Progress and Bridge Maintenance

Fiscal Year 16/17 was another busy and successful year for the Bridge Division. The Bridge Division maintenance forces continue to implement their long-term maintenance program, making significant progress on a number of critical maintenance items identified in the biannual Bridge inspections. The Bridge Division continues to innovate, using state-of-the-art maintenance practices that have dramatically improved the quality and efficiency of the maintenance program.

FY 16/17 saw completion of the North Approach Viaduct Restoration Project. Abrasive blasting, steel repair, recoating and inspection all took place in a completely enclosed, environmentally-controlled and properly ventilated work area. The result is that structural maintenance and restoration was completed in all weather conditions and in full compliance with safety and environmental regulations.

During FY 14/15, the Bridge Division commenced painting operations on the Bridge's South Approach Viaduct. This major project began with overcoating of the approach support towers. Relocation of the access and abrasive blasting and containment equipment from the North Viaduct to the South Approach started in FY 16/17. Moving into FY 17/18, the south viaduct superstructure will be staged to provide access for Bridge forces and the existing coating system will be completely removed and replaced. This multi-year project will utilize modern materials and methods successfully developed for the North Viaduct.

In addition, maintenance work has continued on critical floor-beams and other structural components of the suspension bridge identified through inspections as needing immediate attention. A highlight of this effort during FY 16/17 was the continued use of ultra-high pressure (UHP) water jetting technology to prepare steel surfaces for painting. This dust-free and environmentally friendly technology is used in lieu of abrasive blasting on the suspension bridge where there is not enough space for the equipment normally used to contain large industrial abrasive blasting operations. Introduction of this technology has increased both the rate at which these critical repairs can be performed and the quality and longevity of those repairs.

It is anticipated that FY 17/18 will see resumption of painting operations on the Bridge main cables and that a comprehensive internal cable inspection will be performed.

Modernization will continue to be a goal as the Division develops and tests more cost-effective maintenance practices, equipment and materials.

Bridge Operations

Over the course of FY 16/17, over 41 million vehicles crossed the Golden Gate Bridge. In 2016, Bridge Service crews responded to 8,001 roadway service calls. In 2016, Bridge security forces responded to thousands of calls, approximately 614 of which were considered significant incidents.

On January 10, 2017, The Golden Gate Bridge celebrated two years since the installation of the Moveable Median Barrier (MMB). Daily operation of the Barrier Transfer Machines, or Zipper Trucks, is the responsibility of the Roadway Services Department. Roadway Services Technicians, in addition to their towing and roadway emergency response duties, now conduct lane diversions using the MMB.

The Golden Gate Bridge Security Coalition continues to function smoothly and is widely heralded as an example of inter-agency cooperation. Together with our coalition partners, we have maintained a highly trained, highly motivated and highly visible security presence.

Despite the difficult and complex issues surrounding the use of the Bridge sidewalks for expressive activities and special events, the vast majority of these events go smoothly. In 2016, there were 44 permitted events on the Bridge involving over 60,370 participants. This is compared to 2015, in which there were 41 events; 2014, in which there were 41 events; 2013, with 38 permitted events; 2012, with 34 permitted events; and, 2011, with 40 permitted events.

Progress for the Year Ahead

FY 17/18 brings another year filled with budget challenges, complex maintenance projects and continued focus on providing safe, efficient and reliable day-to-day operation of the Golden Gate Bridge.

The Bridge Division will continue to systematically address critical Bridge and facility maintenance issues including the continuation of restoration and maintenance of the South Approach Viaduct and critical structural repairs identified in the Bridge inspection program.

In partnership with the Engineering Department, the Bridge Division has actively participated in the design and development of the Main Cable Access System, Phase IIIA and IIIB Seismic Retrofit Projects, Suicide Deterrent System, South Approach Security, Toll Plaza Redesign, the National Science Foundation (NSF) Informal Science Education Exhibits Project and other critical projects.

The Bridge Division plans to continue its focus on staff and organizational development in recognition of the talented and dedicated workforce that is the heart of our operation.

FY 17/18 BRIDGE DIVISION GOALS AND PROJECTS

Bridge Division Goals

Maintenance	Systematically address most critical maintenance items identified in Bridge inspections.
Security	Enhance Bridge security through improvements to the security infrastructure and coordination with regional security agencies.
Efficiency	Research, develop and implement cost-effective maintenance practices, equipment and materials. Focus on improving the efficiency of daily operations.
Service	Maintain focus on providing safe, efficient and reliable day-to-day operation of the Golden Gate Bridge.

FY 17/18 Project Focus

The following are capital projects that affect the Bridge Division and will be part of the District's workplan focus for FY 17/18. Please refer to the Bridge Division's capital project detail for a more detailed description.

Seismic	Seismic Phase III - Design Review GGB Wind Retrofit
Bridge and Facility Construction and Maintenance	Toll Plaza Pavement Overlay Toll Plaza Gantry - Construction Information Systems Data Center Seismic Retrofit North Tower Pier Shore Protection Design/Env South Approach & Pier Security Improvements Suicide Deterrent - Design FasTrak Equipment Upgrade Modular Offices Rehabilitation North Anchorage House Security Toll System Upgrade Suicide Deterrent - Construction South Visitor Plaza Restrooms Improvement Design Project Toll Plaza Administration Building HVAC Replacement & Roof Rehabilitation Main Cable Access

CHANGES FROM FY 16/17 ACTUAL TO FY 17/18 ADOPTED BUDGET

Revenues

The Bridge Division's FY 17/18 Adopted Revenue of \$149.7 million consists of:

- \$146.6 million from Toll Revenues
- \$0.6 million from Other Operating Income
- \$2.5 million from Investment Income

The Bridge Division's Adopted Revenues for FY 17/18 are forecasted to increase by \$4.1 million, or 2.8%, from FY 16/17 Actual. Due to a twenty-five cent toll increase on July 1, 2017, the FY 17/18 budgeted Toll Revenue is projected to increase by \$3.6 million and Investment Income is projected to increase \$0.5 million from FY 16/17 Actual. It is District policy not to budget for market valuation gains and losses. Bridge traffic is projected to increase 0.2% and the revenues are based on the FY 16/17 Actual budget projections.

Expenses

The Bridge Division's FY 17/18 Adopted Operating Expenses total \$82.6 million. The Bridge Division's Adopted FY 17/18 Budget contains a \$4.6 million, or 5.9%, increase over FY 16/17 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 16/17 Actual to FY 17/18 Adopted Budget (All Figures In Millions)

Labor

Increase in salaries due to re-funding of vacant positions and a 3% COLA increase for non-represented and represented employees unless specified otherwise in their ratified Memorandum of Understanding	\$0.8
Increase in payroll taxes in FY 17/18 due to re-funding of vacant positions and COLA	0.2
Increase in PERS contribution due to a re-funding of vacant positions and COLA	0.4
Increase in medical expenses for FY 17/18 due to re-funding of vacant positions and increase in annual costs	0.3
Increase in postemployment benefits (OPEB)	0.2
Decrease in Workers' Compensation expenses for FY 17/18	(0.1)
Decrease in miscellaneous benefits (capitalized benefits) due to less than budgeted capitalized labor in FY 16/17	(0.4)

Professional Services

Increase in District-wide consulting services for FY 17/18	1.1
Increase in FasTrak consulting and banking services for FY 17/18	0.5
Decrease in facility maintenance expenses due to one-time FY 16/17 Alexander Avenue emergency repair	(0.1)
Decrease in FY 17/18 District Division temporary help services compared to FY 16/17	(0.3)

Supplies and Other

Increase in projected fuel costs due to lower than anticipated price per gallon in FY 16/17	0.1
Increase in re-funding commercial paper debt service due to Indenture's budgeting requirements	1.1
Increase in insurance expenses for FY 17/18	0.2
Decrease in utilities costs projected for FY 17/18	(0.1)
Re-funding of staff development expenses unused in FY 16/17	0.1
Increase in repair and operating supplies due to the implementation of the South Viaduct Project	0.8
Decrease in depreciation expenses	(0.2)

Total Change from FY 16/17 Actual to FY 17/18 Adopted Budget	\$4.6
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BRIDGE DIVISION OPERATING BUDGET

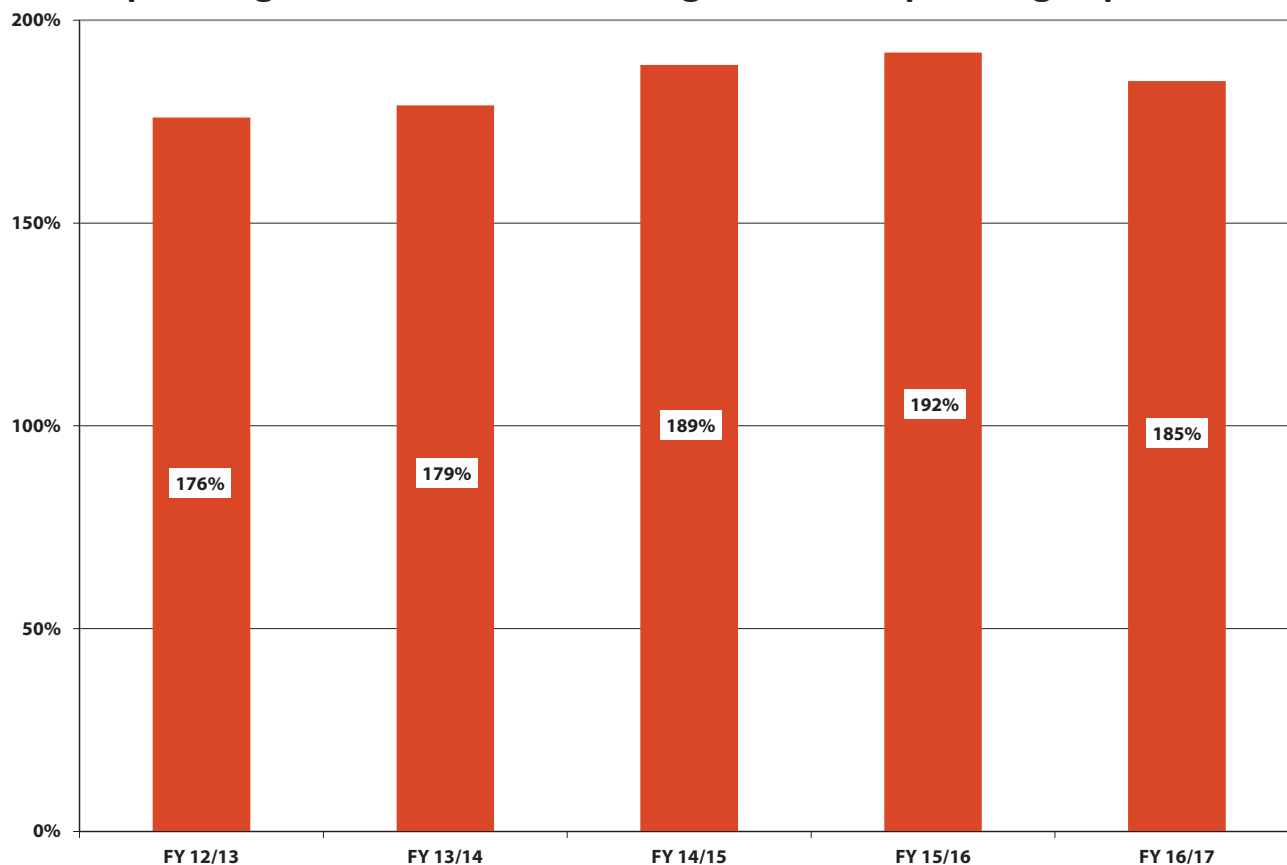
	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Revenues				
Toll Revenues	\$137,418,500	\$138,000,000	\$143,028,555	\$146,600,000
Other Operating Income	\$764,757	\$757,200	\$598,493	\$562,000
Investment Income	3,787,386	1,600,000	1,969,370	2,500,000
Total Revenues	\$141,970,643	\$140,357,200	\$145,596,418	\$149,662,000
Percent Change		(-1.1%)	3.7%	2.8%
Expenses				
Salaries	\$18,984,206	\$21,113,100	\$21,142,205	\$21,921,600
Fringe Benefits	15,858,747	17,225,600	16,758,034	17,369,500
Professional Services	12,072,629	13,101,400	12,804,960	14,073,200
Fuel & Related Taxes	253,817	364,500	237,646	364,500
Repair & Operating Supplies	3,283,086	3,604,000	3,059,923	3,698,400
Insurance, Taxes & Permits	2,350,205	2,480,200	2,420,773	2,632,900
Other	383,421	363,500	317,273	443,900
Leases & Rentals	52,157	1,100	1,090	1,100
Debt Service - Interest Expense	81,000	470,000	426,000	1,510,000
Subtotal Expenses	\$53,319,268	\$58,723,400	\$57,167,904	\$62,015,100
Capital Contribution	13,000,000	15,000,000	15,000,000	15,000,000
Depreciation	5,543,204	5,741,200	5,785,206	5,575,000
Total Expenses	\$71,862,472	\$79,464,600	\$77,953,110	\$82,590,100
Percent Change		10.6%	(-1.9%)	6.0%
Revenues Over/(Under) Expenses	\$70,108,171	\$60,892,600	\$67,643,308	\$67,071,900
Southbound Traffic	20,556,985	20,751,880	20,591,603	20,626,279
Average Toll	\$6.68	\$6.65	\$6.95	\$7.11

Assumptions:

- 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes Employer PERS contribution of 29.16%.
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- \$2.45/gallon for fuel costs for the Bridge Division.
- All fiscal years show the transfer of District Division expense by line item.
- Bridge Division's share of the District Division transfer is \$13.2 million.

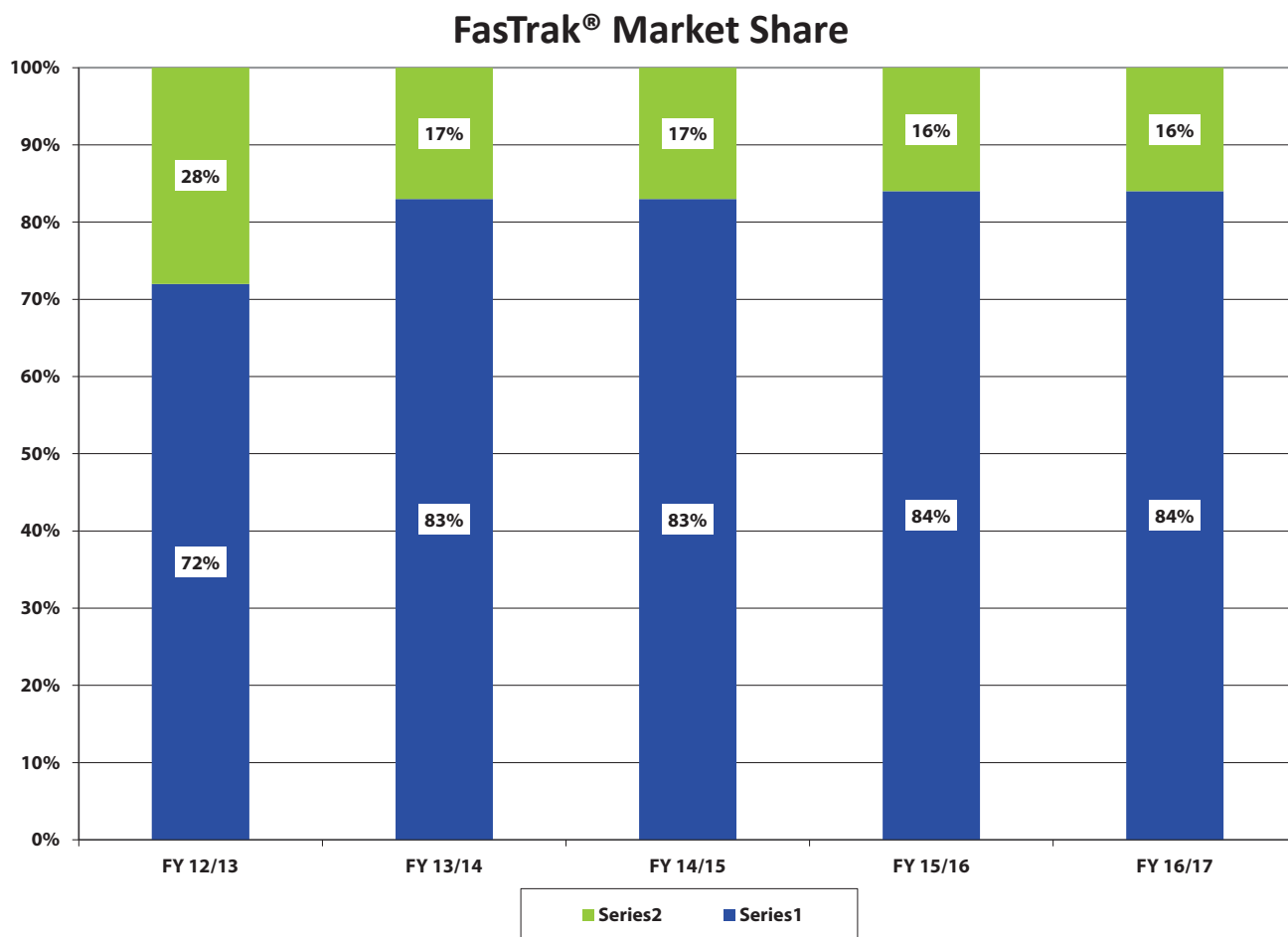
BRIDGE DIVISION PERFORMANCE STATISTICS

Operating Revenue as a Percentage of Total Operating Expense



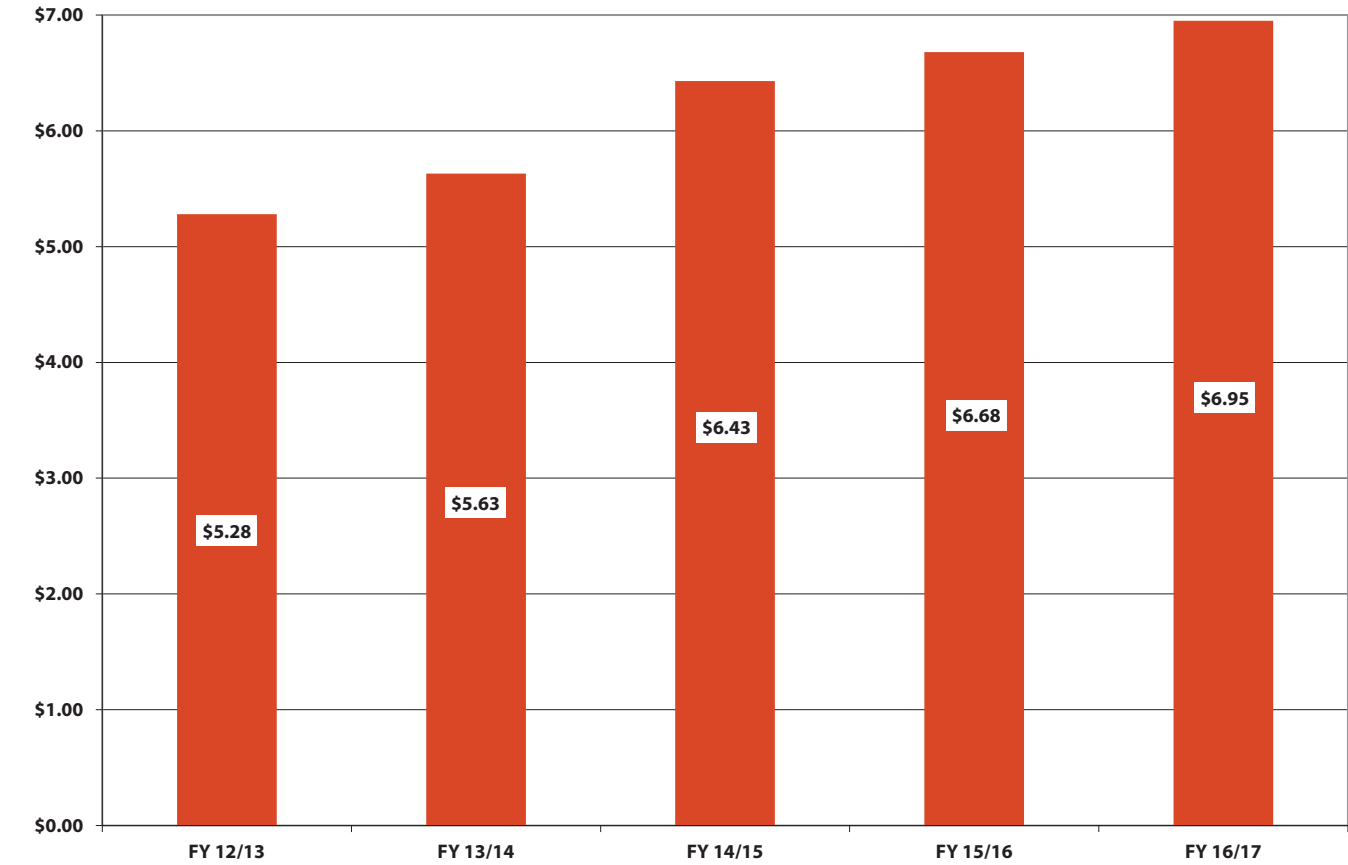
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Bridge Toll Revenue	\$102,306,495	\$112,693,297	\$129,187,098	\$137,418,500	\$143,028,555
Other Operating Revenue	\$1,646,878	\$730,996	\$1,033,926	\$764,757	\$598,493
Total Operating Expense*	\$59,066,569	\$63,201,041	\$68,814,182	\$71,862,225	\$77,498,145
Percentage	176%	179%	189%	192%	185%

* Total Operating Expense includes Depreciation and Capital Contribution.



FasTrak® market share data includes customers whose toll tags do not read when passing through the Toll Plaza. The Customer Service Center processes these as valid FasTrak® toll payments, although they originate as violations in the Toll Plaza. AET was implemented on March 27, 2013. Vehicles no longer stop at the Toll Plaza since all tolls are assessed electronically.

Average Toll Per Southbound Vehicle



	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Total Southbound Vehicles	19,376,305	20,014,186	20,085,864	20,556,985	20,591,603
Bridge Toll Revenue	\$102,306,495	\$112,693,297	\$129,187,098	\$137,418,500	\$143,028,555
Average Toll	\$5.28	\$5.63	\$6.43	\$6.68	\$6.95

BRIDGE DIVISION CAPITAL BUDGET

Program Summary

The FY 17/18 Capital Budget for the Bridge Division totals \$22.3 million and represents 74% of the total agency's capital budget.

Major FY 17/18 capital projects include Seismic Phase III Design Review (9102) along with completing final design and beginning construction of the Wind Retrofit and Suicide Deterrent System Projects (1118/1526/1528).

Actual capital expenditures for the Bridge Division during FY 16/17 totaled \$11.3 million, funded with \$3.8 million, or 34%, District funds and \$7.5 million, or 66%, in grant funds (See Appendix C).

Completed Projects

A total of four (4) Bridge Division Capital Projects are anticipated for completion in FY 16/17.

Project 0820 – Moveable Median Barrier – \$30,516,000

The Bridge portion of the Moveable Median Barrier (MMB) was installed in FY 14/15. In FY 15/16, the project extended the MMB to the District right-of-way line south of the Toll Plaza and finalized modifications to the Toll Plaza roadway necessary to accommodate the extension of the MMB. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1035 – Golden Gate Bridge Informal Science Education – \$3,499,800

This project successfully installed interactive outdoor exhibits designed to engage visitors in the historic and scientific impacts of the Golden Gate Bridge. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 1423 – Toll Plaza Administration Building – Design – \$672,000

This project evaluated and initiated design work to rehabilitate the Toll Plaza Administration Building. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1720 – Security System Upgrade – \$150,000

This project upgraded the security system to a new platform, while retaining much of the existing hardware. *[Operating Budget Impact: No significant impact.]*

Bridge Division Capital Budget FY 17/18¹

Project Number & Description ³	Total Project ²	Prior Years	FY 17/18 Budget	Future Years	FY 17/18 Funding	
					District	Other
Seismic Retrofit						
9102 - Seismic Phase III - Design Review (ENG)	\$40,384,200	\$26,713,500	\$1,000,000	\$12,670,700	13%	87%
1528 - GGB Wind Retrofit (ENG)	11,860,000	341,000	500,000	11,019,000	0%	100%
Total Seismic Retrofit	\$52,244,200	\$27,054,500	\$1,500,000	\$23,689,700	10%	90%
New Projects						
1820 - Toll Plaza Gantry - Construction (ENG)	\$2,000,000	\$-	\$300,000	\$1,700,000	100%	0%
1821 - IS Data Center Seismic Retrofit (ENG)	1,500,000	-	50,000	1,450,000	100%	0%
1822 - North Tower Pier Shore Protection Des/Env (ENG)	500,000	-	50,000	450,000	100%	0%
Total New Projects	\$4,000,000	\$-	\$400,000	\$3,600,000	100%	0%
Continuing Projects						
1526 - Suicide Deterrent - Construction (ENG)	\$192,335,000	\$6,195,200	\$15,000,000	\$171,139,800	31%	69%
1525 - Toll System Upgrade (FIN)	6,257,000	665,600	1,000,000	4,591,400	100%	0%
1118 - Suicide Deterrent - Design (ENG)	5,543,100	5,459,000	84,100	-	100%	0%
0805 - South Approach & Pier Security Improvements (ENG)	5,000,000	1,135,600	200,000	3,664,400	20%	80%
1722 - Toll Plaza Pavement Overlay (ENG)	3,500,000	52,300	300,000	3,147,700	100%	0%
1721 - Toll Plaza Admin Bldg HVAC & Roof Rehab (ENG)	2,952,100	48,000	250,000	2,654,100	20%	80%
1422 - FasTrak® Equipment Upgrade (BRIDGE)	1,000,000	3,600	100,000	896,400	100%	0%
1524 - North Anchorage House Security (ENG)	1,000,000	154,600	50,000	795,400	100%	0%
1523 - Modular Offices Rehabilitation (ENG)	558,900	118,800	100,000	340,100	100%	0%
1560 - S. Visitor Plaza Restrooms Improvement Design (BRIDGE)	480,100	221,200	200,000	58,900	0%	100%
Total Continuing Projects	\$218,626,200	\$14,053,900	\$17,284,100	\$187,288,200	35%	65%
Board Increase Through Budget						
9826 - Main Cable Access (ENG)	\$13,180,000	\$1,737,100	\$250,000	\$11,192,900	100%	0%
Total Board Increase Through Budget	\$13,180,000	\$1,737,100	\$250,000	\$11,192,900	100%	0%
Capital Equipment						
1829 - Capital Equipment (BRIDGE)	\$2,878,200	\$-	\$2,878,200	\$-	100%	0%
Total Capital Equipment	\$2,878,200	\$-	\$2,878,200	\$-	100%	0%
Total Capital Expenditures						
	\$290,928,600	\$42,845,500	\$22,312,300	\$225,770,800	36%	64%
Capital Fund Source						
District	104,762,800	13,852,100	10,060,400	80,850,300		
Other	186,165,800	28,993,400	12,251,900	144,920,500		
Total	\$290,928,600	\$42,845,500	\$22,312,300	\$225,770,800		

1. Dollar figures are rounded to the nearest hundred.

2. Projects are listed in order of descending total project value.

3. First two digits of project number indicate fiscal year the project began (with the exception of the Seismic Retrofit projects).

Bridge Division FY 17/18 Capital Project Detail

New Projects – Bridge Projects

Project 1820 – Toll Plaza Gantry – Construction - \$2,000,000

This project will construct a new gantry support structure spanning over all southbound traffic lanes to support the new All Electronic Toll System electronic equipment, including cameras, antennas, lights and other equipment. The project will also include modifications to the roadway structural section, installation of roadway traffic detection loops, and revised pavement delineation. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000]*

Project 1821 – IS Data Center Seismic Retrofit - \$1,500,000

This project will design and construct seismic retrofit and other modifications to the Information System Data Center building located at the Toll Plaza. The retrofit will include modifications to the building's footing, walls and roof. The project will also include modifying the HVAC system, electrical system and fire suppression system. *[Operating Budget Impact: No significant impact]*

Project 1822 – North Tower Pier Shore protection Design/Environmental - \$500,000

This project will evaluate potential shore protection designs for the area around the North Tower Pier, perform environmental studies and analysis of the proposed design, and complete the design for the selected shore protection. *[Operating Budget Impact: No significant impact]*

Continuing Projects – Seismic

Project 9102 – Seismic Phase III – Design Review – \$40,384,200

This project will complete the final design phase (Phase 3B) of the Golden Gate Bridge Seismic Retrofit project. *[Operating Budget Impact: No significant impact.]*

Project 1528 – Golden Gate Bridge Wind Retrofit – \$11,860,000

The Wind Retrofit project was set up as a separate project to be completed ahead of the rest of the seismic retrofit work in order to facilitate construction of the Suicide Deterrent. This project will construct a wind fairing structure on the west side of the Golden Gate Bridge to deflect wind and ensure Bridge stability during strong wind events. In December 2016, the Board authorized a budget increase from \$8,000,000 to \$11,860,000. *[Operating Budget Impact: TBD.]*

Continuing Projects – Other Bridge

Project 0805 – South Approach & Pier Security Improvements – \$5,000,000

This project began in FY 07/08 and will purchase and install security equipment necessary to support Bridge security initiatives. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 1118 – Suicide Deterrent – Design – \$5,543,100

This project will complete the design work for the Suicide Deterrent system. The project budget was increased through a Board approved action in August 2015 (Resolution No. 2015-070). *[Operating Budget Impact: No significant impact.]*

Project 1422 – FasTrak® Equipment Upgrade – \$1,000,000

The current toll lane transponder reader system is no longer being manufactured and is nearing the end of its useful life per the manufacturer. The project will consist of replacing the servers, upgrading the operating systems, upgrading the TRMI software systems to be compatible with the new servers/operating systems and purchasing new Oracle licenses to support the new server quad core processors. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1523 – Modular Offices Rehabilitation – \$558,900

This project will rehabilitate five modular offices to accommodate updated resource needs. *[Operating Budget Impact: No significant impact.]*

Project 1524 – North Anchorage House Security – \$1,000,000

This project will provide additional security at the North Anchorage House. *[Operating Budget Impact: An increase of \$50,000 to \$100,000.]*

Project 1525 – Toll System Upgrade – \$6,257,000

This project will upgrade and enhance the current toll system that is nearing the end of its useful life. *[Operating Budget Impact: A reduction of more than \$10,000 to \$50,000.]*

Project 1526 – Suicide Deterrent – Construction – \$192,335,000

This project will construct a safety net underneath the Bridge to address public health concerns regarding suicides. The stainless-steel net system will be constructed 20 feet below the Bridge. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 1560 – South Visitor Plaza Restrooms Improvement Design Project – \$480,100

This project will fund the design of new public restroom facilities at the South Visitor Plaza to address a number of problems associated with the existing restrooms. Existing restroom facilities fall far short of meeting current visitor demand and are in need of major refurbishment due to age and heavy daily usage. *[Operating Budget Impact: No significant impact.]*

Project 1721 – Toll Plaza Administration Building HVAC Replacement and Roof Rehabilitation – \$2,952,100

The Toll Plaza Administration Building Design was originally included in the adopted FY 16/17 Bridge Division Capital Budget in the amount of \$672,000 to evaluate and initiate design work to rehabilitate the Toll Plaza Administration Building. Staff anticipated that the design would include rehabilitation or replacement of the existing roofing system, the heating, ventilating/ventilation, and air conditioning (HVAC) system, the building restrooms, the windows, the Sergeant's Office areas and other areas of the building. Staff determined that the roof and HVAC units are in such poor condition that urgent repair is needed. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1722 – Toll Plaza Pavement Overlay – \$3,500,000

The 2016-2017 winter storms have caused the Golden Gate Bridge, Highway and Transportation District Toll Plaza pavement to deteriorate to the extent that pothole patching is no longer effective. To stop further pavement deterioration and to repair the failing pavement locations, staff added Project 1722 to the FY 16/17 Bridge Division Capital Budget in April 2017, to design and construct placement of a new asphalt concrete overlay from the south bridge abutment to the Lincoln Boulevard undercrossing. The estimated cost of the project is \$3,500,000. Adding the project to the current Fiscal Year Budget will allow staff to start on design immediately, advertise for construction bids this summer and begin construction this fall. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Projects Requiring an Increase Through the Budget Process

Project 9826 – Main Cable Access – from \$4,180,000 to \$13,180,000

The project is for the procurement of access systems and other specialized equipment to perform the restoration work on the main cable of the Golden Gate Bridge. The original budget was \$4,180,000. This project includes the design, construction and installation of the access systems and specialized equipment. Since the design was not yet done when the original budget was established, the full scope of construction could not be determined. The design is now nearly complete and the scope of construction will require the replacement of the existing hand ropes and the construction and installation of eight specialized main cable access travelers. A new cost estimate has been performed based on the final design and it has been estimated that an additional \$9 million will be required to construct and install the access systems and other specialized equipment. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Capital Equipment

Project 1829 – Capital Equipment – Bridge – \$2,878,200

This is the annual purchase of capital equipment for the Bridge Division. *[Operating Budget Impact: No significant impact.]*

Projects Moved to the 10-Year Plan

The following projects were moved to the District's 10-Year Plan. The reasons projects are moved to the 10-Year Plan include: the project's timeline may have changed, or the project's priority may have shifted compared with other projects in the budget.

Project 1620 – Fixed Changeable Message Signs North Approach – \$1,560,000

The new northern approach to the Golden Gate Bridge requires two right lanes to merge to the left. The current signage system and pavement markings include portable changeable message signs to inform motorists of the lane merges. Permanent fixed changeable message signs are required to replace the portable signs. This project will design and install a fixed message sign system along the north approach to the Bridge. This project will be moved to the 10-Year Plan until adequate staff resources are identified for the project. *[Operating Budget Impact: No significant impact.]*

BRIDGE DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Bridge Division					
Bridge Service 212					
Chief of Roadway Services	1	1	1	1	0
Lane Worker	2	4	4	4	0
P.T. Lane Worker	1	3	3	3	0
Roadway Services Supervisor	4	4	4	4	0
Roadway Services Technician	14	14	14	14	0
Total	22	26	26	26	0
All Electronic Tolling 213					
Electronic Revenue Collection Analyst	2	2	2	2	0
Electronic Revenue Collection Manager	2	2	2	2	0
Total	4	4	4	4	0
Bridge Security 214					
Bridge Captain	1	1	1	1	0
Bridge Lieutenant	3	3	3	3	0
Bridge Patrol Officer	17	17	22	22	0
Bridge Sergeant	10	10	10	10	0
Office Coordinator	1	0	0	0	0
Total	32	31	36	36	0
Bridge Electrical 221					
Chief Electrician	1	1	1	1	0
Chief Plumber	1	1	1	1	0
Comm/Electronics Technician	4	4	4	4	0
Comm/Electronics Technician Supervisor	1	1	1	1	0
Electrical Superintendent	1	1	1	1	0
Electrician	7	7	7	7	0
Total	15	15	15	15	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Bridge Division					
Bridge Paint 222					
Bridge Painter	28	28	28	28	0
Chief Bridge Painter	4	4	4	4	0
Chief House Painter	0	0	0	1	1/(b)
House Painter	2	2	2	2	0
Lead House/Sign Painter	1	1	1	0	(1)/(d)
Paint Laborer	5	5	5	5	0
Paint Superintendent	1	1	1	1	0
Total	41	41	41	41	0
Bridge Ironworkers 223					
Apprentice Ironworker	3	3	3	3	0
Ironworker	15	15	15	15	0
Ironworker Superintendent	1	1	1	1	0
Pusher Ironworker	3	3	3	3	0
Total	22	22	22	22	0
Operating Engineers 224					
Chief Operating Engineer	1	1	1	1	0
Operating Engineer	5	5	5	5	0
Total	6	6	6	6	0
Bridge Mechanics 226					
Body Fender Mechanic	2	2	2	2	0
Chief Mechanic	1	1	1	1	0
Heavy Duty Mechanic	3	3	3	3	0
Total	6	6	6	6	0
Bridge Streets & Grounds 227					
Carpenter	1	1	1	1	0
Cement Mason	1	1	1	1	0
Chief Laborer	2	2	2	2	0
Laborer	11	11	11	11	0
Superintendent of Facilities & Maint.	1	1	1	1	0
Total	16	16	16	16	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

Bridge Division

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Bridge Division					
Bridge Procurement 240					
Buyer	1	1	1	1	0
Lead Storekeeper	1	1	1	1	0
Senior Buyer	1	1	1	1	0
Storekeeper	2	2	2	2	0
Total	5	5	5	5	0
Bridge General & Administration 290					
Administrative Assistant	1	1	1	1	0
Deputy General Mgr, Bridge Division	1	1	1	1	0
Security Emergency Mgt Specialist	1	0	0	0	0
Total	3	2	2	2	0
Bridge Division Totals					
Total Authorized Positions	172	174	179	179	0
Regular Positions	172	174	179	179	0
Limited Term Positions	0	0	0	0	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

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BUS DIVISION PROFILE

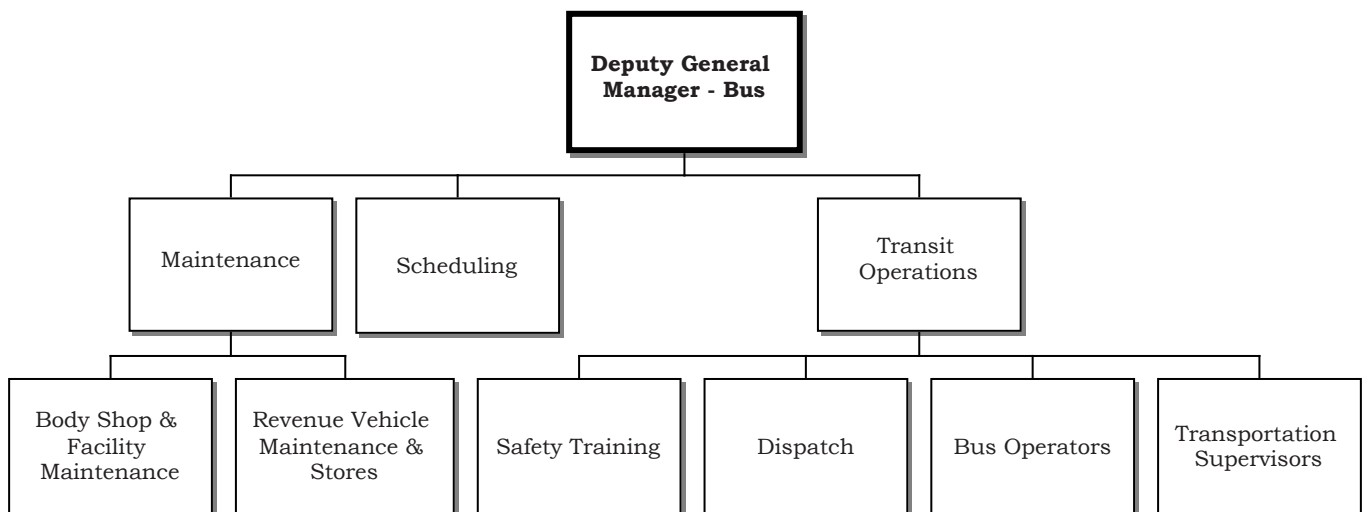
In November 1969, the California State Legislature authorized the District to develop a transportation plan for implementing mass transit in the Golden Gate Corridor. On January 3, 1972, the District began bus service from Sonoma and Marin Counties to San Francisco after the private sector relinquished service operation. The Bus Division's emphasis is to provide these services in a cost-effective and fiscally responsible manner to best meet the transportation needs of the people, communities and businesses of San Francisco and the counties of Marin and Sonoma.

The Bus Division strives to operate bus transit services that are an attractive alternative to the automobile. As such, bus transit services are reliable, comfortable, frequent, affordable and accessible. The Division has bus facilities located at four sites within its 60-mile-long service corridor, with the central facility for operations, maintenance and administration in San Rafael. Satellite facilities for bus storage and servicing are provided in San Francisco, Novato and Santa Rosa.

The Bus Division operates an active fleet of 189 clean diesel and diesel-electric hybrid buses. The Bus Division provides the following bus transit services for approximately 5.2 million annual customers traveling 6.2 million miles:

- Peak-period transbay and intercounty commute bus service to reduce peak-period traffic and congestion on the U.S. Highway 101/Golden Gate Corridor.
- Basic weekday and weekend transbay and intercounty bus service to reduce traffic on the Bridge and provide general mobility along the Golden Gate Corridor.
- Local bus service provided under agreements with Marin Transit and other entities that fully subsidize such services.
- Intercounty (Sonoma/Marin and East Bay/Marin) bus service supporting regional mobility and reduced traffic congestion in the Golden Gate Bridge/Highway 101 Corridor.

BUS DIVISION ORGANIZATIONAL CHART



BUS DIVISION STATUS

Recruitment and Training

This past year the Bus Division has continued its task to recruit and train Bus Operators and support staff to replace those retiring and to uphold the mission of the District. In the category of Bus Operators, the Bus Operations Department is scheduled to have recruited and trained 47 new Bus Operators by July 2017, maintaining a fully staffed Bus Operator unit.

Implementing ATU Contract Agreements

In the most recent negotiations with the ATU, there were three new changes to their contract which cleared the planning stages into the implementation stage. Those three areas are:

- **Structured Return to Work (SRTW)** – Structured return to work is essentially a light duty program for Bus Operators. The employee, once given clearance by their physician, is brought back into the workforce in one of five agreed-upon job functions ranging from a Transit Ambassador who helps passengers with basic transit information or directions, to a Bus Monitor which monitors bus schedules and collects data for the Operations Department to use in a variety of ways. Since its implementation last year, six Bus Operators have participated in the program.
- **Alternative Dispute Resolution (ADR)** – The Alternative Dispute Resolution has helped facilitate and accelerate the workers' compensation process. Bus Operators with new claims are required to participate in the program and there are opportunities for previously injured workers, and even some eligible retirees, to opt into the program to facilitate their past claims as well. The ADR Committee was officially formed and has been meeting regularly since September 2016, to ensure the process is working as designed and injured employees are getting the care they need without delay.
- **Bus Operator Mentoring Program** – The Bus Operator Mentoring Program has begun and already shown some success. New Bus Operators graduating the Driver Training School after July 2016, have been paired with a trained mentor, which is a more senior Bus Operator. Beginning a career as a Bus Operator has frequent challenges that do not require the assistance of a supervisor, but a more direct peer approach. This is where the mentor/mentee relationship blossoms. Mentors check in with their assigned operators on a regular basis and give guidance and direction in simple matters such as which form to complete or directing the mentee to the appropriate management staff person for more complicated matters. Mentors and Bus Operations management staff received formal training in how to establish the mentor program and how to be an effective mentor.

Bus Security Camera Update

Enhanced surveillance capability has been installed in the older fleet. This tool has become very important in monitoring customer complaints and conducting accident investigations. The long awaited "wellness check" system has been installed and is operational. This allows the security camera system to be checked daily through data downloads occurring each time a bus enters the bus yard. Remote viewing and retrieval are two added features increasing efficiency.

Service Development/Enhancement

In June 2016, a new Route 30 replaced the Route 10 serving Sausalito and customers now have another option to travel between San Francisco and the San Rafael Transit Center, via Sausalito. Service operates daily from approximately 4:45 a.m. to 2 a.m.

In September 2016, the Route 580 commute express from Emeryville to San Rafael ceased operation. Ridership numbers did not meet the requirements set for the service. However, the need for express service to and from western Contra Costa County was recognized. The Route 40X was added to the express bus service roster. The Route 40X operates between the San Rafael Transit Center and the Del Norte BART station during peak times. The Route 40X bypasses areas served by the Route 40 that are congested with traffic during commute times such as Point Richmond. Avoiding congested areas obviously allows for a more efficient commute. Ridership on Route 40X is steadily growing.

Route 24X was added to the express bus service roster in September 2016. A variation of the popular Route 24 from the Ross Valley area of Marin, Route 24X bypasses the bus pad stop at Lucky Drive and uses the Broadway tunnel in San Francisco to expedite arrival into the Financial District. Because of the bypass of the Lucky Drive bus pad, which is congested with traffic trying to get to and from the Richmond Bridge, Route 24X saves time and has become extremely popular with riders from those central Marin neighborhoods.

In conjunction with the Planning Department, the Bus Division continues to look for ways to develop service to meet customer needs and improve operating parameters. Service is monitored continuously and modified quarterly to achieve Board-adopted policies of averaging 20 passengers per trip on its commute service and, in some cases, using a 10-passengers per trip standard for ferry feeder services and non-commute service. Recent service changes and future plans include:

- Plans to extend the Route 27 to the Caltrain station at 4th and Townsend for Bay Area travelers are on hold until the SFMTA's subway project along 4th Street is complete. The projected date for implementation of this service is spring of 2018.
- Route 31 (San Rafael Transit Center to Larkspur Ferry Terminal) will be reinstated once SMART rail line is operational to San Rafael.
- Significant roadway construction started in December 2016, for Van Ness Boulevard (Hwy 101) Bus Rapid Transit project in San Francisco. Staff is continually monitoring and adjusting bus schedules due to ongoing changes in traffic patterns because of this construction project.

Ongoing Maintenance Activities

Bus Maintenance Department mechanics and servicers underwent an extensive testing, validation and training process throughout Fall 2016, and were the first workgroups to "go live" with the District's new Kronos automated electronic timekeeping system in early December. The Bus Maintenance shops work continuous schedules in five locations and represent one of the more complicated and challenging timekeeping systems in the District. The hard work and dedication of the Bus Maintenance crews throughout the process has paved the way for a smooth transition to the new system throughout the District.

After a nearly three-year process of meet and confer with the International Association of Automotive Machinists and Aerospace Workers Union Local 1414, extensive program preparation and accreditation by the California Division of Apprenticeship Standards, and the District's Board of Directors' final approval in late 2015, the Bus Maintenance Department selected and hired an apprentice bus mechanic on July 11, 2016.

The District has not had a formal apprenticeship program since the early 1990s and this entirely new and accredited program represents an important first step in the way forward for the District's workforce development program and provides valuable opportunities and investment in our community.

A lengthy and exhaustive design, proof-of-concept testing and implementation process culminated in the go-live of the Bus Division's new revenue vehicle on-board video security camera system in early January of 2017. The new system features eight high-definition cameras along with audio recording in each bus. The bus onboard security systems connect via wireless technology to a central server location that monitors each system for operational status and health any time the bus is operating and allows for remote video retrieval and "live look" in the event of an emergency.

The Bus Maintenance and Procurement staff have been busy making progress throughout FY 16/17 on replacements for the District's 80-bus Orion fleet. Replacements for the Orion buses will come from three separate bus contracts that will provide 67 diesel-electric hybrid buses under a District contract with Gillig, LLC, of Hayward, CA, 10 diesel-electric hybrid buses under a Marin County Transit District (MCTD) contract with Gillig, LLC, and two battery electric buses under a MCTD contract with BYD Motors of Lancaster, CA. Much of the preliminary work of specification and configuration of the buses and accompanying technology systems has been completed during 2016-2017. The District's engineering staff is currently hard at work designing the high-amperage charging infrastructure improvements necessary to enable depot charging of the BYD electric buses when they arrive.

FY 17/18 BUS DIVISION GOALS AND PROJECTS

Bus Division Goals

Maintenance	Improve Bus Fleet configuration and preventive maintenance to meet customer needs and comply with various laws/regulations.
Access	Expand opportunities for external customer convenience at bus stops, during travel, and for providing input on Golden Gate Transit services. Partner with internal customers to provide the best service.
Efficiency	Support and implement technology projects and process and procedure improvements to increase operation, performance and safety cost-effectiveness.

FY 17/18 Project Focus

The following are capital projects that affect the Bus Division and will be part of the District’s workplan focus for FY 17/18. Please refer to the Bus Division’s Capital project detail for more description.

Facilities	D-1 Heavy Duty Shop Rehabilitation San Francisco Bus Lot Environmental Evaluation and Modifications Electric Bus Charging Pilot Project D1 Resurface Employee Parking Lot and Solar Panels
Bus Operations	Replace 6 Paratransit 22’ Gas Cutaways Replace 67 Transit Buses with Hybrids Bus Security Cameras MCI 120v Outlets

CHANGES FROM FY 16/17 ACTUAL TO FY 17/18 ADOPTED BUDGET

Revenues

The Bus Division's FY 17/18 Adopted Revenues of \$44.0 million consists of:

- \$14.9 million from Regional Fares
- \$15.8 million from Federal, State and Local Operating Grants
- \$3.5 million from Other Operating Income
- \$9.8 million from the Marin Local Service Contract

The Bus Division's Adopted Revenues for FY 17/18 are projected to decrease \$0.5 million, or 1.1%, compared to FY 16/17 Actual. This decrease is primarily due to a \$0.2 million decrease in regional fare revenue, a \$0.2 million decrease in Local Operating Assistance and a \$0.4 million decrease in revenue from Marin Transit. These decreases are offset by a projected \$0.2 million increase in FTA Operating Assistance for a "Building Ridership" Marketing grant and a \$0.1 million increase in Other Operating Income (primarily due to a new SMART Customer Service agreement). Regional ridership is forecasted to decrease 3.0% as compared to FY 16/17 Actual.

Expenses

The Bus Division's FY 17/18 Adopted Operating Expenses total \$95.4 million. The Bus Division's FY 17/18 Adopted Budget contains a \$5.3 million, or 5.8%, increase in operating expenses over FY 16/17 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 16/17 Actual to FY 17/18 Adopted Budget (All Figures In Millions)

Labor	
Increase to salaries due to a 3% salary increase for non-represented and represented employees unless specified otherwise in their ratified Memorandum of Understanding and a 2% salary increase effective January 2018 for ATU represented employees	\$2.3
Increase in payroll fringes for FY 17/18 due to COLA	0.3
Increase in PERS and ATU pension costs due to higher contribution rates	0.2
Increase in medical expenses for FY 17/18 due to re-funding of vacant positions and increase in annual costs	1.3
Increase in postemployment benefits (OPEB) for FY 17/18	0.3
Decrease in miscellaneous benefits (capitalized benefits) due to less than projected capitalized labor in FY 16/17	(0.4)
Professional Services	
Projected increase in District-wide professional services fees for FY 17/18	1.0
Increase in expenses associated with District-wide technology programs	0.2
Decrease in FY 17/18 District Division temporary help services compared to FY 16/17	(0.3)
Supplies and Other	
Increase in projected fuel costs due to lower than anticipated price per gallon in FY 16/17	1.3
Decrease in Lease expenses due to new SF Bus Lot agreement	(0.1)
Decrease in Payout for General Liability Insurance	(1.0)
Decrease in repair and operating supplies primarily due to one-time higher expenses in FY 16/17	(0.5)
Projected increase in purchased transportation costs due to new paratransit contract for FY 17/18	0.6
Re-funding of staff development expenses unused in FY 16/17	0.2
Capital Contribution and Depreciation	
Decrease in depreciation	(0.1)
Total Change from FY 16/17 Actual to FY 17/18 Adopted Budget	\$5.3

BUS DIVISION OPERATING BUDGET

	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Revenues				
Regional Transit Fares	\$15,700,064	\$15,632,900	\$15,097,171	\$14,912,200
Other Operating Income	3,680,954	3,695,500	3,542,944	3,541,300
State Operating Income	13,570,948	15,009,300	15,413,592	15,367,100
Federal Operating Income	0	0	216,037	387,800
Other Operating Income (MT*)	11,172,378	9,993,300	10,209,962	9,800,200
Total Revenues	\$44,124,344	\$44,331,000	\$44,479,706	\$44,008,600
Percent Change		0.5%	0.3%	(-1.1%)
Expenses				
Salaries	\$37,721,805	\$39,522,800	\$39,515,471	\$41,774,100
Fringe Benefits	30,540,770	31,399,300	31,006,743	32,686,200
Professional Services	4,154,542	4,029,400	3,808,327	4,736,600
Fuel & Related Taxes	3,094,870	3,404,200	3,355,080	4,657,000
Repair & Operating Supplies	3,909,108	3,943,700	3,943,339	3,467,100
Insurance, Taxes & Permits	1,219,645	2,898,200	2,897,333	1,904,900
Purchased Transportation	2,341,874	1,916,500	1,385,915	1,982,500
Other	422,743	399,100	333,876	479,500
Leases & Rentals	834,899	837,900	657,306	547,900
Subtotal Expenses	\$84,240,256	\$88,351,100	\$86,903,390	\$92,235,800
Capital Contribution	2,000,000	2,000,000	2,000,000	2,000,000
Depreciation	1,500,165	1,174,400	1,196,002	1,130,800
Total Expenses	\$87,740,421	\$91,525,500	\$90,099,392	\$95,366,600
Percent Change		4.3%	(-1.6%)	5.9%
Revenues Over/(Under) Expenses	(\$43,616,077)	(\$47,194,500)	(\$45,619,686)	(\$51,358,000)
Regional Ridership	3,498,627	3,534,619	3,123,152	3,030,515
Average Fare	\$4.49	\$4.42	\$4.83	\$4.92

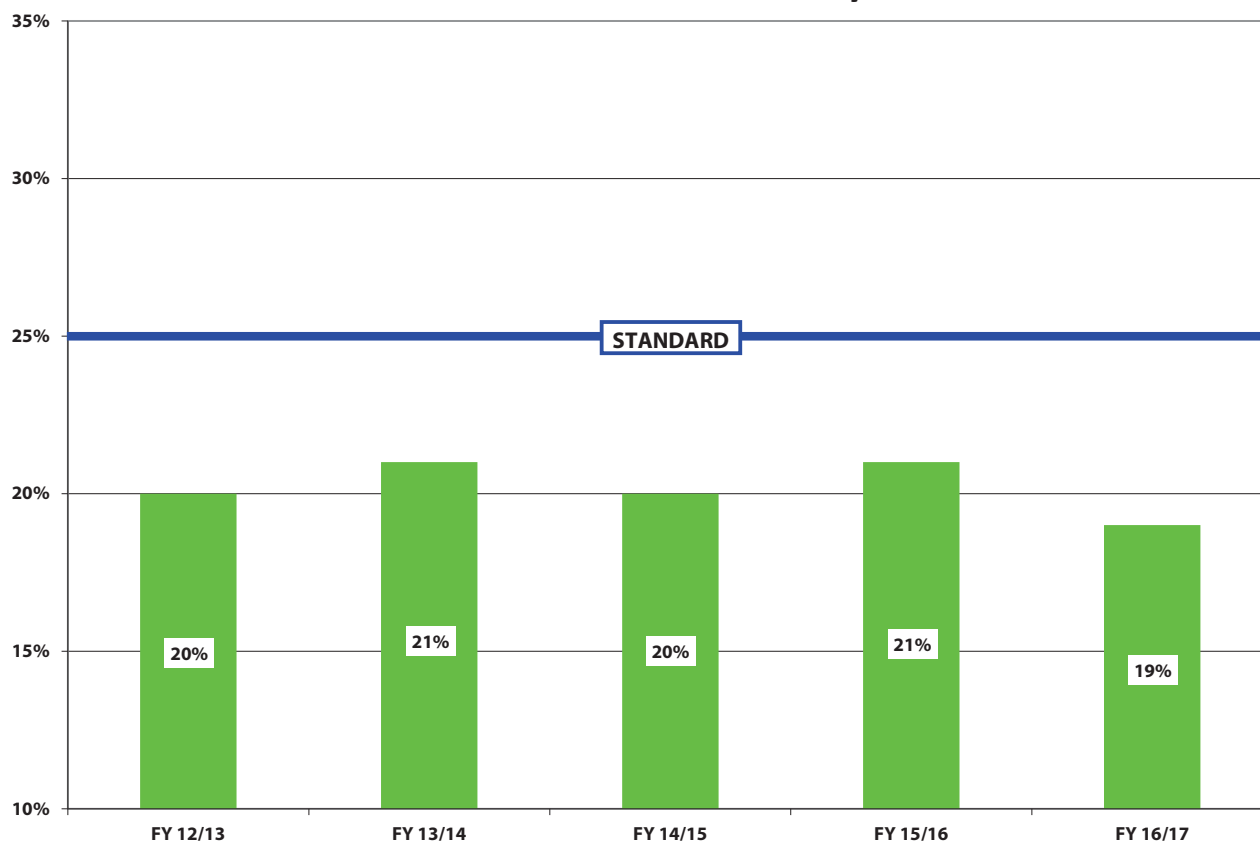
*Marin Transit Contract Revenue

Assumptions:

- Includes a 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding, and a 2% salary increase effective January 2018 for ATU represented employees.
- Includes ATU Pension contribution (20.165% from July 2017 through December 2017 and 22.165% from January 2018 through June 2018) and Employer PERS contribution (29.16%).
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- \$2.45/gallon for fuel costs for the Bus Division.
- All fiscal years show the transfer of District Division expense by line item.
- The Bus Division's share of the District Division transfer is \$12.5 million.
- Salaries include approximately \$115,900 to fund casual traffic checkers that are not included in the division's authorized positions listing.

BUS DIVISION PERFORMANCE MEASURES

Bus Transit Fare Recovery



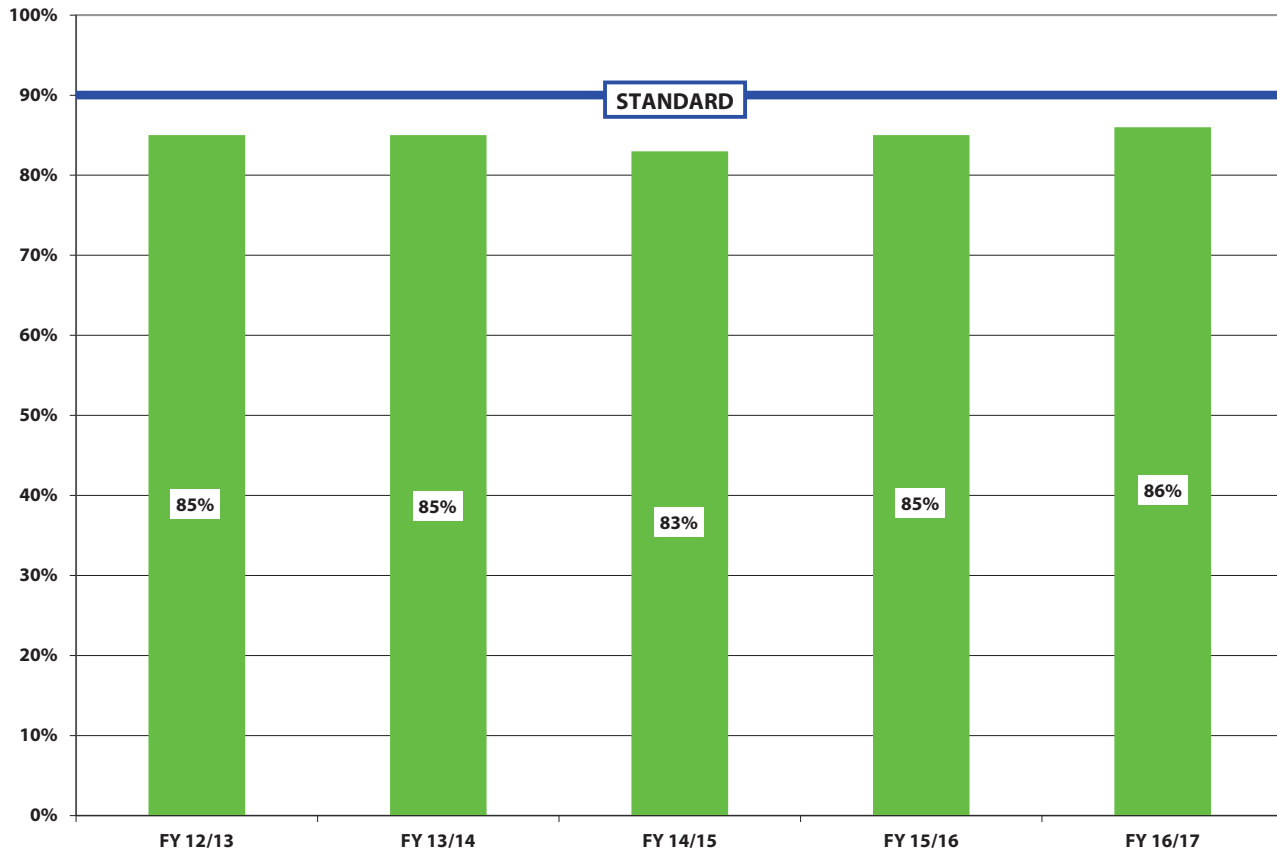
Measure: Fare Recovery - Regional farebox revenue over all Bus Division expenses except those offset by received Marin Transit Local Service Revenue.

Standard: Standard is 25%, based on the Golden Gate Bridge District's Short Range Transit Plan (S RTP).

Bus Division is attempting to improve its fare recovery by:

- Increasing its regional transit fares on July 1, 2017.
- Reducing operating expenses and increasing efficiencies (i.e., maximizing the utilization of part-time drivers to reduce the cost of providing bus service and exploring strategies aimed at improving ClipperSM usage to reduce operating costs, as increased usage would assist in facilitating fare collection and reduce time and labor costs associated with cash collection and accounting, etc.).
- Seeking increased ridership (i.e., installed WiFi on buses, exploring incentives for increased ridership during off peak hours, supporting and encouraging regional and local governments to work with the cities and counties to promote job and residential growth around transit to encourage more people to make transit a part of their everyday lives, etc.).

Bus Transit Percentage of Trips Operating On-Time



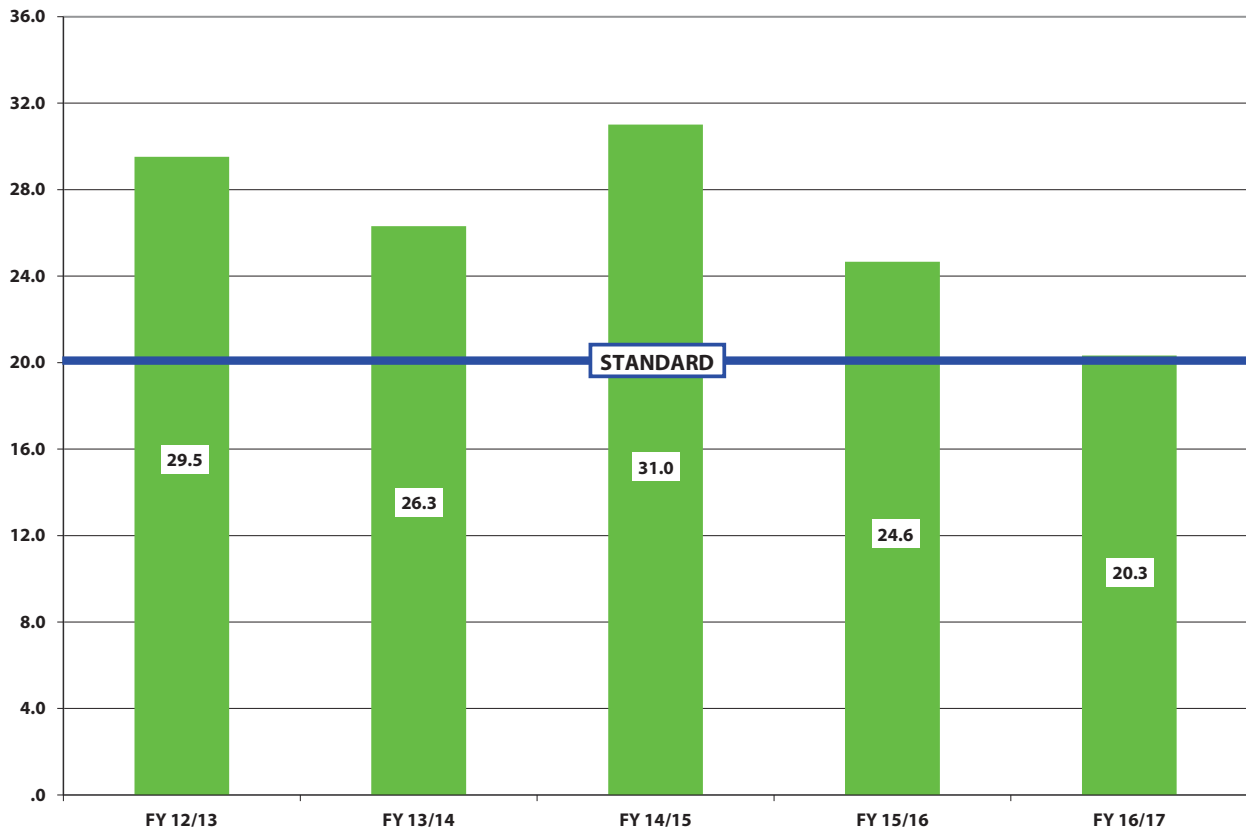
Measure: Scheduled service times and actual services at key time points.
Standard: Operate on-schedule 90% of the time, based on the Golden Gate Bridge District's SRTP.

Note: On-time performance includes only Regional service due to Marin Transit revising their on-time standards.

Bus Division is attempting to improve its on-time performance by:

- Efficiencies from ACIS implementation will include improved on-time performance.
- Proposing to work with the Sonoma County Transportation Authority (SCTA), MTC and Caltrans and to expand carpool hours on U.S. Highway 101 in Sonoma County to increase the average bus speed within Sonoma County.
- Proposing to work with the Transportation of Marin (TAM), MTC and Caltrans, and to amend the carpool rules for HOV lanes in Marin County from two or more persons per vehicle to three or more persons per vehicle. This would reduce congestion within the carpool lane, thus increasing speeds in the carpool lane and shortening the commute for bus riders.
- Proposing to work with MTC and the City & County of San Francisco to increase speed through the traffic congestion in downtown San Francisco (traffic light timing, designated bus transit lanes, etc.).
- Benefiting from improved traffic flow with the completion of the Presidio Parkway Project.

Bus Mechanical Failure Rate All Chart Numbers in Thousands



	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Mechanical Failures	174	188	130	173	209
Revenue Miles	5,136,828	4,946,408	4,161,563	4,266,291	4,248,933
Miles/Breakdown	29,522	26,311	31,012	24,661	20,330

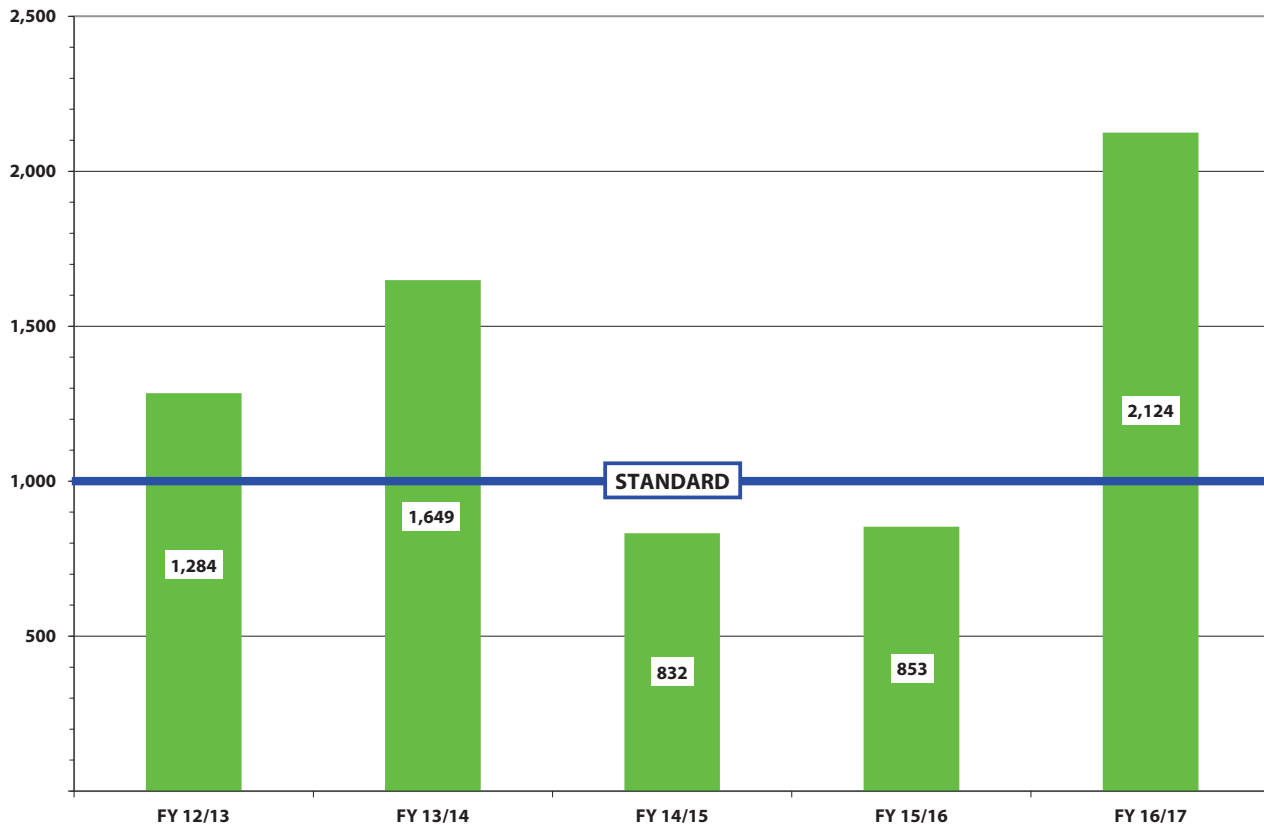
Measure: Miles between in-service mechanical failures.
Standard: No more frequent than one per every 20,000 miles, based on the Golden Gate Bridge District's SRTP.

Note: Beginning FY 14/15, revenue miles only include regional bus service (no Marin Transit local bus service).

The Bus Division seeks to minimize mechanical system failures by:

- Following a timely fleet replacement strategy to ensure that the Golden Gate bus fleet is as modern and reliable as possible.
- Performing an aggressive preventive maintenance program to ensure that vehicle systems are inspected and serviced on systematic intervals that optimize vehicle reliability.
- Utilizing state-of-the-art technician training and tooling to ensure that all vehicle repairs meet or exceed industry and equipment manufacturer's reliability standards.
- Employing scientific maintenance management practices including trend and failure analysis, exception reporting, telemetry and laboratory lubrication fluid analysis to prevent mechanical failures and minimize unscheduled maintenance.

Bus Accident Rate (Miles Between Accidents) All Chart Numbers in Thousands



	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Accidents	4	3	5	5	2
Revenue Miles	5,136,828	4,946,408	4,161,563	4,266,291	4,248,933
Miles/Accident	1,284,207	1,648,803	832,313	853,258	2,124,467

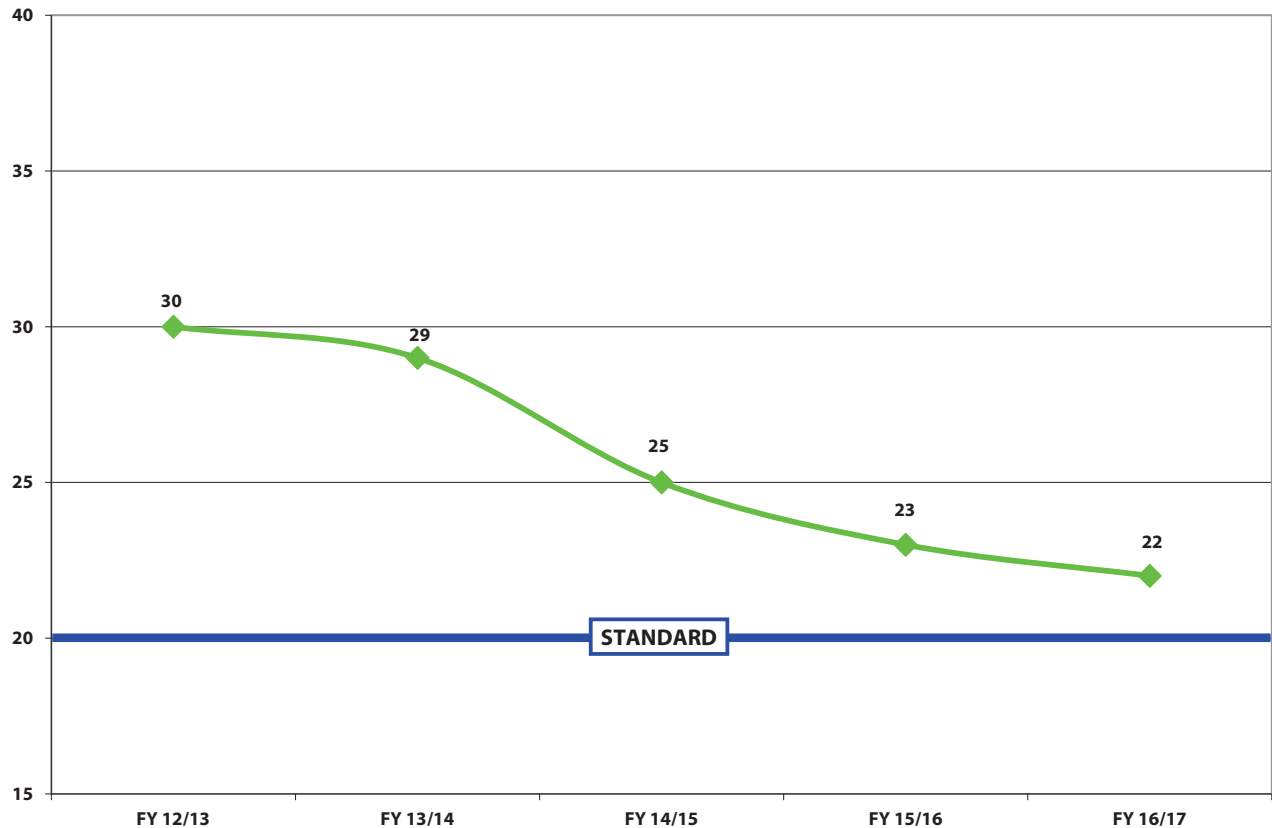
Measure: Miles between in-service accidents.
Standard: No more frequent than one per every 1,000,000 miles, based on the Golden Gate Bridge District's SRTP.

Note: Beginning FY 14/15, revenue miles only include regional bus service (no Marin Transit local bus service).

The Bus Division is attempting to continue its excellent low bus accident rate by:

- **Training.** Actively reviewing with each Operator in annual VTT classes safety issues such as space cushion driving, bus turning radius and tail swing, backing up by using a helper and sharing the road with cyclists.
- **Accidents.** Follow-up with Operators when patterns emerge that indicate poor habits. One-on-one re-training in some instances.
- **Driver Safety Committee.** Monthly meetings with Management/Union team allows active and timely reviews of accident causing situations which are then addressed by appropriate parties.

Bus Passengers Per Trip



	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
All Bus Trips	30	29	25	23	22

Measure: Bus Passengers per trip.
Standard: 20 or more, based on the Golden Gate Bridge District's SRTP.

Note: Passenger data calculations do not include contracted Marin Local service. Some Performance Measures data for previous years has been amended due to final audit adjustments.

The Bus Division is attempting to continue its above standard performance for bus passenger per trips by:

- Installed Wi-Fi on buses.
- Exploring incentives for increased ridership during off peak hours.
- Supporting and encouraging regional and local governments to work with the cities and counties to promote job and residential growth around transit to encourage more people to make transit a part of their everyday lives.
- Working with TAM, MTC and Caltrans to increase capacity at those park-and-ride lots within Marin that are commonly filled to capacity.

BUS DIVISION CAPITAL BUDGET

Program Summary

The FY 17/18 Capital Budget for the Bus Division totals \$1.3 million and represents 4% of the total agency's capital budget. Major work and financial investment in FY 17/18 focuses on continuing projects, such as re-surfacing the employee parking lot and installing solar panels (1431), rehabilitating the heavy duty shop at San Rafael (1830) and replacing 67 buses with hybrid buses (1730).

Estimated capital expenditures for the Bus Division during FY 16/17 totaled \$900,000, funded with \$206,000, or 23%, District funds and \$697,000, or 77%, grant funds (See Appendix C).

Completed Project

One (1) Bus Division Capital Project will be completed in FY 16/17.

Project 1533 – MCI Bike Racks – \$385,000

This project upgraded 55 existing MCI coaches with a second bike rack located in the third baggage bin. Bike-to-transit has proven very popular and current demand exceeds the two-per-bus capacity. This project will double that for an economical cost and is expected to increase ridership. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Bus Division Capital Budget FY 17/18¹

Project Number and Description ³	Total Project ²	Prior Years	FY 17/18 Budget	Future Years	FY 17/18 Funding	
					District	Other
New Projects						
1830 - D-1 Heavy Duty Shop Rehab (ENG)	\$1,600,000	\$-	\$200,000	\$1,400,000	100%	0%
1831 - Rplc 6 Paratransit 22' Gas Cutaways (BUS)	540,000	-	200,000	340,000	20%	80%
1832 - Electric Bus Charging Pilot Project (ENG)	380,000	-	75,000	305,000	80%	20%
Total New Projects	\$2,520,000	\$-	\$475,000	\$2,045,000	80%	20%
Continuing Projects						
1730 - Replace 67 Transit Buses w/Hybrids (BUS)	\$67,600,000	\$-	\$100,000	\$67,500,000	13%	87%
1434 - Bus Security Cameras (BUS)	900,000	664,300	100,000	135,700	0%	100%
1531 - SF Bus Lot Env Eval and Mods (PLANNING)	500,000	-	50,000	450,000	100%	0%
1532 - MCI 120v Outlets (BUS)	427,500	-	378,000	49,500	20%	80%
Total Continuing Projects	\$69,427,500	\$664,300	\$628,000	\$68,135,200	13%	87%
Board Increase Through Budget						
1431 - D1 Rsrfc Emp Parking Lot & Solar (ENG)	\$5,130,000	\$123,900	\$100,000	\$4,906,100	11%	89%
Total Board Increase Through Budget	\$5,130,000	\$123,900	\$100,000	\$4,906,100	11%	89%
Capital Equipment						
1839 - Capital Equipment (BUS)	\$116,600	\$-	\$116,600	\$-	100%	0%
Total Capital Equipment	\$116,600	\$-	\$116,600	\$-	100%	0%
Total Capital Expenditures	\$77,194,100	\$788,200	\$1,319,600	\$75,086,300	15%	85%
Capital Fund Source						
District	\$11,770,300	\$13,600	\$565,900	\$11,190,800		
Other	65,423,800	774,600	753,700	63,895,500		
Total	\$77,194,100	\$788,200	\$1,319,600	\$75,086,300		

1. Dollar figures are rounded to the nearest hundred.
2. Projects are listed in order of descending total project value.
3. First two digits of project number indicate fiscal year the project began.

Bus Division FY 17/18 Capital Project Detail

New Projects

1830 – D-1 Heavy Duty Shop Rehab: Roof/HVAC/Paint/Windows - \$1,600,000

This project will replace the existing deteriorated roofing system on the San Rafael Heavy Duty Shop Building, replace the existing HVAC unit on the roof, and modify the existing leaking windows around the pent-house structure on the building. *[Operating Budget Impact: Reduction of \$10,000 to \$50,000]*

1831 – Replace Six (6) Paratransit 22' Gas Cutaways - \$540,000

This project will replace six (6) paratransit vehicles that have reached the end of their useful life. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

1832 – Electric Bus Charging Pilot Project – \$380,000

In preparation for electric buses, this project will design and construct two electrical circuits from the San Rafael Main Shop utility room to the southwest exterior wall of building and install two electrical charging station heads on the exterior wall. The project will also include restriping the parking area for two new parking spaces and install wheel stop blocks and protective bollards. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Continuing Projects

Project 1434 – Bus Security Cameras – \$900,000

This project will install security cameras on the Golden Gate Transit bus fleet, increasing security for passengers and reducing liability risks for the agency. *[Operating Budget Impact: An increase of \$10,000 to \$50,000.]*

Project 1531 – SF Bus Lot Environmental Evaluation and Modifications – \$500,000

This project will evaluate potential modifications to the San Francisco Mid-day Parking Facility, including modifications to the hours of operations at the facility, and will determine if the proposed modifications require additional work to be performed at the site. *[Operating Budget Impact: No significant impact.]*

Project 1532 – MCI 120v Outlets – \$427,500

This project will upgrade 55 existing MCI coaches with 120v power outlets. The District has installed passenger Wi-Fi systems in these coaches during FY 14/15 in a separate project and this project will add 120v power outlets at each seat location so that passengers can charge their laptops and other portable electronic devices. *[Operating Budget Impact: An increase of \$50,000 to \$100,000.]*

Project 1730 – Replace 67 Transit Buses with Hybrids – \$67,600,000

This project will replace 67 standard diesel-powered buses that have reached the end of their useful life with diesel-electric hybrid buses. The project will result in reduced maintenance costs and fuel savings estimated to be approximately \$10,000 per bus or up to \$700,000 per year. *[Operating Budget Impact: Reduction of more than \$100,000.]*

Projects Requiring an Increase Through the Budget Process

Project 1431 – D1 Resurface Employee Parking Lot & Solar Panels – from \$2,130,000 to \$5,130,000

This project will resurface the San Rafael employee parking lot, reducing trip and fall hazards and correcting drainage issues. Subsequent to the establishment of this project, an investigation was made to determine if solar panels could be installed at the parking lot. It was determined that there was sufficient room to install solar panels which could generate between 700 and 800 kilowatts of energy, which is approximately equal to the energy being used at the San Rafael Bus facility. The construction will include drilling foundations, running conduits and upgrading the electrical service at the facility. Since the construction operations for both the resurfacing work and the solar panel foundation and conduit work will impact the employee parking lot, it was determined to add the solar panel work to this project. An additional \$3,000,000 will be added to the budget to include the design and installation of solar panels above the parking lot. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000]*

Capital Equipment

Project 1839 – Capital Equipment – Bus – \$116,600

This project is for the annual purchase of capital equipment for the Bus Division. *[Operating Budget Impact: No significant impact.]*

BUS DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Bus Division					
Bus Operations Administration 311					
Bus Operations Administrator	1	0	0	0	0
Director of Operations	1	1	1	1	0
Dispatcher I	8	8	8	8	0
Dispatcher P.T.	4	4	4	4	0
Office Coordinator	1	1	1	1	0
Safety/Training Coordinator	1	1	1	1	0
Superintendent Transpt Operations	1	1	1	1	0
Superintendent Transpt/Safety Training	1	1	1	1	0
Transportation Field Supervisor	10	10	10	10	0
Transpt Supervisor/Student Training	1	1	1	1	0
Total	29	28	28	28	0
Bus Operators 312					
Bus Operators Full-Time	266	270	275	275	0
Bus Operators Part-Time	14	10	5	5	0
Total	280	280	280	280	0
Bus Maintenance Administration 321					
Administrative Assistant	1	1	1	1	0
Director of Maintenance	1	1	1	1	0
Fleet & Facilities Superintendent	1	1	1	1	0
Office Specialist	2	2	2	2	0
Total	5	5	5	5	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Bus Division					
Bus Maintenance - Mech/Stores 322					
Automotive Painter	1	1	1	1	0
Body & Facility Chief Mechanic	1	1	1	1	0
Body & Fender Mechanic	3	3	4	4	0
Building Maintenance Mechanic	3	3	3	3	0
Chief Mechanic	3	3	3	3	0
Farebox Repair/Welder Mechanic	1	1	1	1	0
Lead Body Mechanic	1	1	0	0	0
Lead Building Maintenance Mechanic	1	1	1	1	0
Machinist	1	1	1	1	0
Maintenance Trainer Bus	1	1	1	1	0
Mechanic	28	28	28	28	0
Mechanic Apprentice	1	1	1	1	0
Mechanic (Automotive)	1	1	1	1	0
Mechanic Electronics Technician	2	2	2	2	0
Mechanic Electronics Technician II	1	1	1	1	0
Mechanic Leader (Day)	1	1	1	1	0
Storekeeper	3	3	3	3	0
Storekeeper Chief	1	1	1	1	0
Trimmer	1	1	1	1	0
Total	55	55	55	55	0
Bus Maintenance – Servicers 323					
Bus Servicer Leader	2	2	2	2	0
Servicer	20	20	20	20	0
Total	22	22	22	22	0
Bus Procurement 340					
Buyer	1	1	1	1	0
Senior Buyer	1	1	1	1	0
Total	2	2	2	2	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
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The Bus Division

Bus General & Administration 390

Administrative Assistant	1	1	1	1	0
Deputy General Mgr, Bus	1	1	1	1	0
Director of Schedules & Svc Development	0	1	1	1	0
Lead Route Checker	1	1	1	1	0
Mgr. of Scheduling & Svc Development	1	0	0	0	0
Operations & Schedules Analyst	0	1	1	1	0
Schedules Analyst (1 LT)	2	2	2	2	0
Scheduling Technician	1	1	1	1	0
Senior Schedules Analyst	1	0	0	0	0
Supervising Scheduler & Data Analyst	0	1	1	1	0
Total	8	9	9	9	0

Bus Division Totals

Total Authorized Positions	401	401	401	401	0
Regular Positions	400	400	400	400	0
Limited Term Positions	1	1	1	1	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

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FERRY DIVISION PROFILE

In November 1969, the California State Legislature authorized the District to develop a plan for mass transit in the Golden Gate Corridor. The plan called for all forms of transportation, including water transit. On August 15, 1970, the District began providing ferry service from Sausalito to San Francisco. In 1976, ferry service began between Larkspur and San Francisco. In January 2017, the District began ferry service between Tiburon and San Francisco.

The Ferry Division is responsible for the operation of seven vessels: three conventional mono-hull Spauldings and four high-speed catamarans. These ferries operate the following routes for a total of approximately 20,560 yearly crossings:

- Larkspur/San Francisco/Larkspur – approximately 42 weekday crossings (summer), 40 weekday crossings (winter) and 8 weekend crossings year round.
- Sausalito/San Francisco/Sausalito – approximately 22 weekday crossings, 17 weekend crossings (summer), and 18 weekday crossings, 12 weekend crossings (winter).
- Tiburon/San Francisco – approximately 14 weekday crossings.
- Seasonal service from Larkspur to AT&T Park – approximately 174 crossings (depending on the San Francisco Giants schedule) and 4 crossings to special events at AT&T Park.

Special service runs are provided for Board-authorized special events such as the Bay to Breakers Race, SF Pride Parade, Opera at the Ballpark and concerts at AT&T Park. The Ferry Division is responsible for the daily maintenance of all its vessels, landside terminal operations, fuel storage and the Larkspur Ferry Terminal Parking Lot. The Ferry Division is also responsible for all major repairs, dry-dockings and capital projects associated with the fleet of seven vessels.

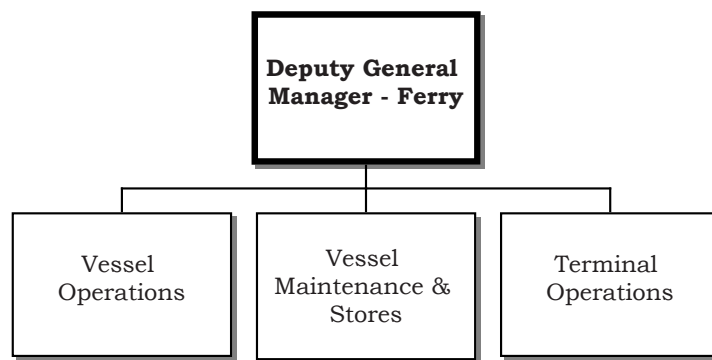
The Deputy General Manager is responsible for the overall management of the Ferry Division, including long-range planning, daily operations and the three major organizational units that support operations and maintenance:

- Vessel Operations
- Terminal Operations
- Maintenance and Engineering

The Ferry Division continues to adjust ferry service schedules to support increased demand. This year's enhancements included adding another service between Tiburon and San Francisco. The service provides weekday commute service to and from the Ferry Building in San Francisco. The Ferry Division continues to make adjustments to its weekday Larkspur service to accommodate growing demands by commuters. At the same time, seasonal service and staffing has been increased in Sausalito to support a growing tourist market.

The most significant vessel accomplishments for FY 16/17 was the \$6 million mid-life refurbishment and propulsion improvements to the *M.V. Mendocino*, in which the hull was extended, new water jets installed, and the ceilings, flooring, paneling and seat covers were all replaced.

FERRY DIVISION ORGANIZATIONAL CHART



FERRY DIVISION STATUS

Maintenance and Possible Expansion of the Fleet

In 2017/2018 the Ferry Division will award a contract to complete a major refurbishment and re-power of the ferry vessel *M.S. Sonoma*. The *M.S. Sonoma* is one of three sister vessels (*Marin*, *San Francisco* and *Sonoma*) that were built in the early 1970s to begin the Larkspur Ferry Service. In 2007, the *M.S. Marin* and the *M.S. San Francisco* were completely refurbished and each vessel received a new propulsion plant (re-powered) as well. Ferry division staff and consultants are presently preparing the detailed specifications and drawings necessary to award a shipyard contract to complete the refurbishment of the *M.S. Sonoma*.

In late 2017, early 2018, the Ferry Division will also be preparing the bid packages complete with specifications and drawings to either replace or rebuild the main engines in each of its high-speed vessels (*Del Norte*, *Mendocino*, *Golden Gate* and *Napa*). These projects will begin in the fall of 2017 and will be completed in the winter of 2018.

With the addition of the Tiburon route, during certain periods throughout the year the Ferry Division is utilizing all of its vessels and is operating without a spare should we encounter a mechanical breakdown. As a result, the District is in the early planning stages of acquiring a new high-speed vessel to ensure uninterrupted service should a vessel incur a mechanical failure or need routine maintenance.

Facility Upgrades and Replacement

The District's ferry terminals have been in service since before the 1970s and are in desperate need of replacement. For the Sausalito terminal, the design, engineering and environmental permitting is underway and nearly complete. A decision regarding the construction schedule should be made within the next 12 months. The District has engaged in multiple meetings with stakeholders in the Sausalito community, which have resulted in an improved design of the new landing facility.

The design, engineering and environmental permitting for the San Francisco terminal is underway and should complete in the next six months. Subject to the permitting process, construction will likely begin in 2018.

A decision regarding the Larkspur terminal has not yet been made. This terminal presents many unique challenges as it serves as our maintenance facility and all seven vessels return there in the evening to berth. Additionally, the terminal has grown into a major transportation hub serving upwards of 5,500 passengers per day. During the week, the large majority of these passengers are commuters. There are more than 2,000 parking spaces for Larkspur ferry commuters, including an overflow lot across the street from the terminal. All parking is typically full by 9:00 a.m. each morning, Monday through Friday. Therefore, the final decision regarding a rebuild of this terminal will need to include a decision regarding parking expansion to accommodate future growth.

While decisions and actions are ongoing regarding rebuild of all our terminals, the District's Engineering Department and Ferry Division have an ongoing capital program to maintain and extend the service life all of our Ferry facilities. This program is referred to as "Service Life Extension Program" (SLEP). The program focuses on maintaining each terminal in safe operating condition to ensure uninterrupted ferry service. The program addresses both significant maintenance and component replacement.

Looking to the Future

Recently the Ferry Division assumed responsibility for the weekday Tiburon ferry commute service between downtown Tiburon and the Ferry Building in San Francisco. This is the first new route Golden Gate Ferry has added since the service to the AT&T Park began in the late nineties. It is likely, with the construction of the new facility to house the Golden State Warriors on the waterfront in San Francisco, Golden Gate Ferry will once again expand ferry service from the North Bay. The addition of this service is consistent with our assigned mission of supporting the Bay Area's focus on reducing traffic congestion, reducing greenhouse gas emissions and improving the quality of life while at the same time growing ferry ridership.

Golden Gate Ferry is also working with the Sonoma Marin Area Rapid Transit (SMART) to improve connections with the new train that will soon service San Rafael and ultimately have a station directly across the street from our Larkspur Ferry Terminal.

In an effort to support growing ferry service, Golden Gate Ferry has been a leader in the utilization of mobile ticketing technology to serve casual users and visiting customers who may not be familiar with our regional fare system. Use of mobile ticketing has proven successful in Sausalito, Tiburon, and with our Baseball service.

Over the past ten years the District has seen significant increases in ferry ridership and remains committed to support this trend.

FY 17/18 FERRY DIVISION GOALS AND PROJECTS

Ferry Division Goals

Maintenance	Maintain and improve Ferry vessels and facilities.
Safety	Continue to improve operating standards and procedures to maintain safe, reliable and efficient Ferry service.
Efficiency	Maintain farebox recovery while expanding the service to meet passenger demand.

FY 17/18 Project Focus

The following are capital projects that affect the Ferry Division and will be part of the District's workplan focus for FY 17/18. Please refer to the Ferry Division's Capital project detail for more description.

Facilities	TVM Enclosure Door Replacement Fuel System Rehabilitation Design/Environmental Corte Madera Marsh Restoration Gangways & Piers - Sausalito Construction Gangway & Piers - Design Larkspur Ferry Terminal Reception Area Rehabilitation SLEP Larkspur Ferry Terminal Security Camera Upgrades
Ferry Operations	<i>M.V. Mendocino</i> Capital Improvement & Dry Docking <i>M.S. Sonoma</i> Refurbishment & Repower <i>M.S. Marin</i> Repower & Dry Dock <i>M.V. Golden Gate</i> Capital Improvement & Dry Docking <i>M.V. Mendocino</i> - Engineering Design Correction Bicycle Conveyor - Spaulding

CHANGES FROM FY 16/17 ACTUAL TO FY 17/18 ADOPTED BUDGET

Revenues

The Ferry Division's FY 17/18 Adopted Revenues of \$27.0 million consists of:

- \$22.6 million from Fares
- \$3.2 million from State and Local Operating Grants
- \$1.2 million from Other Operating Income

Ferry Division's Adopted Revenues for FY 17/18 are projected to increase by \$2.0 million, or 8.1%, from the FY 16/17 Actual. The increase in FY 17/18 Adopted Budget Ferry revenue is attributed to the increase in Ferry Transit fare revenues of \$2.3 million, or 11.3%, from the FY 16/17 Actual. This increase is offset by a \$0.1 million decrease in State Operating Assistance and a \$0.2 million decrease in Other Operating Income. Transit fares include the five-year fare increase as approved by the Board and \$1.2 million in fare revenue for the new Tiburon ferry service. Ferry ridership is forecasted to increase 6.8%, including approximately 166,000 new riders for Tiburon ferry service.

Expenses

The Ferry Division's FY 17/18 Adopted Operating Expenses total \$41.6 million. The Ferry Division's FY 17/18 Adopted Budget contains a \$3.1 million, or 8.2%, increase over the FY 16/17 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 16/17 Actual to FY 17/18 Adopted Budget (All Figures In Millions)

Labor	
Increase to salaries due to added Tiburon service plus a 3% COLA increase for non-represented and represented employees unless specified otherwise in their ratified Memorandum of Understanding	\$1.0
Increase in pension expenses due to higher contribution rates	0.3
Increase in medical expenses for FY 17/18 due to re-funding of vacant positions and increase in annual costs	0.1
Increase in postemployment benefits (OPEB) for FY 17/18	0.1
Decrease in miscellaneous benefits (capitalized benefits) due to less than budgeted capitalized labor in FY 16/17	(0.2)
Professional Services	
Projected increase in District-wide professional services fees for FY 17/18	0.6
Increase in legal and litigation fees due to projected activity for FY 17/18	0.1
Increase in custodial services for new vessel cleaning contract	0.2
Decrease in FY 17/18 District Division temporary help services compared to FY 16/17	(0.3)
Supplies and Other	
Increase in projected fuel costs due to lower than anticipated cost per gallon in FY 16/17 and the additional fuel for the Tiburon ferry service	2.1
Increase in repair and maintenance supplies due to projected higher repair costs in FY 17/18	0.1
Decrease in utilities fees projected for FY 17/18	(0.1)
Decrease in Payouts for Marine Insurance projected for FY 17/18	(0.1)
Re-funding of staff development expenses unused in FY 16/17	0.1
Decrease in depreciation due to increase depreciation of dredging in FY 16/17	(0.9)
Total Change from FY 16/17 Actual to FY 17/18 Adopted Budget	\$3.1

FERRY DIVISION OPERATING BUDGET

	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Revenues				
Transit Fares*	\$20,180,003	\$23,233,900	\$20,320,581	\$22,612,800
Other Operating Income	1,781,641	1,045,000	1,286,330	1,145,500
State Operating Income	2,738,973	3,166,500	3,323,530	3,203,000
Federal Operating Income	209,682	200,000	15,610	0
Total Revenues	\$24,910,299	\$27,645,400	\$24,946,051	\$26,961,300
Percent Change		11.0%	(-9.8%)	8.1%
Expenses				
Salaries	\$10,564,423	\$11,941,300	\$11,615,963	\$12,592,800
Fringe Benefits	8,140,754	8,778,300	8,761,098	9,110,700
Professional Services	4,860,812	4,536,600	4,021,298	4,674,900
Fuel & Related Taxes	4,301,197	4,803,000	4,416,312	6,501,800
Repair & Operating Supplies	2,055,038	1,759,300	1,714,320	1,736,600
Insurance, Taxes & Permits	1,342,818	1,503,800	1,497,475	1,372,700
Other	206,072	178,300	147,458	220,200
Leases & Rentals	63,145	49,500	31,727	49,500
Subtotal Expenses	\$31,534,259	\$33,550,100	\$32,205,651	\$36,259,200
Capital Contribution	4,000,000	4,000,000	4,000,000	4,000,000
Depreciation	1,549,961	2,183,600	2,199,751	1,290,800
Total Expenses	\$37,084,220	\$39,733,700	\$38,405,402	\$41,550,000
Percent Change		7.1%	(-3.3%)	8.2%
Revenues Over/(Under) Expenses	(\$12,173,921)	(\$12,088,300)	(\$13,459,351)	(\$14,588,700)
Ridership	2,545,122	2,878,023	2,523,077	2,694,950
Average Fare	\$7.93	\$8.07	\$8.05	\$8.39

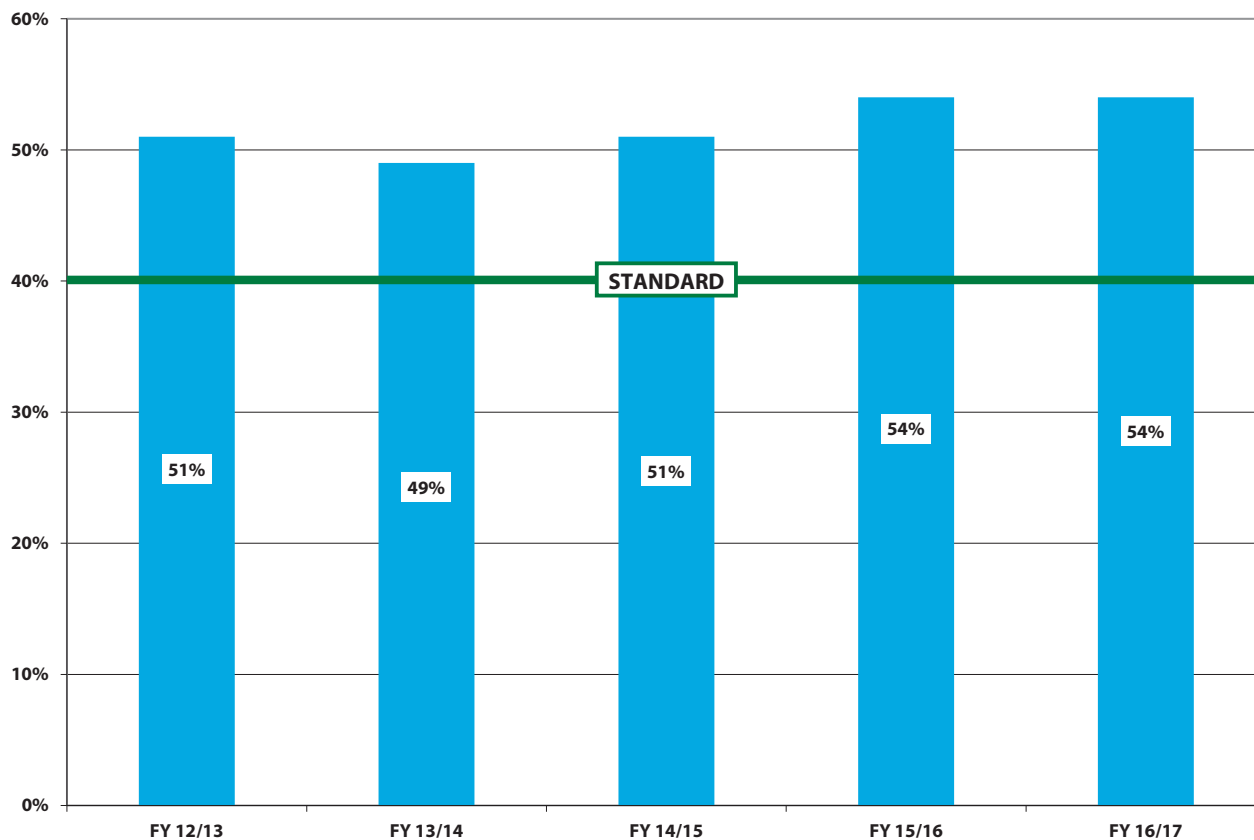
*FY 16/17 and FY 17/18 Transit Fares include new Tiburon Ferry Service.

Assumptions:

- 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes Employer MEBA, IBU and PERS contribution (29.16%).
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- \$2.45/gallon for fuel costs for the Ferry Division.
- All fiscal years show the transfer of District Division expense by line item.
- The Ferry Division's share of the District Division transfer is \$7.1 million.
- Salaries include approximately \$1.1 million for casual employees for workforce relief and extra work assignments that are not included in the Ferry Division's authorized positions listing.

FERRY DIVISION PERFORMANCE MEASURES

Ferry Transit Farebox Recovery Ratio

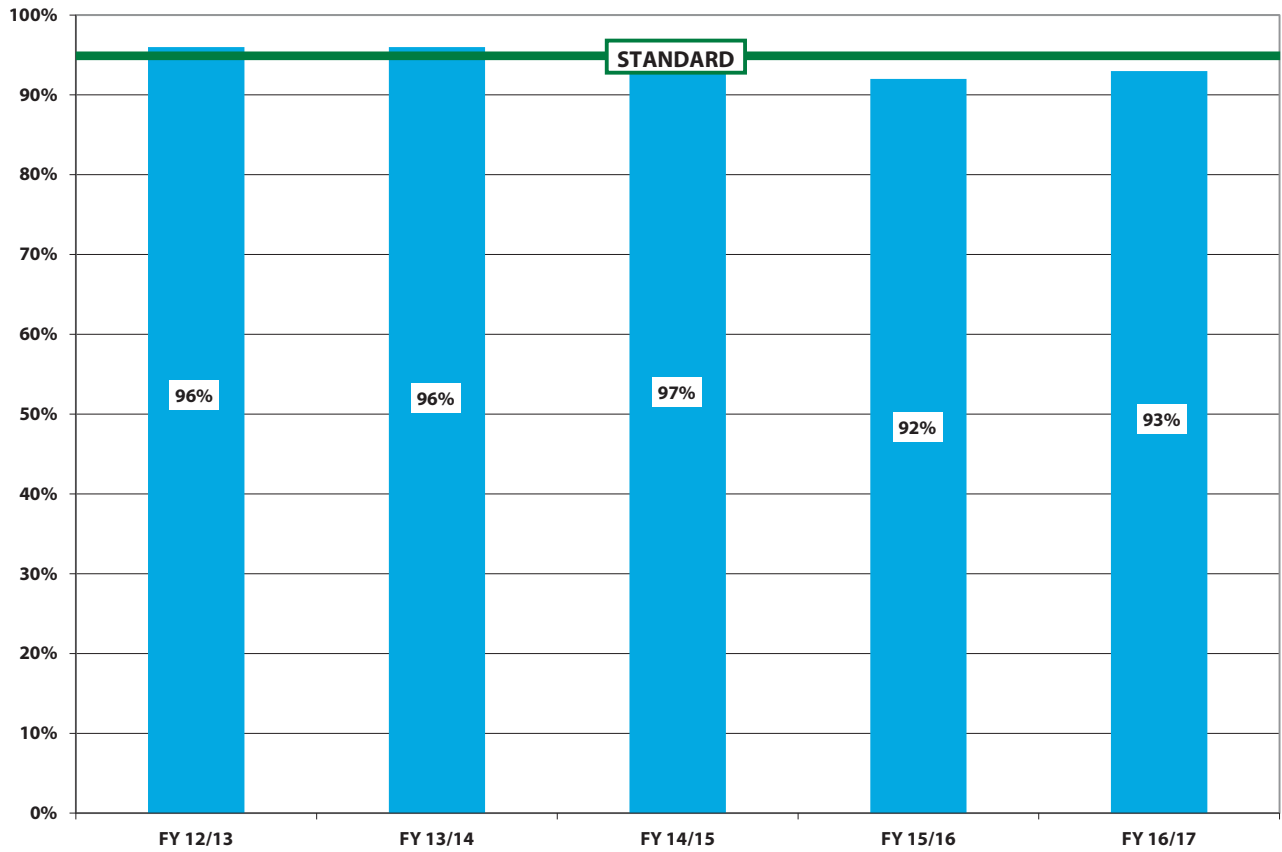


Measure: Farebox Recovery - Fare revenue as a percentage of operating expense.
Standard: Standard is 40%, based on Short Range Transit Plan (S RTP).

Strategies to further improve Farebox Recovery Ratio include the following:

- Increasing transit fares increased on July 1, 2017.
- Examining the ClipperSM vs. Single Use Ticket fare gap
- Implemented paid-parking at the Larkspur Ferry Terminal.
- Streamlining ticket-vending for Baseball service.
- Implementing capital projects that help reduce maintenance costs (e.g., new gangways and piers, Larkspur Maintenance Facility rehabilitation).

Ferry Transit Percentage of Trips Operating On-Time

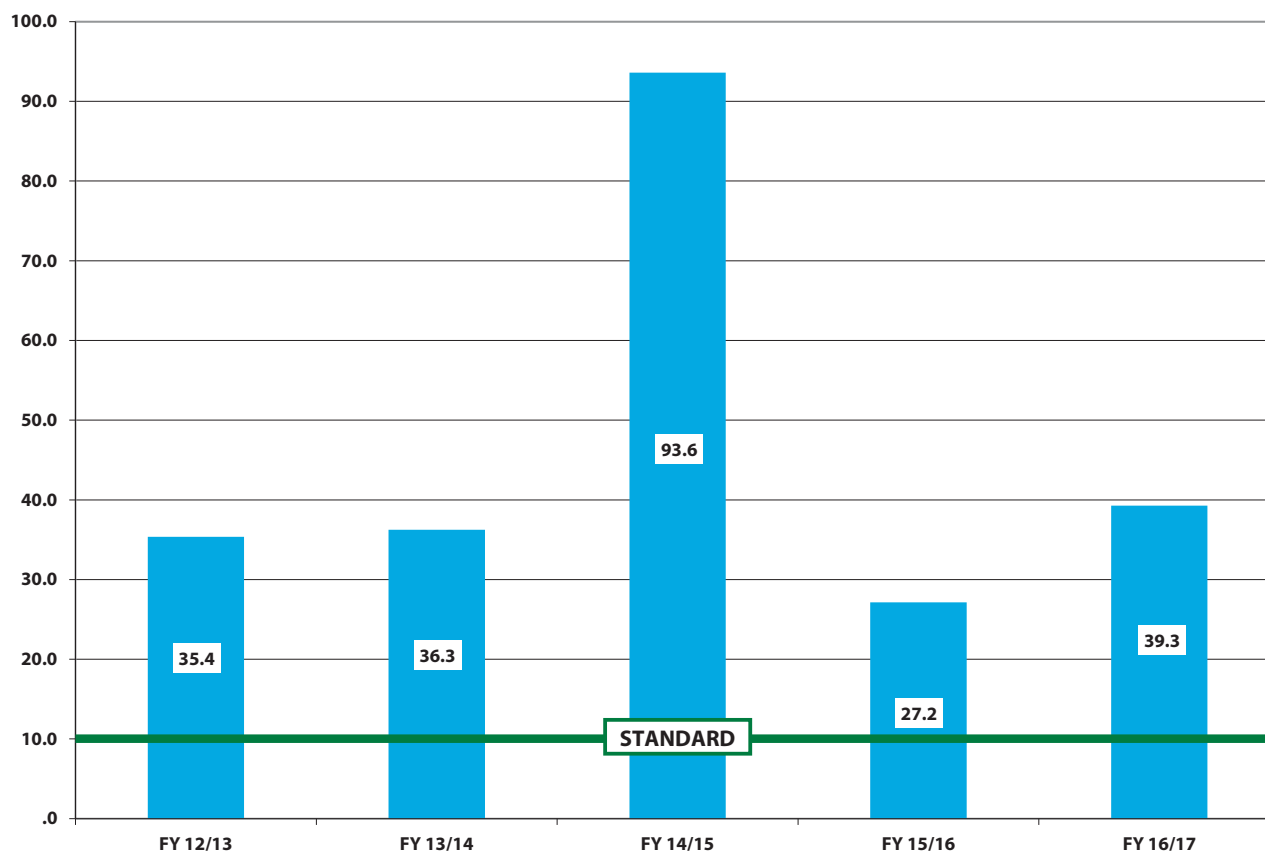


Measure: Scheduled service times and actual service times at key time points.
Standard: Operate on-schedule 95% of the time, based on the SRTP.

Strategies for maintaining an above-standard on-time percentage include the following:

- Enhancing communications with ACIS implementation to increase efficiency for communication and real-time tracking of vessel location.
- Examination of expanding ferry service from Larkspur during rush hour and Sausalito over the summer tourist season to potentially reduce loading time.

Ferry Mechanical Failure Rate All Chart Numbers Shown in Thousands



	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Mechanical Failures	5	5	2	7	5
Revenue Miles	176,831	181,256	187,179	190,060	196,380
Miles/Breakdown	35,366	36,251	93,589	27,151	39,276

Measure: Miles between in-service mechanical failures.
Standard: No more frequent than one per every 10,000 miles, based on SRTP.

The Ferry Division seeks to minimize mechanical system failures by following a timely vessel preventative maintenance and dry-docking strategy to ensure systems are inspected and serviced on regular intervals to ensure reliability.

Ferry Passengers Per Revenue Hour

	Standard	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Time of Day						
AM Peak	150	231	232	242	241	221
Midday	100	98	98	88	92	93
PM Peak	150	200	218	221	226	210
Weekend	100	198	221	198	210	202
Total System		175	186	181	187	178

Measure: Ferry passengers per service (revenue) hour.
Standard: Ferry service productivity standards are at least 150 passengers per hour for peak hours and 100 for off-peak hours, based on the SRTP.

Note: Some Performance Measures data for previous years has been amended due to final audit adjustments.

Policies to build demand include:

- Examining expanded service for unmet demand during tourist season and peak-hours along with two new ferry feeder bus routes to overcome parking limitations at the Larkspur Ferry Terminal.
- Enhancing amenities such as increased bike parking, refurbished vessels and onboard wireless internet to attract more customers.
- Commencing operation of commute ferry service between Tiburon and the Ferry Building in San Francisco.

FERRY DIVISION CAPITAL BUDGET

Program Summary

The FY 17/18 Capital Budget for the Ferry Division totals \$4.4 million and represents 15% of the total agency's capital budget. Major work and financial investment in FY 17/18 focuses on new and continuing projects, including the improvement of the *M.V. Mendocino* (1840 and 1647), continuing design work on the Gangways & Piers project (0503), the Corte Madera marsh restoration (9710) and the refurbishment and repower of the *M.S. Sonoma* (1740) and *M.S. Marin* (1741).

Actual FY 16/17 capital expenditures for the Ferry Division totaled \$5.5 million, funded with \$3.8 million, or 69%, District funds and \$1.7 million, or 31%, in grant funds (See Appendix C).

Completed Projects

A total of eight (8) projects are anticipated for completion in FY 16/17.

Project 1029 – *M.V. Mendocino* Mid-Life Refurbishment – \$6,290,000

This project included extensive rehabilitation of the 10-year old *M.V. Mendocino*. The project budget was increased from \$5.98 million to \$6.29 million in FY 15/16 through a Board-approved action in February 2016 (Resolution 2016-014). *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1648 – *M.V. Del Norte* Vessel Modifications, Main Door – \$1,664,000

This project changed the location of the vessel's main door to align with the landside floats at Tiburon. The *M.V. Del Norte* will be the primary vessel to provide weekday Tiburon service. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000.]*

Project 1645 – *M.V. Golden Gate* Main Engine QL3 Overhaul – \$943,000

This project is a factory-mandated mid-life overhaul of the vessel's main engines at 10,000 operating hours. The project involved replacement and servicing of several key engine components. This project was added to the FY 15/16 budget through a Board approved action in August 2015 (Resolution No. 2015-072). *[Operating Budget Impact: No significant impact.]*

Project 1643 – *M.V. Napa* Main Engine QL3 Overhaul – \$1,049,000

This project is a factory-mandated mid-life overhaul of the vessel's main engines at 10,000 operating hours. The project involved replacement and servicing of several key engine components. *[Operating Budget Impact: No significant impact.]*

Project 1451 – *M.V. Golden Gate* – Engine-Vessel Improvements & Dry Dock – \$400,000

This project improved engine-vessel capacity for the *M.V. Golden Gate* while the vessel is in dry dock. The total project budget was reduced from \$650,000 to \$400,000 through the FY 17/18 budget process. *[Operating Budget Impact: No significant impact.]*

Project 1646 – M.V. Del Norte Main Engine QL1 Overhaul – \$150,000

This project is a regularly scheduled, required QL1 overhaul to ensure reliable operation of the engines. This project was added to the FY 15/16 budget through a Board approved action in January 2016. The *M.V. Del Norte* accumulated triple the operating hours planned, due to the delay in the return of the *M.V. Mendocino*. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000.]*

Project 1452 – Sausalito Landing Rehabilitation Environmental Mitigation – \$100,000

This project will contribute funds necessary to plant and monitor 0.16 acres of eelgrass beds, which equals a 1:1 mitigation ratio, as part of the Gangways and Piers Sausalito construction. *[Operating Budget Impact: No significant impact.]*

Project 1642 – Vessel Man Overboard Davits – \$70,000

This project implemented OSHA certified vessel modifications to comply with new U.S. Coast Guard requirements for man overboard retrieval systems. *[Operating Budget Impact: No significant impact.]*

Ferry Division Capital Budget FY 17/18¹

Project Number and Description ³	Total Project ²	Prior Years	FY 17/18 Budget	Future Years	FY 17/18 Funding	
					District	Other
New Projects						
1840 - <i>M.V. Mendocino</i> Cptl Improv & DD (FERRY)	\$6,000,000	\$-	\$100,000	\$5,900,000	83%	17%
1841 - Fuel System Rehab Des/Env (ENG)	1,500,000	-	50,000	1,450,000	100%	0%
Total New Projects	\$7,500,000	\$-	\$150,000	\$7,350,000	87%	13%
Continuing Projects						
1740 - <i>M.S. Sonoma</i> Refurb & Repower (FERRY)	\$22,500,000	\$9,800	\$100,000	\$22,390,200	3%	97%
0503 - Gangway & Piers - Design (ENG)	11,862,700	6,671,300	100,000	5,091,400	17%	83%
1441 - Gangways & Piers - Sausalito Const (ENG)	11,500,000	-	5,000	11,495,000	20%	80%
1741 - <i>M.S. Marin</i> Repower & Dry Dock (FERRY)	5,488,000	27,600	100,000	5,360,400	82%	18%
9710 - Corte Madera Marsh Restoration (ENG)	2,489,000	1,667,300	100,000	721,700	100%	0%
1542 - SLEP Larkspur (FERRY)	1,740,000	110,600	100,000	1,529,400	20%	80%
1742 - <i>M.V. Golden Gate</i> Cap Improv & DD (FERRY)	938,800	6,900	100,000	831,900	100%	0%
1647 - <i>M.V. Mendocino</i> - Eng. Dsn Correct (FERRY)	810,000	620,100	100,000	89,900	0%	100%
1743 - Ferry Terminal Security Camera (FERRY)	200,000	111,000	89,000	-	11%	89%
1745 - Bicycle Conveyor - Spaulding (FERRY)	150,000	-	100,000	50,000	100%	0%
1545 - TVM Enclosure Door Replacement (FERRY)	100,000	-	50,000	50,000	20%	80%
1744 - LFT Reception Area Rehab (FERRY)	51,000	26,000	25,000	-	100%	0%
Total Continuing Projects	\$57,829,500	\$9,250,600	\$969,000	\$47,609,900	23%	77%
Capital Equipment						
1849 - Capital Equipment	\$3,298,000	\$-	\$3,298,000	\$-	100%	0%
Total Capital Equipment	\$3,298,000	\$-	\$3,298,000	\$-	100%	0%
Total Capital Expenditures						
	\$68,627,500	\$9,250,600	\$4,417,000	\$54,959,900	34%	66%
Capital Fund Source						
District	\$23,308,700	\$2,900,400	\$3,899,400	\$16,508,900		
Other	45,318,800	6,350,200	517,600	38,451,000		
Total	\$68,627,500	\$9,250,600	\$4,417,000	\$54,959,900		

1. Dollar figures are rounded to the nearest hundred.
2. Projects are listed in order of descending total project value.
3. First two digits of project number indicate fiscal year the project began.

Ferry Division FY 17/18 Capital Project Detail

New Projects

Project 1840 – M.V. Mendocino Capital Improvements & Dry Dock – 6,000,000

This project will include repairs to vessel's superstructure, engines and hull, which will be scheduled during a dry-docking. Four (4) new main engines will be purchased for installation in the vessel. Work is necessary to remain in compliance with federal and state regulatory bodies. *[Operating Budget Impact: A reduction of \$10,000 to \$50,000.]*

Project 1841 – Fuel System Rehabilitation Design & Environmental – \$1,500,000

This project will investigate the existing fuel farm located at the Larkspur Ferry Terminal and design upgraded monitoring systems and equipment necessary to comply with all regulatory fuel station requirements. *[Operating Budget Impact: To be determined.]*

Continuing Projects

Project 0503 – Gangway & Piers, Design – \$11,862,700

This project involves preliminary engineering and environmental work to replace and rehabilitate the existing hydraulic gangway and ramp system installed at the San Francisco, Larkspur and Sausalito ferry terminals that were built in the mid-1970s. The project budget was increased from \$8,375,000 to \$11,729,000 in November 2016. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1441 – Gangways & Piers – Sausalito Construction – \$11,500,000

This project is a part of a larger system-wide ferry project to design and construct replacement ramps and gangways to improve access on the San Francisco, Larkspur and Sausalito ferry terminals. The existing facilities will be rehabilitated, including the replacement of ramps and floats, to address ADA compliance and other issues affecting passenger safety. Upgrades to the facilities are to provide for the increasing use of bicycles and to support loading/offloading operations. Replacement ramps will be designed to facilitate smooth, safe and efficient loading of passengers and bicycles. *[Operating Budget Impact: A reduction of more than \$100,000.]*

Project 1542 – Larkspur Ferry Terminal Service Life Extension Project – \$1,740,000

This project will refurbish the Larkspur Ferry Terminal's gangways, floating fender camels and hydraulic systems in order to prevent complete failure of the gangway prior to replacement and bring the terminal facility to a state of good repair. *[Operating Budget Impact: No significant impact.]*

Project 1545 – TVM Enclosure Door Replacement – \$100,000

This project will replace inefficient doors on TVM enclosures and reduce risk for employee injury and workers' compensation claims. *[Operating Budget Impact: A reduction of \$50,000 to \$100,000.]*

Project 1647 – M.V. Mendocino Engine Design Correction – \$810,000

This project will allow the District to correct the design of the M.V. Mendocino's water jets and gear boxes, and to design and install new, custom water jet parts. This project was added to the FY 15/16 budget through a Board approved action in December 2015 (Resolution No. 2015-111). *[Operating Budget Impact: No significant impact.]*

Project 1740 – M.S. Sonoma Refurbishment and Repower – \$22,500,000

This project is a total refurbishment of the M.S. Sonoma, which will include the removal and replacement of all interior passenger and crew spaces as well as replacement of the main electrical switch boards, motor control center and power distribution breaker panels, main engines, gearboxes and main propulsion systems. This project will also make improvements to carry up to 200 bicycles. *[Operating Budget Impact: No significant impact.]*

Project 1741 – M.S. Marin Repower & Dry Dock – \$5,488,000

This project will upgrade the M.S. Marin engines to Tier III and install new gears and shafting. The work will also include electrical upgrades, pilot house improvements, upgraded seating, interior furnishings and exterior painting. This project includes work to the M.S. Marin under project 1640 – M.S. Marin Ramp & Gangways Vessel Modifications – to allow the vessel to interface with new ramps and gangways. *[Operating Budget Impact: No significant impact.]*

Project 1742 – M.V. Golden Gate Dry Docking & Capital Improvements – \$938,800

This project replaces project 1451, M.V. Golden Gate Engine-Vessel Improvements and Dry Dock, which was bid out but not completed. The bids from two shipyards had noticeable differences that prompted a revised scope of work to include additional engineering drawings. These drawings should provide the shipyards with the clarification they need to accurately bid the work. The revised project includes, but is not limited to the following: dry-docking the vessel, electrical work, piping and mechanical foundations, structural modifications, work to sea chests, replacement and addition of new windows, work to the water jets, installation of a passenger information system and changes to the engine room ventilation system. *[Operating Budget Impact: No significant impact.]*

Project 1743 – Ferry Terminal Security Camera Upgrades – \$200,000

This project will replace the existing closed-circuit television (CCTV) surveillance system at the San Francisco Ferry Terminal. *[Operating Budget Impact: No significant impact.]*

Project 1744 – LFT Reception Area Rehabilitation – \$51,000

This project was moved to the budget in August 2016 to improve the reception area at the Larkspur Ferry Terminal Administration building. *[Operating Budget Impact: No significant impact.]*

Project 1745 – Bicycle Conveyor – Spaulding – \$150,000

The project will consist of engineering, project management and procurement and installation of a complete escalator system capable of assisting passengers and crew in transporting bicycles up a flight of stairs. *[Operating Budget Impact: No significant impact.]*

Project 9710 – Corte Madera Marsh Restoration – \$2,489,000

In accordance with conditions of a 1988 dredging permit issued by the Corps of Engineers, this project began in FY 96/97 to provide for restoration of seasonal and tidal wetlands at the District's 72-acre parcel adjacent to the Corte Madera Ecological Reserve (CMER). The project will mitigate potential impacts of ferry operations on the CMER shoreline. *[Operating Budget Impact: To be determined.]*

Capital Equipment**Project 1849 – Capital Equipment – Ferry – \$3,298,000**

This project is for the annual purchase of capital equipment for the Ferry Division. *[Operating Budget Impact: No significant impact.]*

FERRY DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Ferry Division					
Ferry Vessel Operations 410					
Deckhand	23	23	23	23	0
Deckhand Baseball	2	2	2	2	0
Deckhand Lead	10	10	10	10	0
Maintenance Deckhand	1	1	1	1	0
Mate	0	0	4	4	0
Seasonal Deckhand	3	3	3	3	0
Seasonal Deckhand Lead	1	1	1	1	0
Seasonal Vessel Master	2	2	2	2	0
Supervising Vessel Master	1	1	1	1	0
Vessel Master	16	16	12	12	0
Vessel Master Baseball	1	1	1	1	0
Total	60	60	60	60	0
Ferry Terminal Operations 420					
Admin Assist/Crew Resources	1	1	0	0	0
Director of Ferry Operations	1	1	1	1	0
Operation Manager	0	0	1	1	0
Operations Supervisor	5	5	5	5	0
Operations Supervisor Seasonal	1	1	1	1	0
Terminal Assistant	7	7	7	7	0
Terminal Assistant Seasonal Sausalito	1	1	1	1	0
Total	16	16	16	16	0
Ferry Maintenance 430					
Director of Engineering & Maintenance	1	1	1	1	0
Ferry Projects Administrator (LT)	1	1	1	1	0
Ferry Projects Engineer	0	0	2	2	0
Manager Ferry Maintenance	1	1	1	1	0
Marine Storekeeper	1	1	1	1	0
Mechanic	6	6	7	7	0
Mechanic Lead	3	3	3	3	0
Working Foreman Mechanic	1	1	1	1	0
Total	14	14	17	17	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The Ferry Division					
Ferry Procurement 440					
Senior Buyer	1	1	1	1	0
Total	1	1	1	1	0
Ferry General & Administration 490					
Administrative Assistant	1	1	1	1	0
Deputy General Manager, Ferry Division	1	1	1	1	0
Operation Analyst	0	0	1	1	0
Total	2	2	3	3	0
Ferry Division Totals					
Total Authorized Positions	93	93	97	97	0
Regular Positions	92	92	96	96	0
Limited Term Positions	1	1	1	1	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification



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DISTRICT DIVISION PROFILE

The District Division is comprised of a variety of administrative departments that support the three operating divisions of the District: Bridge, Bus and Ferry. The District Division consists of the following: Office of the General Manager, Office of the District Engineer, Office of the Auditor-Controller, Office of the District Secretary, and Administration and Development Departments.

The **Office of the General Manager**, as the Chief Executive Officer, is appointed by the Board of Directors and given authority, provided by the Board, for the operation of the District and supervises employees in the administration, operation, construction, strategic planning and research activities of the District.

This office is primarily responsible for providing general management of the District's three operating Divisions (Bridge, Bus and Ferry) and District Administration. Each Division is headed by a Deputy General Manager who reports to the General Manager.

The 1928 legislation that enabled formation of the Golden Gate Bridge District also designated the District Engineer to be in charge of all the engineering and construction works for the District. The **Office of the District Engineer** is responsible for developing and implementing capital improvement projects for the Bridge, Bus and Ferry Divisions as well as providing ongoing engineering support to the District's maintenance operations. Engineering projects are developed and constructed with consideration for financial, operational and environmental conditions and restrictions. The work involves facility inspections, environmental studies, design, construction management, development and procurement of professional engineering services and construction contracts, contract administration and contract labor compliance verification. These activities are performed by the Engineering Department staff and, in the case of the environmental studies, design and construction management, some of the work is accomplished with the assistance of consultants retained under contracts. The Office of the District Engineer works closely with the Bridge, Bus and Ferry Divisions to collaboratively scope projects. Successful project implementation is reflected in improved service to the public, efficiency of District operations and in an extended service life of the District's structures, which are the District's real assets.

The **Office of the Auditor-Controller** is responsible for the financial activities of the District and includes the functions of Accounting, Payroll, Audit, Capital and Grant Programs, Budgeting, Financial Projections, Investments and Treasury functions, Insurance, Electronic Revenue Collection, Procurement and Cash Management.

The **Director of Fiscal Resources** provides oversight support to the Auditor-Controller in the District's investments and financing areas including the District's Commercial Paper Program, Fixed Income Investment Portfolio, Other Post-Employment (OPEB) Trust, 457(b) Deferred Compensation and 401(a) Deferred Contribution Plans, various pension plans and the Health Reimbursement Accounts (HRA) Plans.

Accounting is responsible for the financial processing activities of the District covering areas such as our banking relationship, cash and investment activity, payroll and accounts payable processing, accounts receivable billing and collection activity. The department collaborates with the Marketing and Communications Department to produce the Comprehensive Annual Financial Report (CAFR). The Accounting department oversees all financial audits concerning the District, including the annual audit of the District's financial records. This department is a key contributor or submits reports regarding financial report compliance, including the National Transit Database (NTD) Report, the State Controller's

Reports and the U.S. Department of Transportation, the Indirect Cost Allocation Plan (ICAP) and the Federal Highway Administration (FHWA) Toll Facility Receipts and Disbursement Report. Accounting establishes financial policy interpretation in the areas of internal control and compliance with generally accepted accounting principles.

Capital and Grants is responsible for the development of the annual Capital Budget, the Capital Improvement Program and most recently, the Transit Asset Management Program. This office coordinates with the District's three operating divisions and Engineering to account for capital project activities, maintain project budgets and to ensure compliance with grant reporting requirements. This office is responsible for programming, obligating, administering and monitoring Federal, State and Local capital and operating grants for the District. Other responsibilities include the facilitation of the FTA Triennial Review and other grant-related audits as necessary. This office actively participates in local and regional funding policy discussions and working groups and serves as a liaison between granting and partner agencies and the District.

Budget and Electronic Revenue is responsible for facilitating the overall budget process, monitoring the day-to-day operating budget, organizing the details of the operating budget, constructing the Strategic Financial Plan and creating and updating financial projections. This office supports the operating divisions by participating in special projects, performing program analysis, creating business processes and facilitating fiscal policies. This office is also responsible for managing the electronic revenue programs including operations of the All Electronic Tolling (AET) program, FasTrak[®], oversight of the ClipperSM program, Ferry parking payment and mobile ticketing systems, and maintaining the toll policy.

Procurement facilitates the timely acquisition of goods and services needed across the District in support of its strategic goals. The Department strives to maximize the value of every expenditure of public funds while ensuring that procurements are conducted with integrity under the principles of open and fair competition. The Procurement Department also manages the commercial credit card program, the non-revenue fleet program and has oversight of the warehousing, inventory and surplus functions.

The **Office of the District Secretary** (DS Office) ensures the Board of Directors (Board) has the proper advice, resources and tools to discharge its fiduciary duties. The Board is comprised of 19 members representing San Francisco, Marin, Sonoma, Napa, Mendocino and Del Norte counties. The DS Office is responsible for planning, organizing and holding Standing and Advisory Committee meetings, regular and special Board meetings and public hearings, including the preparation of agendas, minutes, ordinances and resolutions. The DS Office is also responsible for maintaining the Rules of the Board and Master Ordinance. In addition, the DS Office is responsible for all mandated legal advertising for public hearings.

Since 2007, the DS Office, in coordination with the Auditor-Controller's office, has also coordinated the meetings of the Golden Gate Bridge, Highway and Transportation District Other Postemployment Benefits (OPEB) Retirement Investment Trust Board (Trust Board).

The District Secretary serves as the Filing Officer for State-mandated requirements, including filing of financial disclosure statements (Form 700) with the Fair Political Practices Commission for the Board, designated staff and consultants. The District Secretary also ensures the Board and designated staff complete Ethics Training. In addition, the District Secretary files the official Board Roster with the State of California.

The DS Office accepts, summarizes and routes District-wide claims, lawsuits and subpoenas. The DS Office also receives, orchestrates records collection and processes subpoenas and Public Records Act (PRA) requests. In addition, the DS Office files Notices of Exemption for changes in Bridge tolls, transit fares and

transit services. The DS Office is also responsible for receipt and opening of District-wide formal bids and Requests for Proposals (RFPs).

The DS Office includes the Receptionist position located in the Administration Building, Golden Gate Bridge Toll Plaza. This position provides customer service to the public and is a key point of contact for a multitude of inquiries including questions about all electronic tolling.

The office of **Administration and Development** provides professional and technical staff support to the operating Divisions in the areas of Marketing and Communications, Customer Relations, Information Systems, Human Resources, Organizational Development and Training, Employee Relations and Compliance Programs, Risk Management, Health and Safety, Labor Relations and Planning. Additionally, the Division oversees all civil rights programs including disadvantaged and small business opportunities, Title VI (services and facilities) compliance plans, ADA, EEO and diversity workplace issues. The Employee Relations and Compliance Programs Manager reports to the General Manager on issues involving personnel, but directly reports to the Administration and Development DGM on all day-to-day matters and the Affirmative Action Plan.

Employee Relations and Compliance ensures regulatory compliance with Equal Employment Commission guidelines under Title VII of the Civil Rights Act prohibiting discrimination in the workplace. The department consults with mid-level and senior management on the handling of discipline, grievances, separations and sensitive harassment and discrimination investigations. Employee Relations is responsible for managing the EEO Program and its various program components which include developing personnel policies and procedures, investigating complex personnel complaints, collecting and analyzing employment data, setting Affirmative Action Plan and Disadvantaged Business Enterprise goals as well as ensuring legally compliant administration of leaves of absence and procedures including ADA, FMLA, CFRA and related matters.

Risk Management ensures compliance with all applicable laws related to environmental health, workplace safety and self-insurance workers' compensation programs. The department monitors third party administrators for workers' compensation and liability claims, works with insurance brokers on obtaining insurance policies, supports and acts as a consultant on all relevant risk management and safety matters for all Divisions, including ongoing training, and identifies risk exposures and recommends risk control strategies as necessary. The addition of Emergency Planning, Business Continuity and Security was added to the Risk Management program responsibilities in 2017.

Human Resources is responsible for providing employees with various personnel services. The Human Resources Department handles all recruitment activities, benefits compensation and employee development programs for active employees and retirees, federally mandated drug testing programs, administers personnel related policies and analyzes policies to ensure equitable enforcement throughout the District.

Information Systems mission is to provide valuable, innovative technology solutions to our employees, partners, and citizens through joint problem solving, and collaborative partnerships. The Department's vision is to become a strategic leader in innovative technology with a strong focus on being a collaborative and responsive partner for all technology related services.

Through the department's four business divisions (Systems Administration, Application Support, ACIS and Project Management), Information Systems is responsible for the deployment, maintenance and enhancement of the District's technology systems. Through innovative hardware, software and data

management, Information Systems provides a high level of technical and business process support to District customers.

The **Marketing and Communications** and **Customer Relations** departments are responsible for all educational and informational materials related to the Bridge and transit systems, including schedules, website, social media, public affairs/media activities and managing the GGBHTD brand. This group is also responsible for the central call center, which provides information and assistance to customers. The departments formulate and disseminate cohesive and consistent messaging to a variety of stakeholders. It is our mission to provide excellent customer service and communicate valuable and accurate information in a timely matter.

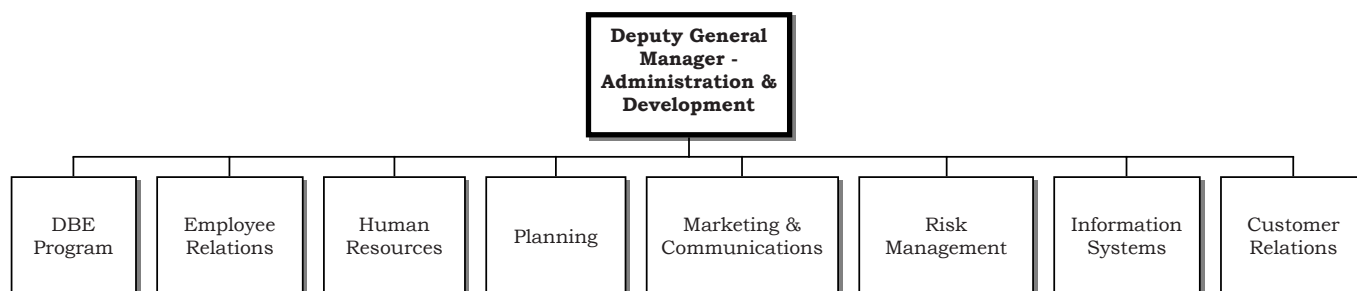
Planning provides planning and analytical support to all areas of the District including complex fare and Bridge toll studies, service plan development, facilities and property development, performance monitoring and standards review, and development and access plans for persons with disabilities, cyclists and pedestrians at the Bridge and at transit facilities throughout the Golden Gate system. The Planning Department is also responsible for compliance activities related to the Federal Transit Administration's Triennial Review and specifically with regard to the District's ADA and paratransit programs.

The Planning Department is tasked with analyses of the operations and Bridge traffic patterns, as well as the District's transit services, in addition to capital projects related to the delivery of Bridge and transit operations. The department is responsible for analyzing and making recommendations regarding toll or transit fare adjustments, transit service changes and program changes based on requirements from funding agencies through analysis of the District's data. The department is responsible for the content of the District's data reporting systems, and various data outputs required for external transit information programs.

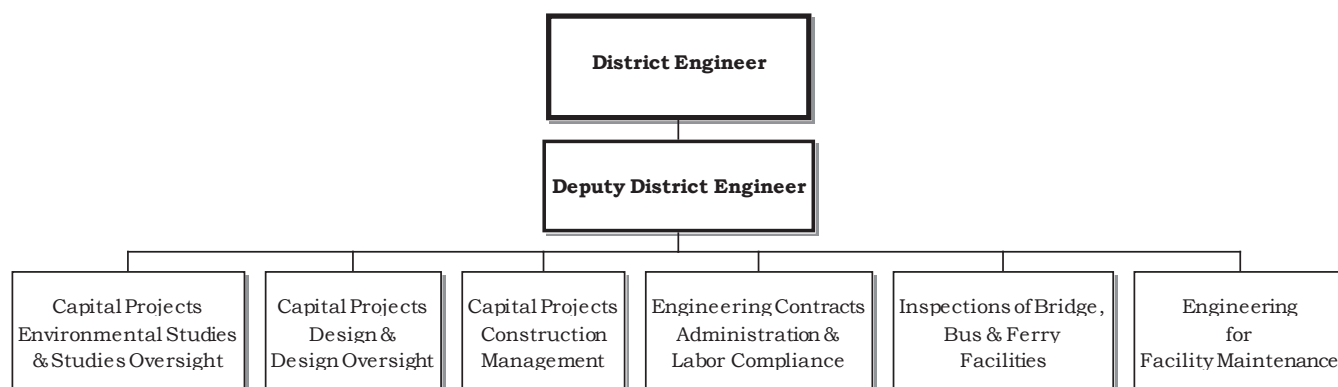
The department also generates compliance documents for various federal programs that are critical to the District receiving external funding, including annual submittals of operating and performance statistics to the National Transit Database (NTD). Planning is also responsible for managing the District's property assets including real property, such as those parcels used by the operating divisions, including the San Rafael Transit Center (SRTC).

DISTRICT DIVISION ORGANIZATIONAL CHARTS

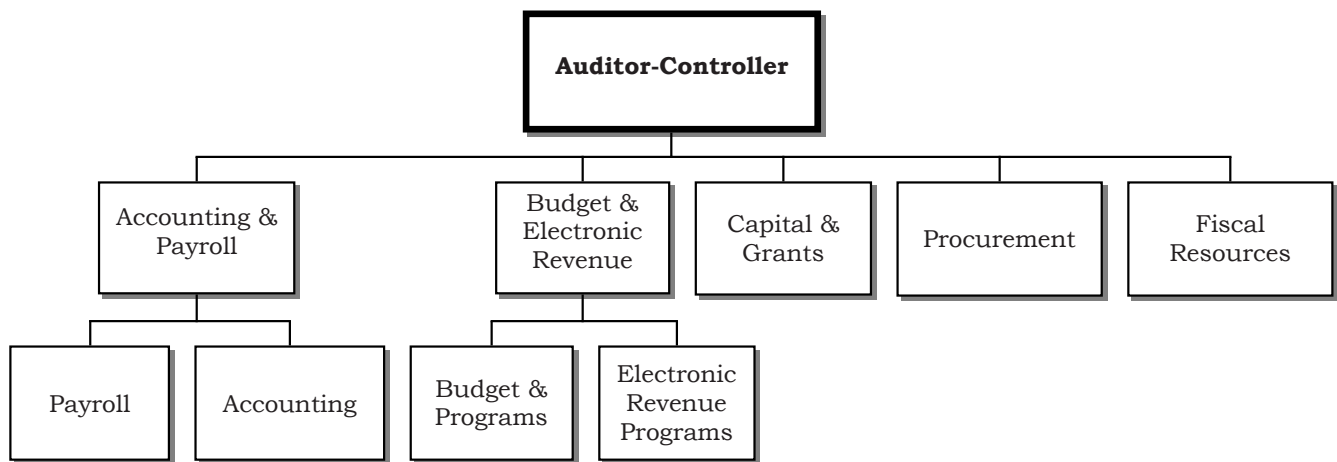
Administration and Development



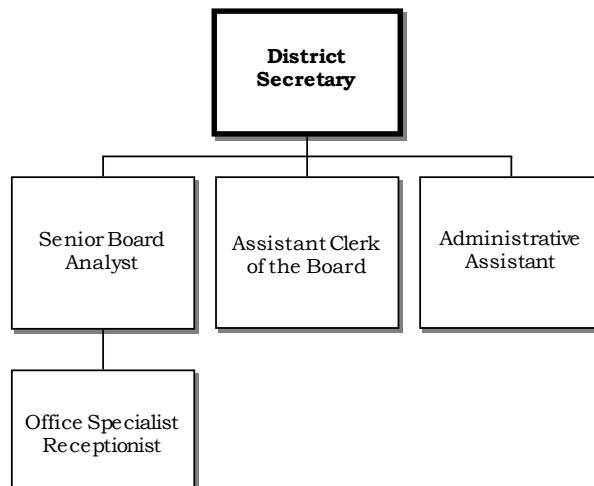
Engineering Department



Finance Department



District Secretary's Office



DISTRICT DIVISION STATUS

Engineering Department Status

During FY 17/18, the Engineering Department will work on a variety of projects, including several multi-year major capital improvement projects already underway. The majority of the Engineering Department resources will continue to support structural retrofit, rehabilitation and improvement of the Golden Gate Bridge.

- Golden Gate Bridge Seismic Retrofit Design for Phase IIIB.** Phase IIIB involves the largest design and construction effort undertaken by the District since the original Golden Gate Bridge construction. The scope of the project consists of retrofitting the Suspension Bridge for major earthquake and sustained strong winds, blast-hardening certain Bridge elements and the seismic retrofit of the Lincoln Boulevard undercrossing and the Toll Plaza tunnel. Design of the project is underway. The District has joined the Pool Fund Study, which is administered by the Federal Highway Administration (FHWA), to conduct specialized structural analysis relative to the Phase IIIB Project. Preliminary retrofit alternatives related to this analysis have been developed. In January 2014, the Board approved a technical review panel (TRP), which consists of experts in the field of bridge seismic retrofit, steel structures and construction, to conduct reviews and to approve final retrofit strategy and design for this project. In December 2014, the TRP approved the retrofit strategy developed by the design consultant, including the use of solid state energy dissipation devices (EDDs) within the Suspension Bridge to reduce the seismic load transmitted to the superstructure. The TRP recommended and, in February 2015, the Board approved testing of the EDD prototypes to confirm their behavior and energy dissipation capacity. The consultant developed an EDD prototype fabrication and testing protocol and the first phase of testing commenced in June 2015, and was completed in December 2015. Fabrication of specimens for the second phase of testing began in February 2016, and testing was completed in September 2016. The testing confirmed that the EDDs will dissipate energy and behave as intended. In FY 17/18, the consultant will finalize the final design plans and specifications and prepare bid documents for construction of the project. Engineering will also develop a Construction Project Management Plan.
- Golden Gate Bridge Physical Suicide Deterrent System.** The purpose of the Project is to install a horizontal net along both the east and west sides of the Bridge structures to form a physical barrier that will deter persons from attempting to commit suicide by jumping from the Bridge. The adopted Golden Gate Bridge Physical Suicide Deterrent System Final Environmental Impact Report designated the Net System, consisting of a horizontal marine grade stainless steel net installed on cantilever structural steel supports attached to the Bridge, as the preferred build alternative because, in comparison to the conventional vertical fencing, it has minimal visual and aesthetic impacts on the Bridge and no adverse effect on the wind stability of the Suspension Bridge when installed together with the Suspension Bridge wind retrofit. The total length of the net system will be approximately 3.4 miles (two times the 1.7 mile length of the Bridge). This will be the first and the largest horizontal installation of a marine grade stainless steel cable net system on a highway bridge in the United States. An estimated 385,000 square feet of the net mesh will be installed. The Project also includes a replacement of the Suspension Bridge traveler access system with new travelers that will clear the supports of the net system. The project was advertised for construction in October 2015, and on July 12, 2016, two bids were received. On December 16, 2016, the Board of Directors approved a revised funding plan for the construction of the project and authorized award of a contract to construct the Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit project to Shimmick Construction Company/Danny's Construction Company LLC, JV, in the amount of \$142,051,868. The Notice to Proceed was issued effective February 13, 2017, and the JV has been prepar-

ing initial work plans and submittals and performing field verifications. In FY 17/18, the JV will continue performing field verifications, preparing work plans and will proceed with the structural steel and net system fabrication.

- **Bridge Inspections.** To ascertain the structural condition of the Bridge and compliance with FHWA (Federal Highway Administration) regulations, the District conducts biennial bridge inspections. The Engineering Department has developed bridge inspection plans conforming to the revised federal requirements for the mandatory bridge inspections. In addition to inspections completed by the Engineering Department staff, consultants retained by the District performed underwater inspections of the Golden Gate Suspension Bridge Main Tower Piers and inspections using rope climbing methods of the bridge elements which are not accessible through conventional means. The most recent cycle of fracture-critical inspections began in January 2017 and will continue in FY 17/18.
- **Main Cable Access System.** Engineering has retained an engineering consultant to design and prepare plans and specifications for a system that will allow District forces to access the Suspension Bridge Main Cables for inspection and maintenance. The consultant has completed the design of the system and Engineering has been working with the consultant to finalize the construction bid documents. In FY 17/18, the project will be advertised for construction bids and, after award of the construction contract, project construction will commence.
- **Golden Gate Bridge South Approach and Pier Security Improvements.** Engineering developed design of the project and has been working with the National Park Service (NPS) on details of the project features that need to be installed outside of the District permitted right-of-way and within the surrounding GGNRA areas. In FY 17/18, Engineering will finalize the design, obtain NPS permit and prepare construction documents to advertise the project for construction bids.
- **North Anchorage Housing Security Improvements.** Engineering has performed preliminary investigations to determine elements that must be added to the North Anchorage Housing security system. In FY 17/18, Engineering will proceed with the project design.
- **Golden Gate Bridge Toll Gantry Design Services.** In FY 17/18, Engineering will retain an engineering consultant to design and prepare plans and specifications for a toll gantry system that will support the new All Electronic Tolling system at the Golden Gate Bridge Toll Plaza.
- **Golden Gate Bridge Toll Plaza Pavement Overlay.** The 2016-2017 winter storms have caused the Toll Plaza pavement to deteriorate to the extent that placement of a new asphalt concrete overlay from the south bridge abutment to the Lincoln Boulevard undercrossing is required. In Spring 2017, the Engineering Department initiated a project to construct a new pavement overlay. The design and construction bid documents will be completed in early FY 17/18. The project is scheduled to be advertised for construction bids shortly after.

The decades-old facilities of the District, Bridge, Bus and Ferry Divisions require repairs and upgrades to assure uninterrupted operations. In FY 17/18, Engineering will work on the following facility improvement projects for these Divisions:

- **Larkspur, San Francisco and Sausalito Ferry Gangways and Piers.** The Engineering Department, in consultation with the Ferry Division and with the assistance of a consultant, has developed a conceptual design of the replacement of the Larkspur, San Francisco and Sausalito Ferry Gangways and Piers. The environmental studies of the impacts associated with construction of the proposed concept at the Sausalito Ferry Landing were completed and an environmental clearance to proceed with the final design was obtained in FY 12/13. The final design of the Sausalito site was prepared and submitted to the regulatory

agencies with jurisdiction over the Sausalito site to obtain construction permits. In 2015 and 2016, the project underwent an additional City of Sausalito review that resulted in revisions to the project's design. In May 2017, the Board of Directors adopted an Addendum to the Sausalito Ferry Terminal Initial Study/Mitigated Negative Declaration and authorized the filing of a Notice of Determination for the modified project. In FY 17/18, Engineering will work on obtaining permits for the modified project. In FY 17/18, Engineering will also continue development of the environmental documents and design concepts for the San Francisco and Larkspur Ferry Terminals.

- **Corte Madera Wetland Restoration.** The project involves restoration of seasonal and tidal wetlands on a District-owned parcel located next to the Ecological Reserve in Corte Madera, Marin County. Engineering has retained a consultant to develop restoration concepts and, after selection of the preferred alternative, the final design and construction bid documents. The consultant has completed topographic and ecological surveys of the parcel, prepared a wetland delineation map, a geotechnical report, a hydraulic survey of the site and surrounding areas, a cultural resource investigation of the site and a soil characterization study and developed conceptual designs for the restoration of the site. Engineering and the consultant held preliminary meetings with the US Army Corps of Engineers, the California Department of Fish and Wildlife, the San Francisco Regional Water Quality Control Board, the Marin Audubon Society, the Marin Baylands Advocates and the Town of Corte Madera. In FY 17/18, public meetings will be held to gather public input on the restoration concepts and the environmental evaluation of the selected restoration concept will commence.
- **Toll Plaza Administration Building Renovation.** Engineering conducted inspections, prepared a scope of work and completed the construction documents for the renovation of the Toll Plaza Administration Building, including its HVAC system. The project was advertised for construction bids on March 14, 2017, and on April 11, 2017, four bids were received. The construction is scheduled to commence in FY 17/18.
- **Toll Plaza Modular Office Rehabilitation.** Engineering conducted inspections, prepared a scope of work and completed the construction documents for repairs and modifications to the modular office buildings. The project was advertised for construction bids on March 14, 2017, and on April 11, 2017, four bids were received. The construction is scheduled to commence in FY 17/18.
- **San Rafael Employee Parking Lot Improvements.** Engineering is developing design to resurface the parking lot and to install solar panels and a supporting canopy at the site. The solar panels will require an upgrade to the existing electrical service at the site and Engineering is working with PG&E on the design and permitting for the electrical service improvements. The design and construction bid documents are scheduled to be completed in FY 17/18.
- **Novato Bus Facility Site Cleanup.** Engineering has retained a consultant to develop plans and specifications for the cleanup of a historic fuel spill at its Novato Bus facility. The consultant has developed a clean-up plan, applied for regulatory permits and developed design for the project. On October 30, 2015, the Feasibility Study and Corrective Action Plan (FS/CAP) was submitted to the San Francisco Regional Quality Water Board for review and approval. On December 18, 2015, the Water Board notified the District that a public notification and comment period was required for the project. The District completed the notification and provided comments and responses to the Water Board. On April 22, 2016, the Water Board requested additional information and reports. The District prepared the additional report and submitted the additional information on June 16, 2016. On February 3, 2017, the Water Board issued conditional approval of the FS/CAP. The design and construction bid documents are scheduled to be completed in FY 17/18.

In FY 16/17, in addition to the progress achieved on the projects described above, the Engineering Department completed implementation of the following project:

- **Golden Gate Bridge Informal Science Education Project.** The project established permanent science-oriented outdoor exhibits, which display the original design and construction of the Bridge and scientific principles of the Bridge behavior. The project's scope involved development of a master plan for an exhibit area at the East Visitor Area located next to the Bridge Toll Plaza followed by the design, fabrication and installation of the exhibits. The exhibits have been installed and the project has been completed.

Finance Department Status

Director of Fiscal Resources

This year we successfully implemented a third eligibility group in the 401(a) Deferred Compensation Plan for the Classic 2% @ 60 employees to supplement the difference in pension benefits between the two classic CalPERS plans (2% @ 60 vs. 2.5% @ 55). This new "2% @ 60" Eligibility Group will be both a recruitment as well as an employee retention tool. With Human Resources, we have also developed a strategic plan with the District's Deferred Compensation partner (ICMA-RC), to encouraging employee participation and increased contributions and at the same time, keeping plans' expenses at minimum without jeopardizing investment returns in the fund line up.

One of the more challenging projects in next year will be setting up a team to secure financing to support Phase III of the Bridge's seismic retrofit capital project, if the financing is ultimately required.

Procurement Department

Together with Legal and the General Manager, Procurement has drafted proposed legislation (SB622) that will serve to streamline procurements for public works projects and Ferry repair and maintenance as well as provide expanded authority for the use of cooperative contracts. Each of these measures will allow Procurement to more effectively and efficiently deliver service.

Procurement has partnered with Information Systems to establish three on-call agreements with thirteen different consultants that will allow Information Systems to more effectively and efficiently deliver technological projects to their customers.

The department has established an FTA training program that is being rolled out to operational departments. It will provide information on the rules and regulations for expending funds under grants.

Procurement has expanded the use of product vending machines to the Ferry Division. The vending program efficiently provides high-use consumables to mechanics and Ferry operating staff. Products are on a consignment basis and are of no cost to the District until dispensed.

Capital and Grant Programs Office

Federal, state and local grant funds awarded in FY 16/17 total over \$5 million for the following projects: the D1 Employee Parking Lot and Solar Panels (Project #1431), Toll Plaza Administration Building HVAC Replacement and Roof Rehabilitation (Project #1721), Modular Offices Rehabilitation (Project #1523), Replace Transit Buses with Hybrids (Project #1730), Customer Surveys on Bus and Ferry, and Marketing Campaign. The Capital and Grant Programs Office was also instrumental in successfully programming an additional \$80

million in Federal funds to begin the construction phase of the Suicide Deterrent System (SDS) and Wind Retrofit (WR) projects (Project Nos. 1526/1528).

The District is passing through \$11.2 million in federal funds to the Metropolitan Transportation Commission for the Clipper Fare Collection System.

Accounting and Payroll Departments

The Accounting Department is currently involved in the review and potential acquisition of a financial management information system. The current system is over ten years old. Upgrade or implementation of a new system will result in greater reporting efficiencies and availability of data to facilitate decision making at the higher levels.

The Accounting Department has recently incorporated the complex reporting requirements of GASB No. 68 (Accounting and Financial Reporting for Pensions) into its financial statements. GASB No. 68 requires agencies to report unfunded pension obligations as a liability on the financial statements, even in cases where the agency is not legally responsible for the unfunded pension obligation. Accounting's next steps will be to apply the reporting requirements of recently issued GASB No. 74 (Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans) and upcoming GASB No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions) which parallels the accounting treatment for pensions.

The Payroll Department is currently involved in the implementation phase of an Electronic Payroll Time-keeping system. The project will eliminate the manual inefficiencies of the current program. Automation will also reduce human error and delays in the system that create a burden due to stringent time reporting deadlines. As a result, FMLA and FLSA laws will also be efficiently addressed.

Budget and Electronic Revenue

The Office of Budget and Electronic Revenue has continued to support Finance and operating programs. In particular this year, the office is overseeing the multi-year project to replace the toll collection equipment with an open road tolling system that will be supported by a new over-the-road gantry. The Office has continued to coordinate the annual toll increase, update the annual Strategic Financial Plan, update the five- and ten-year projection, update the District's TSP document, file the STA/TDA claim, assist in the preparation of the San Rafael Transit Center budget and quarterly billing for Marin Transit, analyze violation toll payment for improved revenue projection and prepare a cost model for average cost per toll transaction. The Budget Department participated in the preparation of the five-year fare plan that the Board approved in March 2017. In addition, this office continues to oversee and support the AET program, ClipperSM activities, the ferry parking program and mobile ticketing programs.

Collaborative Achievements

The Finance Department publishes two Government Finance Officers Association (GFOA) Award-winning documents every year: The Budget Book, made in collaboration between the Budget and Electronic Revenue Office and the Capital and Grant Programs Office; and the Comprehensive Annual Financial Report (CAFR) made in collaboration between the Accounting Department and the Marketing Department.

District Secretary's Office Status

The District Secretary's Office (DS Office) continues to reduce the consumption of paper by sending the majority of its communications associated with the Board, legal and State compliance work by web and electronic mail.

In FY 16/17, the DS Office continued the effort to preserve original documentation through the conversion of documents into an electronic format in order to lessen handling of these fragile documents and appropriately store them.

In FY 17/18, the DS Office will continue to convert the District's historical records and properly manage them for easier retrieval to meet legal guidelines. In addition, the DS Office intends to work towards identifying other retention needs such as a Historical Archive and Collections Management to properly store artifacts for possible future use.

Administration & Development Division Status

Employee Relations and Compliance Programs

Equal Employment Opportunity Program - Monitored the District's Equal Employment Opportunity Program as required pursuant to Title VII of the Civil Rights Act and the FTA's Circular 4704.1, "Equal Employment Opportunity Program Guidelines for Grant Recipients" to ensure that the District is taking affirmative steps to meet its established goals.

Regulatory Compliance - Ensured compliance with Equal Employment Commission guidelines and worked to promote an environment free from discrimination and workplace harassment for all employees and applicants.

Personnel Policy and Procedures – Assessed employment practices policies, complaint process, reasonable accommodation policies, performance evaluations and grievance procedures. Conducted adverse impact analysis, updated personnel policies as necessary to reflect current legal requirements and operational efficiency. Disseminated EEO materials and met with managers to discuss EEO goals. Reviewed job descriptions and concurred on new hires, promotions and separations. Reviewed testing materials to ensure validation.

Training - Conducted periodic EEO training for employees and managers. Participated in the District's third Manager Academy training. Provided DiSC team communications training. Provided interview skills training for employees seeking promotions and/or other internal job opportunities.

Leave Management - Ensured disabled applicants and employees received equal access to job opportunities by implementing ADA accommodations where appropriate. Conducted interactive process meetings to determine appropriate workplace accommodations that will allow employees with disabilities to return to work.

Employee Relations - Investigated and resolved cases of alleged illegal harassment, bullying and/or discrimination. Provided management with advice and coaching on personnel matters. Provided employees with guidance and counseling on personnel matters. Participated in disciplinary decisions, grievance hearings and arbitrations.

Disadvantaged Business Enterprise (DBE) - Completed the District's Triennial Overall DBE Goal for Federal Fiscal Years (FY) 16/17 to 18/19. Monitored compliance with the Department of Transportation, including Federal Transit Administration and Federal Highway Administration guidelines, to ensure the District fulfills its Diversity Program for contracting obligations for all procurements and contracting opportunities. Ensured the following Federal reporting requirements were met: DBE program updates, goal development methodology and uniform reporting of DBE awards or commitments and payments. Participated in DBE and small business program outreach. Conducted a shortfall analysis and corrective action plan for FFY 15/16. Provided annual progress/status of DBE Program to Board of Directors.

Human Resources

Accomplishments from this department include:

- Developed and presented "Supervisor's Academy" to provide District orientation and development training to District managers.
- Implemented program Continued District Learning Academy (on-site knowledge and skills training courses).
- Ongoing leadership development for employees through continued participation in Dominican University's Leadership Development Program.
- Delivered wellness initiatives for nutrition and fitness, conducted smoking cessation workshops and hosted flu shot clinics.
- Presented training relating to the District's Drug and Alcohol Program on legal requirements for employment-based testing.
- Held a series of open house workshops for District retirees to provide updates on retiree benefits and answer inquiries about coverage.
- In compliance with the Affordable Care Act, developed and audited a systems to provide annual regulatory reporting for employee health care coverage.
- Conducted an updated Compensation Study.
- Kicked-off the Job Description Review and Analyses for all Safety-Sensitive and Public Safety positions.
- In compliance with the USCIS, conducted a learning session with HR staff on the new immigration regulations affecting employment and updates on the I9 form, communicated the updates to concerned supervisors and managers, and conducted a semi-annual audit of I9 verifications from Jan 2016 to Jan 2017.
- Rolled-out the revised HR Interview Scoring System and mechanics for recruitment to mid-managers and supervisors.
- Facilitated four classes of Student Bus Drivers from April 2016 through January 2017.

Information Systems Department

Some accomplishments for this department include:

System Administration

- Upgraded Email Systems to Exchange 2013 from 2007.

- Implemented Cisco UCS Server Virtualization hardware and software.
- Decommissioned old servers.
- Redundant file servers for all network drives.
- Rolled out Techstop - Information Systems check out and check in system for users. Roll out to the users in December.
- Ferry Corporate Wireless for 7 boats - Change the consumer grade product to enterprise with Cisco.
- Redundant Internet for all sites/offices.
- New Backup solution.
- Micro Segmentation of Servers for security.
- San Rafael Bus Lot Wireless.
- Replace remaining closet switches that are at the end of product life.
- Upgrade and fine tune network firewalls.
- Two factor authentication for external users.

Application Support

- Developed and implemented Affordable Care Act Reporting.
- Kronos/IFAS Timekeeping Interface.
- Installed new Cisco router for SunGard ASP including failover.
- Revamped and fine-tuned the salary PRA report.
- Built new audit report for benefit premium sharing.
- OnBase 2016 Upgrade.
- Office 2016 Upgrade.
- Developed OnBase form and workflow for:
 - ◆ Miscellaneous Expense Form.
 - ◆ Travel/Training Authorization and Expense.
 - ◆ Tuition Authorization and Expense.
 - ◆ Bus Driver Observations, Infractions, Occurrences.
 - ◆ Ferry ERFA.
 - ◆ HR Final Check Request.
 - ◆ IT Telework Application.
- Developed a common/shared OnBase workflow process for Project Manager, Department, and Division/Executive Team level document approvals.

- Developed new Excel Tools:
 - ◆ Ouija – Ferry tool for tracking employee work and absence time.
 - ◆ Bus Driver Logs
 - ◆ Travel/Training Interface for Payroll
 - ◆ HR/Position Requisition Approval Status
- Implemented improvements to the auto-generated communication for the Clipper Device maintenance to Cubic.
- DatasplICE upgrade for Ferry Vessel Masters, Inventory for all Divisions and Bus Facilities management.
- Completed DatasplICE upgrade for Bus Facilities.
- Upgraded 511.org real time predictions interface to version 9.7.
- GTFS Real Time publication of real time predictions to Google.
- PO Revisions in Maximo.
- MaxAlert – Mobile Maximo Approvals.
- Integration of ACIS Data to Marin Transit via Transtrack.
- Interface to support Marin Transit Syncromatics devices on GGT buses.

Project Management

- Ferry Passenger Information.
- Active Directory Upgrade.
- Unified Communications.
- Kronos – still in progress but a working schedule is in place.
- Ferry Wi-Fi – close to completion.
- Financial System Review – in process.
- Phased Gateway Review Process - the process for reviewing and assessing projects before committing funds has been defined. The next steps will be to start using the process with a few pilot projects.
- Clarizen implementation – A project management tool that will support the Phase Gateway Review Process and will give upper management visibility of the progress of key strategic projects.

ACIS (Advanced Communications & Information Systems)

- Started Airbus upgrade radio system upgrade.
- Started data radio replacement and bus passenger Wi-Fi upgrade.
- Completed the implementation of updates in ACIS as requested by Dispatch – Adding Direction to ITCS Route Display and Vehicle List, TimePoint Information Display menu choice, and ability to cut and paste last GPS message time and date from Vehicle list.

- Completed the redesign of RTPI 1 line sign installation for bus stops to increase battery life.
- Completed San Rafael Transit Center 47" display installation.
- Converted 8 RPTI displays to battery power.
- Started implementation of new INIT onboard equipment to support new Gillig buses.

Marketing and Customer Service Department

Accomplishments made in the past fiscal year by the Marketing and Customer Relations Departments include:

Website Redesign: Completed Phase 1 of the District's website redesign project to develop the creative "look and feel" of the site. Selected a vendor to begin the Phase 2 implementation to redesign the website.

ACIS: Supported the rollout of real-time information on 511.org and on MTC's electronic display signs at the San Rafael Transit Center. Marketing staff spearheaded the testing and validation of real-time data being displayed.

Tiburon Ferry Service: Supported the launch of Tiburon Ferry commute service through extensive customer outreach and distribution of free Clipper cards.

Sonoma Marin Area Rail Transit (SMART) Hires the District to Perform Customer Service Duties: The Customer Relations department will provide customer service for SMART customers, including ticket sales, lost-and-found, trip planning assistance and outreach efforts.

All-Electronic Tolling Outreach: Continued outreach to the tourism market to ensure that the San Francisco visitor experience is positive. Ensured that toll payment information was well distributed to tourism-based venues and at rental car agencies.

Ridership Marketing Campaigns: Secured additional capital funds for ridership-building campaigns which include a general "Try Transit" ad campaign, conducting focus groups to better understand our customers' needs, mailing direct mail materials along routes that are experiencing declining ridership and dispatching street teams for outreach of District services.

Route 40 Marketing Campaign: Ran an extensive marketing campaign to boost ridership on the Route 40 East Bay service. The campaign included running ads in publications, on billboards and at the Richmond BART station.

Customer Service Center: Improved operations through the implementation of a new telephone system in the Customer Service Center which has provided the District with access to comprehensive metrics to ensure the efficient use of resources through maximizing phone coverage and monitoring performance.

Social Media Handbook: Created a document outlining the District's goals, strategies and tactics in expanding the use of social media as a core element in the overall communications plan.

Integrated Video Content into The Cable Employee E-Newsletter: Added two educational video components to *The Cable* monthly newsletter – *What We Do* and *Ask the GM*.

District Holiday Bus Toy Drive: The District's Holiday Bus was wrapped in a Toys For Tots themed design and staff staged the bus at different venues throughout our service area, collecting toys for children in need and promoting our bus service.

Code of Conduct Adwheel Award: The District's new catchy customer Code of Conduct campaign won a first place Adwheel Award for Best Marketing and Communications Educational Effort.

Planning Department

Accomplishments made in the past fiscal year by the Planning Department include:

- Prepared and obtained Board approval for the District's FY 16/17 through FY 25/26 Short Range Transit Plan and submitted it to the Metropolitan Transportation Commission. This submittal ensures that the District continues to be eligible for federal and state funding.
- Brought forward a number of projects to enhance transit services, including: obtained Board approval of weekday and weekend demonstration projects to operate a bus shuttle to connect SMART trains arriving and departing San Rafael with the Larkspur Ferry Terminal when SMART rail service begins; evaluated and brought to the Board a recommendation on the performance of Golden Gate Transit Route 8 on the Tiburon Peninsula; and designed and implemented new express trips across the Richmond Bridge (designated "Route 40X") in response to increased traffic congestion in the I-580/Richmond Bridge corridor.
- Worked extensively to prepare for the District's assumption of Tiburon Ferry service, including negotiation of a sublease with Blue & Gold Fleet to use the float at Tiburon. This project required extensive coordination between all interested parties.
- Analyzed several different concepts for changing the fare structure on Golden Gate Transit bus and Golden Gate Ferry service, which were ultimately brought forward for public review and comment. Obtained Board approval for a Five-Year Fare Program effective July 1, 2017.
- Continued to work extensively with SFMTA regarding a number of projects, including the Van Ness Corridor and Geary Corridor BRT projects, bus stop relocations in the Financial District and establishing a new bus stop at the District's midday bus storage lot at Fourth and Perry Streets.
- Worked extensively with the City of San Rafael to complete a consultant study to assess the impacts of the SMART train operating through the San Rafael Transit Center (SRTC), including interim impacts that will require some buses to operate from street areas adjacent to the remaining portion of the transit center. This study also identified three possible long-term scenarios for a partially or fully relocated SRTC but a consensus could not be reached on a preferred alternative and will require further study beyond the available budget.
- Developed and issued a Request for Proposals to conduct environmental analysis and preliminary design for a replacement for the current SRTC, which will be adversely affected by SMART operations when rail service is extended to Larkspur. This project is expected to contain significant community involvement to identify possible alternatives and ultimate selection of a preferred alternative, and could be a three-year or longer effort.
- Presented the findings of the District's 2015 Passenger Survey of Bus and Ferry Passengers to the Board of Directors. Completion of this updated survey is necessary, because not only does future certification of the District's Title VI program require it, but having this data to conduct equity analyses is necessary for any fare or service changes.

FY 17/18 DISTRICT DIVISION GOALS AND PROJECTS

Project Management	Provide Project Management for engineering, technology, planning and special on-going activities. Support implementation of special projects.
Administration	Support Operating Divisions with administrative and employee support for internal agency functions in areas of Human Resources, Legal Services, Planning, Marketing, Information Systems, Finance, Grants, Accounting, Budgeting, Employee Relations, District-wide Training and the Board of Directors.
Logistics	Purchase materials and supplies. Execute and administer contracts and RFPs to potential vendors and ensure fair and competitive price procurement. Plan and execute special events, Board meetings, and public education meetings.
Compliance	Ensure that the District is compliant with Federal, State and local requirements and standards concerning insurance, Workers' Compensation, grants, environmental regulations, occupational health and safety regulations, financial auditing, Public Records Act requests, ethics training and Conflict of Interest reporting.
Communication/ Outreach	Provide public with various forms of communication through the website, written materials, customer service staff and public requests. Provide employees with communication on internal agency issues and activities.
Efficiency	Continue to improve internal processes and operations to promote effective and efficient service to the Operating Divisions, the Board of Directors and the public.

CHANGES FROM FY 16/17 ACTUAL TO FY 17/18 ADOPTED BUDGET

Revenues

The District Division does not have its own revenues. Any revenues associated with District staff activities are credited directly to the District's operating divisions.

Expenses

The District Division's FY 17/18 Adopted Operating Expenses total \$32.8 million. The District Division's FY 17/18 Adopted Budget contains an increase of \$1.7 million, or 5.3%, above FY 16/17 Actual expenses. The components of the changes to expense are summarized in the table on the following page.

Summary of Changes From FY 16/17 Actual to FY 17/18 Adopted Budget (All Figures In Millions)

Net Changes to Labor and Fringe Benefits*	
Increase in salaries due to the re-funding of vacant positions and a 3% COLA increase for nonrepresented and represented employees unless specified otherwise in their ratified Memorandum of Understanding	\$0.1
Increase in payroll fringes in FY 17/18 due to re-funding vacant positions, additional positions and COLA	0.2
Increase in PERS contribution due to re-funding of vacant positions and COLA	0.4
Increase in postemployment benefits (OPEB) in FY 17/18	0.2
Decrease in miscellaneous benefits (capitalized benefits) due to less than budgeted capitalized labor in FY 16/17	(1.1)
Professional Services	
Increase in expenses associated with District-wide consulting services technology programs	0.6
Increase in Engineering professional services in FY 17/18 including Bridge Inspection and Novato Bus Lot site remediation	1.0
Increase in Marketing consulting services for a FTA grant-funded "Building Ridership" marketing promotion	0.6
Increase in legal and litigation fees due to higher projected activity in FY 17/18	0.2
Increase in District computer software maintenance in FY 17/18	0.3
Decrease in FY 17/18 District Division temporary help services compared to FY 16/17	(0.7)
Supplies and Other	
Re-funding of staff development expenses unused in FY 16/17	0.2
Decrease in data communications due to removal of Marin County data services	(0.2)
Capital Contribution and Depreciation	
Decrease in depreciation projected for FY 17/18	(0.1)
Total Change from FY 16/17 Actual to FY 17/18 Adopted Budget	\$1.7

* **Labor and Fringe Benefits**

ICAP: The FY 17/18 Adopted Budget assumes \$2.4 million, as compared to \$1.1 million in FY 16/17, of indirect labor and fringe benefits will be capitalized and transferred from Operating to Capital expense. The transfer of this expense is in accordance with the District's Indirect Cost Allocation Plan (ICAP) and represents the District's central services activities in support of capital projects.

Engineering Capitalization: The FY 17/18 Adopted Budget assumes 50%, which is the same percentage used in FY 16/17, of Engineering Labor and associated benefits will be capitalized resulting in an additional operating Labor and Fringe decrease of \$3.9 million as compared to \$2.0 million for FY 16/17 Actual.

DISTRICT DIVISION OPERATING BUDGET

	FY 15/16 Actual	FY 16/17 Budget	FY 16/17 Actual	FY 17/18 Adopted Budget
Expenses				
Salaries	\$11,018,091	\$12,800,500	\$12,638,808	\$12,762,700
Fringe Benefits	7,965,644	8,959,800	8,698,907	8,359,600
Professional Services	7,413,826	7,791,200	7,324,215	9,270,800
Repair & Operating Supplies	1,022,110	1,158,200	1,200,349	967,600
Insurance, Taxes & Permits	45,014	52,600	56,850	55,300
Other	762,033	598,000	543,245	782,600
Leases & Rentals	140,965	3,000	2,869	3,000
Subtotal Expenses	\$28,367,683	\$31,363,300	\$30,465,243	\$32,201,600
Depreciation	284,009	716,400	718,158	637,300
Total Expenses	\$28,651,692	\$32,079,700	\$31,183,401	\$32,838,900
Percent Change		12.0%	(-2.8%)	5.3%
District Transfers				
Bridge Division	\$10,956,099	\$12,585,800	\$12,585,661	\$13,170,900
Bus Division	11,369,029	12,470,500	11,791,170	12,528,800
Ferry Division	6,326,564	7,030,400	6,806,570	7,139,200
Total Transfers	\$28,651,692	\$32,079,700	\$31,183,401	\$32,838,900

Assumptions:

- 3% salary increase for non-represented and Coalition-represented employees unless specified otherwise in their ratified Memorandum of Understanding.
- Includes Employer PERS contribution of 29.16%.
- OPEB costs are included in Fringe Benefits and reflect adoption of GASB 45 which accrues for OPEB costs based on the Annual Required Contribution (ARC) for OPEB benefits.
- All fiscal years show the transfer of District Division expense by line item.

DISTRICT DIVISION CAPITAL BUDGET

Program Summary

The FY 17/18 Capital Budget for the District Division totals \$2.2 million and represents 7% of the total agency's capital budget. Financial investment in FY 17/18 focuses on upgrading or replacing the District's financial system, radio systems, the transit scheduling system, the electronic timekeeping system and preparing a redundant network to manage communications during a disaster.

Actual FY 16/17 capital expenditures for the District Division totaled \$1.9 million, funded with \$1.7 million, or 92%, District funds and \$200,000, or 8%, in grant funds (See Appendix C).

Completed Projects

The District Division anticipates completion of four (4) Capital Projects in FY 16/17.

Project 1612 – Transit Network Access Security Enhancements – \$802,000

The project purchased and installed Transit Network Access Security Enhancements including: intrusion detection and monitoring technologies (both hardware and software) that will improve the level of security to protect Golden Gate Transit and Golden Gate Ferry data used on a daily basis. *[Operating Budget Impact: No significant impact.]*

Project 1512 – Email, MS Office, and Core Services Software and Hardware – \$750,000

This project upgraded the District's core service software and hardware. The District was running outdated software and supporting hardware for its Email, Office applications and core networking software Active Directory. Primary support for these applications ended in October 2012. Microsoft continues to support the applications on a limited basis until October 2017, when all support will be discontinued. Losing manufacturer support would end any security fixes and patches that would be critical to securing the District's data. *[Operating Budget Impact: No significant impact.]*

Project 1714 – Redundant Network/Systems – \$350,000

This project included research, acquisition and implementation of infrastructure to prepare for disaster recovery. Deliverables will include, but are not limited to, the following: a detailed project plan for hardware and software recommendations, resource allocations and budget for the District to implement an appropriate infrastructure to support critical systems. *[Operating Budget Impact: No significant impact.]*

Project 1611 – E-Discovery Solution – \$242,000

This project procured and implemented an electronic discovery (E-Discovery) solution to improve turnaround times for Public Records Act (PRA) requests. An E-Discovery tool speeds resolution time for each request, improves accuracy and reduces staff costs. *[Operating Budget Impact: No significant impact.]*

District Division Capital Budget FY 17/18¹

Project Number and Description ³	Total Project ²	Prior Years	FY 17/18 Budget	Future Years	FY 17/18 Funding	
					District	Other
New Projects						
1810 - Financial/HR/Payroll Systm Procuremnt (IS)	\$4,500,000	\$-	\$500,000	\$4,000,000	100%	0%
1811 - Hardware/Software for ACIS/INIT (IS)	1,000,000	-	100,000	900,000	100%	0%
1812 - Asset & Vehicle Fluid Mgt System (IS)	1,000,000	-	100,000	900,000	100%	0%
1813 - Transportation Statistics Reporting (IS)	500,000	-	100,000	400,000	100%	0%
1816 - Engineering Document Management (IS)	300,000	-	50,000	250,000	100%	0%
1814 - Redundant Network / Systems, FY18 (IS)	250,000	-	50,000	200,000	100%	0%
1815 - Cust Svc Incident System (Marketing) (IS)	45,000	-	45,000	-	17%	83%
Total New Projects	\$7,595,000	\$-	\$945,000	\$6,650,000	89%	11%
Continuing Projects						
1712 - Transit Scheduling System (IS)	\$2,135,000	\$144,300	\$100,000	\$1,890,700	100%	0%
1711 - Radio System Upgrade (IS)	1,843,500	1,500	100,000	1,742,000	100%	0%
1717 - SRTC Relocation Des/Env (PLANNING)	1,417,000	1,400	320,000	1,095,600	12%	88%
1513 - Electronic Timekeeping System (IS)	1,141,000	750,200	50,000	340,800	100%	0%
1713 - ADS ACIS data radio replacement (IS)	700,000	37,400	100,000	562,600	100%	0%
1518 - Website Redesign (IS)	531,900	81,600	50,000	400,300	100%	0%
1610 - Cyber Security (IS)	530,000	300,100	100,000	129,900	100%	0%
1715 - Aviat Microwave Update - Snta Rosa Link (IS)	250,000	-	100,000	150,000	100%	0%
1515 - Network Security (IS)	200,000	172,000	28,000	-	100%	0%
1516 - Disaster Recovery (IS)	200,000	46,100	100,000	53,900	100%	0%
1716 - Financial Management System Analysis (IS)	175,000	152,000	23,000	-	100%	0%
Total Continuing Projects	\$9,123,400	\$1,686,600	\$1,071,000	\$6,365,800	86%	14%
Capital Equipment						
1819 - Capital Equipment	\$185,500	\$-	\$185,500	\$-	100%	0%
Total Capital Equipment	\$185,500	\$-	\$185,500	\$-	100%	0%
Total Capital Expenditures	\$16,903,900	\$1,686,600	\$2,201,500	\$13,015,800	88%	12%
Capital Fund Source						
District	14,825,400	1,685,400	1,836,400	11,303,600		
Other	2,078,500	1,200	365,100	1,712,200		
Total	\$16,903,900	\$1,686,600	\$2,201,500	\$13,015,800		

1. Dollar figures are rounded to the nearest hundred.
2. Projects are listed in order of descending total project value.
3. First two digits of project number indicate fiscal year the project began.

District Division FY 17/18 Capital Project Detail

New Projects

Project 1810 – Financial/HR/Payroll Management System Procurement – \$4,500,000

The District is currently conducting an assessment of IFAS, the District's Core Financial, Human Resources and Payroll System. The assessment will determine whether the District will either replace IFAS with a new system or upgrade the current IFAS system. The upgrade or replacement will require hundreds of hours of effort on the part of consultants and District personnel. Depending on scope, it is desired that the increased cost of software licensing fees will be offset with improved efficiencies in payroll, in reporting and in transferring financial information from departments such as Procurement, Budget, Capital Grants and Contracts into the core financial system. *[Operating Budget Impact: To be determined.]*

Project 1811 – Hardware/Software for ACIS/INIT – \$1,000,000

The project will update the ACIS INIT server hardware, allow virtualization of the environment, upgrade the Versant database engine used in real-time processing and allow establishment of Test, Development and Production software environments. The District is hampered in its ability to do testing due to lack of a complete test environment. *[Operating Budget Impact: No significant impact.]*

Project 1812 – Asset and Vehicle Fluid Management System – \$1,000,000

EJ Ward is the District's fueling system for both revenue and non-revenue vehicles. The District has not upgraded the system since the initial implementation and is in need of an upgrade of both software and hardware. The software is installed on servers that are at end of life and in order to replace, the software needs to be upgraded. *[Operating Budget Impact: No significant impact.]*

Project 1813 – Transportation Statistics Reporting – \$500,000

Transtat is currently the District's transportation statistics reporting engine. It is an internally developed solution which is designed to be the single source of transportation statistical data for both Bus and Ferry Divisions. With the increase of data coming from the ACIS CAD/AVL system, there will be a need for additional development to incorporate the data into Transtat. Before this development takes place, it is necessary for the District to analyze the requirements and identify whether additional investment into the Transtat tool, or replacement of the Transtat tool with a Commercial Off the Shelf (COTS) product, is in the best interest of the District. The project will be broken into phases to gather requirements, produce an RFP, select a solution and implement additional development of the Transtat tool or replacement of the tool with a COTS system. *[Operating Budget Impact: No significant impact.]*

Project 1814 – Redundant Network / Systems, FY18 – \$250,000

The project will include research, acquisition and implementation of infrastructure designed to provide for high availability and ensure the uptime of District data and application software, especially for critical systems, and as systems defined by Chief Technology Director. Deliverables will include a detailed project plan that will include hardware and software recommendations, resource allocations and budget for the District to implement an appropriate infrastructure to support critical systems. The District is currently exposed to losing data and application software in the event of an unplanned incident that renders either the San Rafael data center or Bridge data center systems unusable. A single point of failure is possible at both of these locations and appropriate infrastructure is not in place to allow the continued use of data and applications. Some of the data and applications that are supported by Information Systems are critical to the continued operations for all divisions at the District. *[Operating Budget Impact: No significant impact.]*

Project 1815 – Customer Service Incident System – \$45,000

Identify and implement a new, off the shelf customer service incident system to replace the existing proprietary system. *[Operating Budget Impact: No significant impact.]*

Project 1816 – Engineering Document Management – \$300,000

The project will evaluate options for an engineering document management package designed to digitize hard copy engineering documents and index existing digital files. Software will be provided to locate all files within a content searchable format. *[Operating Budget Impact: No significant impact.]*

Continuing Projects**Project 1513 – Electronic Timekeeping System – \$1,141,000**

This project will implement a secure and online electronic timekeeping system. An automated time and attendance tracking system provides many advantages: Compliance toward internal, federal, state or industry-specific policies (resulting in reduction of employee compensation grievances); accuracy of time-tracking and elimination of errors and administrative tasks involved in time sheet production; defined interface to allow automated upload into IFAS's payroll system to avoid manual intervention; real-time analysis of employee time by managers; addresses FLSA issues for non-exempt employees. *[Operating Budget Impact: No significant impact.]*

Project 1515 – Network Security – \$200,000

Information Systems will evaluate the current network security infrastructure and vulnerabilities and design and implement a comprehensive network security solution. *[Operating Budget Impact: No significant impact.]*

Project 1516 – Disaster Recovery – \$200,000

Disaster recovery policies, hardware and software will allow the District's production systems to be restored to operation within one business day. Today, the same recovery could take up to a week to complete. New policies will include offsite data storage, backup hardware for critical systems and regular testing of our procedures. *[Operating Budget Impact: No significant impact.]*

Project 1518 – Website Redesign – \$531,900

In collaboration with Marketing, Information Systems will upgrade the District's website. The final deliverable will be a new website that provides an innovative conduit for information to our patrons. *[Operating Budget Impact: No significant impact.]*

Project 1610 – Cyber Security – \$530,000

This project will fund studies to assess the level of risk and implement recommendations for cost-effective solutions to provide protection from cyber threats both internal and external to the District. *[Operating Budget Impact: No significant impact.]*

Project 1711 – Radio System Upgrade – \$1,843,500

This project will replace the control computers, reconfigure the broadcast cells and upgrade the radio system. By implementing the project, the District will be prepared for anticipated FCC mandates to change to a P25 Linear Simulcast mode. *[Operating Budget Impact: No significant impact.]*

Project 1712 – Transit Scheduling System – \$2,135,000

This project will initiate a feasibility study to determine whether an upgrade or full replacement of the current transit scheduling system would be more beneficial to the District. The current system is Hastus, an integrated and modular software system for route, vehicle and crew scheduling. *[Operating Budget Impact: No significant impact.]*

Project 1713 – ADS ACIS Data Radio Replacement – \$700,000

This project will replace the ACIS data radio system with cellular communications. ACIS transmits real time information from District vehicles. *[Operating Budget Impact: No significant impact.]*

Project 1715 – Aviat Microwave Update – Santa Rosa Link – \$250,000

This will replace equipment that has reached the end of its useful life in the Santa Rosa-Sonoma Mountain microwave link. *[Operating Budget Impact: No significant impact.]*

Project 1716 – Financial Management System Analysis – \$175,000

This project will gather information in order to upgrade or replace the District's financial software, IFAS. The IFAS vendor has retired the District's version of the product. The work product created by this effort will document: (1) workflows of the current Financial, Accounting, Payroll, Human Resources and reporting business processes; (2) interaction of those processes with procurement and contracts processes and with the existing IFAS system; (3) identification of opportunities for improvement by modifying business processes or implementing software solutions; and, (4) recommendations of which software solutions will best fit the needs and constraints of the District. *[Operating Budget Impact: No significant impact.]*

Project 1717 – San Rafael Transit Center (SRTC) Relocation Design/Environmental – \$1,417,000

The primary purpose of this project is to relocate the existing San Rafael Transit Center (SRTC) to accommodate the extension of SMART service to Larkspur. The SMART extension will bisect the existing transit center, eliminate Platform C, reduce the facility's transit capacity, and affect the long-term efficiency and operability of the facility. This project will analyze three previously identified potential long-term alternatives and a no-build alternative, include an option to assess the possibility of additional alternatives, conduct community outreach and environmental clearance, and provide preliminary engineering design. When SMART commences service on their Initial Operating Segment in 2017, the SRTC will be operating in an interim condition which will limit the fiscal and operational efficiency of transit services. The SRTC must be relocated to a more suitable location/configuration to maintain its operational integrity, its ability to serve local and regional transit patrons safely and efficiently and its flexibility to improve and expand transit service in the future. *[Operating Budget Impact: To be determined.]*

Capital Equipment

Project 1819 – Capital Equipment – District – \$185,500

This project is for the annual purchase of capital equipment for the District Division. *[Operating Budget Impact: No significant impact.]*

DISTRICT DIVISION PERSONNEL SUMMARY BY DEPARTMENT

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT					
District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The District Division					
Administration & Development 101					
Administrative Assistant	1	1	1	1	0
Deputy General Mgr., Admin & Developmt	1	1	1	1	0
Disadvantaged Bus. Enterprise Analyst	1	1	1	1	0
Employee Relations & Compliance Mgr.	1	1	1	1	0
Leaves Analyst	1	1	1	1	0
Total	5	5	5	5	0
Customer Relations 102					
Customer Relations Assistant	6	6	6	6	0
Customer Relations Supervisor	1	1	1	1	0
Total	7	7	7	7	0
Risk Management 103					
Director of Risk Mgt & Safety	1	1	1	1	0
Env. Health & Safety Specialist	1	1	1	1	0
Security Emergency Mgt Specialist	0	1	1	1	0
Workers' Comp/Liability Claims Admin.	1	1	1	1	0
Total	3	4	4	4	0
Human Resources 104					
Human Resources Administrator	1	1	1	1	0
Human Resources Analyst	2	2	2	2	0
Human Resources Analyst – Admin.	1	1	1	1	0
Human Resources Coordinator	2	2	2	2	0
Human Resources Director	1	1	1	1	0
Human Resources Manager/Admin.	1	1	1	1	0
Human Resources Technician	1	1	1	1	0
Office Coordinator	1	1	1	1	0
Senior Human Resources Analyst	1	1	1	1	0
Total	11	11	11	11	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
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The District Division

Information Systems 105

Application Support Manager	1	0	0	0	0
Business Information Systems Engineer	3	3	3	3	0
Chief Technology Director	0	1	1	1	0
Data Architect	1	1	1	0	(1)/(d)
Director of Corporate Technology	1	0	0	0	0
Help Desk	1	1	1	1	0
Information Systems Administrator (ACIS)	0	0	0	1	1/(b)
Information Systems Database Engineer	0	1	1	1	0
Information Systems Manager	0	3	3	3	0
Information Systems Network Admin	0	0	0	1	1/(e)
Information Systems Sr Project Mgr	0	1	1	1	0
Information Systems Security Engineer	0	1	1	0	(1)/(e)
Manager of Technical Services	1	0	0	0	0
Project Manager	3	2	2	2	0
Sr. Business Info Systems Engineer	3	3	3	3	0
Sr. Desktop Systems Administrator	1	1	1	1	0
Senior Network Administrator	1	1	1	1	0
Senior Systems Administrator	2	2	2	2	0
Systems Administrator, PC Support	1	1	1	1	0
Technology Systems Manager	1	0	0	0	0
Total	20	22	22	22	0

Marketing & Communications 106

Art Supervisor	1	1	1	1	0
Marketing and Comm. Director	1	1	1	1	0
Marketing Communications Specialist	2	2	2	2	0
Marketing Coordinator	1	1	1	1	0
Marketing Representative	1	1	1	1	0
Public Info & Marketing Programs Mgr	1	1	1	1	0
Total	7	7	7	7	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The District Division					
Planning 107					
ADA Compliance & Program Mgr	0	1	1	1	0
Administrative Assistant	1	1	1	1	0
Associate Planner	2	1	1	1	0
Director of Planning	1	1	1	1	0
Mgr of Real Estate Svcs & Propty Dvlpmnt	1	1	1	1	0
Principal Planner	3	3	3	3	0
Senior Planner	1	1	1	1	0
Total	9	9	9	9	0
District Secretary 111					
Administrative Assistant	1	1	1	1	0
Assistant Clerk of the Board	1	1	1	1	0
Office Specialist	1	1	1	1	0
Secretary of District	1	1	1	1	0
Senior Board Analyst	1	1	1	1	0
Total	5	5	5	5	0
Engineering 120					
Associate Engineering Inspectors	3	3	3	3	0
Associate Steel Inspector	2	3	3	3	0
Deputy District Engineer	1	1	1	1	0
District Engineer	1	1	1	1	0
Documents Control Assistant	3	3	3	3	0
Engineering Contracts Assistant	2	3	3	3	0
Engineering Contracts Officer	1	1	1	1	0
Executive Assistant to District Engineer	1	1	1	1	0
Facilities Engineer	1	1	1	1	0
Senior Civil Engineer	11	12	12	12	0
Senior Electrical Engineer	1	1	1	1	0
Senior Engineer	1	1	1	1	0
Senior Engineering Design Tech	1	1	1	1	0
Senior Mechanical Engineer	1	1	1	1	0
Senior Steel Inspector	1	1	1	1	0
Supervising Civil Engineer	3	3	3	3	0
Total	34	37	37	37	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The District Division					
Finance 130					
Administrative Assistant	1	1	1	1	0
Auditor-Controller	1	1	1	1	0
Director of Fiscal Resources	1	1	1	1	0
Total	3	3	3	3	0
Accounting 131					
Accountant	2	2	2	2	0
Accounting Analyst	0	0	1	1	0
Accounting Analyst Capital & Grants	1	1	0	0	0
Accounting Manager	0	0	1	1	0
Accounting Specialist	2	2	2	2	0
Accounting Supervisor	1	1	0	0	0
Director of Accounting	1	1	1	1	0
Total	7	7	7	7	0
Budget & Analysis 133					
Budget & Programs Analyst	2	2	1	1	0
Budget Program Manager	1	1	0	0	0
Director of Budget & Electronic Revenue	1	1	1	1	0
Principal Budget & Programs Analyst	0	0	2	2	0
Total	4	4	4	4	0
Capital & Grant Programs 134					
Capital & Grant Programs Analyst (1 LT)	2	2	2	2	0
Director of Capital & Grant Programs	1	1	1	1	0
Principal Capital & Grant Programs Analyst	1	1	1	1	0
TAM Project Manager	0	0	1	1	0
Total	4	4	5	5	0
Payroll 136					
Assistant Payroll Administrator	2	2	0	0	0
Assistant Payroll Manager	0	0	2	2	0
Payroll Administrator	1	1	0	0	0
Payroll Manager	0	0	1	1	0
Payroll Timekeeping Specialist	3	3	3	3	0
Total	6	6	6	6	0

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

District Staffing by Department	FY 15/16 Year-End	FY 16/17 Budget	FY 16/17 Year-End	FY 17/18 Budget	Net Change FY 16/17 to FY 17/18
The District Division					
Procurement & Retail Operations 137					
Administrative Assistant	1	1	1	1	0
Contracts Officer	1	1	1	1	0
Office Specialist	2	2	2	2	0
Procurement Analyst	1	1	1	1	0
Procurement Director	1	1	1	1	0
Purchasing Officer	1	1	1	1	0
Senior Buyer	1	1	1	1	0
Total	8	8	8	8	0
General Manager 140					
Administrative Assistant	1	1	1	1	0
Executive Assistant to the GM	1	1	1	1	0
General Manager	1	1	1	1	0
Total	3	3	3	3	0
District Division Totals					
Total Authorized Positions	136	142	143	143	0
Regular Positions	135	140	141	142	1
Limited Term Positions	1	2	2	1	(1)

Legend: (a) Title Change; (b) Added; (c) Transferred; (d) Eliminated; (e) Reclassification



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APPENDIX A – NET POSITION AVAILABLE FOR NEW CAPITAL PROJECTS OR OPERATIONS

Category		Estimated Balance 07/01/17	Estimated Balance 06/30/18	Estimated Balance 07/01/18
Available Net Position before Long Term Liabilities, Board Designated and Other Reserves¹:	[A]	\$37,200,000	\$49,200,000	\$49,200,000
Long Term Liabilities²				
CalPERS Net Pension Liability		\$98,400,000	\$98,400,000	\$98,400,000
Golden Gate Transit Amalgamated Retirement Plan Net Pension Liability		63,500,000	63,500,000	63,500,000
Subtotal Long Term Liabilities	[B]	\$161,900,000	\$161,900,000	\$161,900,000
Board Designated and Other Reserves				
Operating Reserve ³		(\$15,500,000)	(\$16,500,000)	(\$16,500,000)
Emergency Reserve ⁴		(7,200,000)	(7,700,000)	(7,700,000)
Bridge Self Insurance Loss Reserve		(14,600,000)	(15,900,000)	(15,900,000)
Subtotal Board Designated and Other Reserves	[C]	(\$37,300,000)	(\$40,100,000)	(\$40,100,000)
Net Position (Reserves) Available Before Committed Capital Projects	[A]+[B]+[C]	\$161,800,000	\$171,000,000	\$171,000,000
Committed Capital Projects				
Bridge		(\$95,900,000)	(\$85,100,000)	(\$212,500,000)
Transit		(40,300,000)	(34,500,000)	(45,400,000)
Total Committed Capital Projects (District-funded portion only)	[D]	(\$136,200,000)	(\$119,600,000)	(\$257,900,000)
Net Position Available for New Capital Projects or Operations	[A]+[B]+[C]+[D]	\$25,600,000	\$51,400,000	(\$86,900,000)

- Adjusted to exclude funded capital contributions, Bridge self insurance reserves and restricted Local, State and Federal grant funds for capital projects.
- In 2015, the District restated its Net Position as a result of the new reporting requirements of GASB 68 ("Accounting and Financial Reporting for Pensions"). GASB 68 requires agencies to report unfunded pension obligations as a liability on the financial statements even in cases where the agency is not legally responsible for the unfunded pension obligation. The District is not legally responsible for the funding of the Golden Gate Transit Amalgamated Retirement Plan.
- Board policy funds the operating reserve at 7.5% of the budget or to cover the expected operating deficit, whichever is larger.
- Board policy funds the emergency reserve at 3.5% of the operating budget to enable the amount kept in reserve for emergencies to remain relative to the size of District's operations.

Golden Gate Bridge, Highway and Transportation District

Changes in Fund Balance/Equity

(\$ in Thousands)

	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Unaudited	FY 17/18 Budget
Operating Revenues				
Bridge Tolls	\$129,500	\$137,618	\$143,029	\$146,600
Transit Fares	33,386	35,341	35,418	37,525
Marin Transit	10,442	11,973	10,210	9,800
Other Operating (Excluding RM2 Funding)	2,981	3,341	2,572	2,479
Total Operating Revenues	\$176,309	\$188,273	\$191,229	\$196,404
Operating Expenses				
Operations	\$89,040	\$87,903	\$90,252	\$99,131
Maintenance	37,544	41,766	42,261	44,933
General & Administrative	34,289	46,065	42,038	43,637
Depreciation (Includes Grant Depreciation)	28,253	31,264	34,427	33,289
Total Operating Expenses (Excludes Capital Contribution)	\$189,126	\$206,998	\$208,978	\$220,989
Operating Loss	(\$12,817)	(\$18,725)	(\$17,750)	(\$24,586)
Non-Operating Revenues (Expenses)				
Operating Assistance				
- State Operating Assistance	\$18,368	\$16,317	\$18,737	\$18,570
- Federal Operating Assistance	8	211	232	388
- Local Operating Assistance (RM2)	2,492	2,777	2,855	2,770
Total Operating Assistance	\$20,868	\$19,305	\$21,824	\$21,728
Capital Contributions to Other Agencies	(\$783)	(\$76,123)*	(\$1,951)	(\$5,742)
Investment Income	2,408	3,822	1,969	2,500
Interest Expense	(45)	(81)	(426)	(1,510)
Gain (Loss) on Disposal of Capital Assets	21	1	8	-
Total Non-Operating Revenues	\$1,601	(\$72,381)	(\$400)	(\$4,752)
Income Before Capital Contributions	\$9,652	(\$71,801)	\$3,675	(\$7,610)
Capital Contributions (Non-District Funded)	\$48,742	\$33,298	\$13,027	\$19,631
Increase in Net Assets Before Special Item	\$58,394	(\$38,503)	\$16,702	\$12,021
Net Increase/(Decrease) in Net Position	58,394	(38,503)	16,702	12,021
Net Position, Beginning of Year	766,828	680,211	641,708	658,410
Restatement of Beginning Net Position	(145,011)			
Net Position, End of Year	\$680,211	\$641,708	\$658,410	\$670,430

* Includes \$75 million capital contribution to San Francisco County Transportation Authority (SFCTA) in regards to the Presidio Parkway, Doyle Drive reconstruction project and in accordance with the Memorandum of Understanding Agreement dated 11/26/2008 between GGBHTD and SFCTA.

APPENDIX B – COMMERCIAL PAPER BUDGETING COVENANT CERTIFICATE OF THE DISTRICT

As was true in every budget since the Commercial Paper Program began in 2001, the FY 17/18 Adopted Budget meets the pledge made to the holders of the District's commercial paper notes to insure that it is able to pay debt service on those notes. The District's pledge to debt holders includes a covenant that requires the District to pass a budget that produces sufficient revenues to pay twice as much debt service as projected. The covenant allows the District to count the \$7.3 million in Bridge Operating Reserve Fund toward the 2X ratio. In addition to the Bridge Operating Reserve Fund, the District created and fully funded a Debt Service Reserve Fund of \$5.5 million to further insure the security of the note holders by providing sufficient reserves to meet unforeseen eventualities. Those reserve funds have been, and will remain, fully funded throughout the Commercial Paper Program.

Golden Gate Bridge, Highway and Transportation District Commercial Paper Debt Payment Coverage Covenant (\$ in Thousands)

	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Actual	17/18 Adopted
Total Revenues	\$181,888	\$199,585	\$211,400	\$215,022	\$220,632
Less Total Operating Expenses (Less Depreciation, Capital Contribution, Bridge Self-Insurance and Debt Service Payments)	(\$160,686)	(\$160,873)	(\$175,734)	(\$174,551)	(\$187,700)
Total Net Revenues	\$21,202	\$38,712	\$35,666	\$40,471	\$32,932
Plus Operating Reserve Fund	\$7,320	\$7,320	\$7,320	\$7,320	\$7,320
Total Net Revenues + Operating Reserve	\$28,522	\$46,032	\$42,986	\$47,791	\$40,252
Actual/Estimated Debt Service	\$60	\$45	\$81	\$426	\$1,510
Coverage (with Operating Reserve)	475.4	1,022.9	530.7	112.2	26.7
Coverage (without Operating Reserve)	353.4	860.3	440.3	95.0	21.8

APPENDIX C – FY 16/17 CAPITAL PROGRAM ACCOMPLISHMENTS

Program Summary

FY 16/17 capital expenditures for the agency totaled \$19.5 million, funded with \$9.5 million, or 49% District funds and \$10.0 million, or 51% grant funds. Total FY 16/17 expenditures include expenditures on completed projects and multi-year projects that were carried over to be completed in FY 17/18 or future years.

A summary of the FY 16/17 program is provided below, followed by each division's detailed program.

FY 16/17 Capital Expenditures by Division

	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
Bridge - Seismic Retrofit	\$52,244,216	\$6,200,000	\$3,828,010	62%
Bridge - Other	262,453,961	8,849,942	7,441,727	84%
Bus	72,145,825	2,875,988	902,760	31%
Ferry	68,534,366	6,677,596	5,511,650	83%
District	11,406,911	4,072,897	1,852,251	45%
Agency Total	\$466,785,279	\$28,676,423	\$19,536,398	68%

Capital Fund Source

	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
Federal	286,048,718	\$12,034,302	\$8,665,796	44%
State	38,647,929	2,147,069	1,349,996	7%
Other Local Funds	794,318	94,031	13,013	0%
District Funds	141,294,314	14,401,021	9,507,593	49%
Total Expenditures	\$466,785,279	\$28,676,423	\$19,536,398	100%

FY 16/17 Capital Program Accomplishments Bridge Division

FY 16/17 Bridge Division capital expenditures totaled \$11.3 million, funded with \$3.8 million, or 34% District funds and \$7.5 million, or 66% grants funds.

Project Number & Description	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
Bridge Division – Seismic Retrofit				
9102 - Seismic Phase III - Design Review (ENG)	\$40,384,216	\$5,000,000	\$3,526,345	71%
1528 - GGB Wind Retrofit (ENG)	11,860,000	1,200,000	301,665	25%
Total Bridge Seismic Retrofit	\$52,244,216	\$6,200,000	\$3,828,010	62%
Bridge Division – Other				
1526 - Suicide Deterrent - Construction (ENG)	\$192,335,000	\$1,000,000	\$5,201,350	520%
0820 - Moveable Median Barrier (ENG)	30,516,000	613,843	16,813	3%
1525 - Toll System Upgrade (FIN)	6,257,000	600,000	480,407	80%
1118 - Suicide Deterrent - Design (ENG)	5,543,101	40,000	(35,587)	(89%)
0805 - South Approach & Pier Security Improvements (ENG)	5,000,000	250,000	189,302	76%
9826 - Main Cable Access (ENG)	4,180,000	500,000	148,349	30%
1722 - Toll Plaza Pavement Overlay (ENG)	3,500,000	50,000	52,256	105%
1035 - GGB Informal Science Education (ENG)	3,499,777	100,000	152,856	153%
1729 - Capital Equipment	3,250,000	3,250,000	906,516	28%
1721 - Toll Plaza Admin Bldg HVAC Repl & Roof Rehab	2,952,100	1,500,000	48,038	3%
1620 - Fixed Changeable Message Signs - North Approach (ENG)	1,560,000	60,000	-	0%
1422 - FASTRAK Equipment Upgrade (FIN)	1,000,000	100,000	-	0%
1524 - North Anchorage House Security (ENG)	1,000,000	100,000	-	0%
1423 - TP Admin Building Improvements (ENG)	672,000	110,913	106,406	96%
1523 - Modular Offices Rehabilitation (ENG)	558,900	50,000	58,687	117%
1560 - South Visitor Plaza Restrooms Improvement Dsgn Project	480,083	375,186	116,334	31%
1720 - Security System Upgrade	150,000	150,000	-	0%
Total Bridge Division Other	\$262,453,961	\$8,849,942	\$7,441,727	84%
Total Bridge Division	\$314,698,177	\$15,049,942	\$11,269,737	75%
Capital Fund Source				
	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
District Funds	\$103,615,843	\$6,435,819	\$3,789,225	34%
Federal Grants	182,382,383	7,799,091	7,157,911	64%
State Grants	27,480,083	813,889	316,655	3%
Other Local Funds	219,868	1,143	5,946	0%
Total Expenditures	\$314,698,177	\$15,049,942	\$11,269,737	100%

FY 16/17 Capital Program Accomplishments Bus Division

FY 16/17 Bus Division capital expenditures totaled \$900,000, funded with \$200,000, or 23% District funds and \$700,000, or 77% grants funds.

Project Number & Description	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
Bus Division				
1730 - Replace 67 Transit Buses with Hybrids	\$67,600,000	\$1,100,000	\$-	0%
1431 - D1 Resurface Employee Parking Lot (ENG)	2,130,000	100,000	41,419	41%
1434 - Bus Security Cameras	900,000	899,638	663,939	74%
1531 - SF Bus Lot Env Eval and Mods (ENG)	500,000	100,000	-	0%
1532 - MCI 120v Outlets	427,500	427,500	-	0%
1533 - MCI Bike Racks	385,000	45,525	-	0%
1739 - Capital Equipment	203,325	203,325	197,402	97%
Total Bus Division	\$72,145,825	\$2,875,988	\$902,760	31%

Capital Fund Source				
	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
District	\$9,726,949	\$547,336	\$205,685	22%
Federal	59,738,512	1,470,436	105,071	12%
State Grants	2,430,364	828,654	592,004	66%
Other Local Funds	250,000	29,562	-	0%
Total Expenditures	\$72,145,825	\$2,875,988	\$902,760	100%

FY 16/17 Capital Program Accomplishments Ferry Division

FY 16/17 Ferry Division capital expenditures totaled \$5.5 million, funded with \$3.8 million, or 69% District funds and \$1.7 million, or 31% grants funds.

Project Number & Description	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
Ferry Division				
1740 - M.S. Sonoma Refurbishment and Repower	\$22,500,000	\$100,000	\$9,799	10%
0503 - Gangway & Piers - Design (ENG)	11,862,725	1,000,000	462,199	46%
1441 - Gangways & Piers - Sausalito Construction (ENG)	11,500,000	100,000	-	0%
1029 - M.V. Mendocino - Mid-Life Refurbishment	6,290,000	580,315	576,064	99%
1741 - M.S. Marin Repower & Dry Dock	5,488,000	200,000	27,559	14%
9710 - Corte Madera Marsh Restoration (ENG)	2,489,000	200,000	302,788	151%
1542 - SLEP Larkspur	1,740,000	100,000	1,226	1%
1648 - M.V. Del Norte Vessel Mods, Main Door	1,664,341	1,000,000	1,471,435	147%
1643 - M.V. Napa Main Engine QL3 Overhaul	1,048,670	838,135	1,204,669	144%
1645 - M.V. Golden Gate Main Engine QL3 Overhaul	943,330	531,382	495,442	93%
1742 - M.V. Golden Gate Dry Docking & Cap Improvements	938,800	400,000	6,932	2%
1647 - M.V. Mendocino - Eng. Design Correction	810,000	748,452	558,531	75%
1451 - M.V. Golden Gate - Engine-Vessel Impr & Dry Dock	400,000	250,932	184,603	74%
1743 - Ferry Terminal Security Camera Upgrades	200,000	200,000	111,062	56%
1745 - Bicycle Conveyor - Spaulding	150,000	150,000	-	0%
1646 - M.V. Del Norte Main Engine QL1 Overhaul	150,000	20,828	-	0%
1545 - TVM Enclosure Door Replacement	100,000	100,000	-	0%
1452 - Sausalito Landing Rehab Env Mitigation (ENG)	100,000	30,000	30,000	100%
1642 - Vessel Man Overboard Davits (All Vessels)	70,000	38,052	6,534	17%
1744 - LFT Reception Area Rehab	51,000	51,000	26,455	52%
1749 - Capital Equipment	38,500	38,500	36,352	94%
Total Ferry Division	\$68,534,366	\$6,677,596	\$5,511,650	83%

Capital Fund Source

	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
District	\$19,197,099	\$3,838,335	\$3,807,932	69%
Federal	41,327,823	2,433,560	1,361,272	25%
State Grants	7,934,994	398,502	335,628	6%
Other Local Funds	74,450	6,869	6,818	0%
Total Expenditures	\$68,534,366	\$6,677,596	\$5,511,650	100%

FY 16/17 Capital Program Accomplishments District Division

FY 16/17 District Division capital expenditures totaled \$1.9 million, funded with \$1.7 million, or 92% District funds and \$200,000, or 8% grants funds.

Project Number & Description	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
District Division				
1712 - Transit Scheduling System (IS)	2,135,000	375,000	144,274	38%
1711 - Radio System Upgrade (IS)	1,843,523	1,143,523	1,461	0%
1717 - SRTC Relocation Design/Environmental	1,417,000	320,000	1,411	0%
1513 - Electronic Timekeeping System (IS)	1,141,000	378,234	283,687	75%
1612 - Transit Network Access Security Enhancements (IS)	802,488	106,023	105,709	100%
1512 - Email MS Office and Core Service Software/Hardware (IS)	755,000	50,000	111,470	223%
1713 - ADS ACIS data radio replacement (IS)	700,000	100,000	37,365	37%
1518 - Website Redesign (IS)	531,900	100,000	-	0%
1610 - Cyber Security (IS)	530,000	250,000	298,644	119%
1714 - Redundant Network / Systems (IS)	350,000	250,000	353,580	141%
1715 - Aviat Microwave Update - Santa Rosa Link (IS)	250,000	250,000	-	0%
1611 - E-Discovery Solution (IS)	242,000	102,000	70,960	70%
1516 - Disaster Recovery (IS)	200,000	153,879	-	0%
1515 - Network Security (IS)	200,000	185,239	157,502	85%
1716 - Financial Management System Analysis (IS)	175,000	175,000	152,292	87%
1719 - Capital Equipment	134,000	134,000	133,897	100%
Total District Division	\$11,406,911	\$4,072,898	\$1,852,252	45%

Capital Fund Source

	Total Project	FY 16/17 Budget	FY 16/17 Actual	% of Actual Expenditures
District	\$8,754,423	\$3,579,202	\$1,704,753	92%
Federal	1,600,000	331,216	41,541	2%
State Grants	802,488	106,023	105,709	6%
Other Local Funds	250,000	56,457	249	0%
Total Expenditures	\$11,406,911	\$4,072,898	\$1,852,252	100%

APPENDIX D – GRANT FUNDING SOURCES

Major Sources of Grant Funds

			Amount in FY 17/18 Budget		Secured for Future Years	
Fund Source	Programming Process/Agency	Program Cycle	Capital	Operating	Capital	Operating
Federal Grants						
Ferry Boat Discretionary and Formula Programs	Application to Caltrans/FHWA and/or Congressional Earmark.	Annual Earmark / DOT Discretionary	\$62,800	N/A	\$9,111,300	N/A
Federal Transit Administration (FTA) - Section 5307, 5337 and 5309 Programs	Programming application to MTC. Contract application and award by FTA.	Annual - MTC Discretionary	\$1,492,900	N/A	\$92,264,000	N/A
State Highway Bridge Program (HBP) / SAFETEA-LU High Priority Project (HPP) and Discretionary Bridge Fund (DBF)	For GGB Seismic Retrofit Project. Application to and award by Caltrans.	State and Congressional Discretionary funding	\$1,369,300	N/A	\$22,033,100	N/A
State Highway Bridge Program (HBP) / Surface Transportation Program (STP)	Funds programmed by State and MTC for the Suicide Deterrent System.	One-Time	\$9,759,500	N/A	\$111,349,600	N/A
Surface Transportation Program (STP)	Funds programmed by State and MTC for the San Rafael Transit Center Relocation Design/Env Project.	One-Time	\$225,800	N/A	\$773,200	N/A
State Grants						
Infrastructure Bond: State Transit Security Grant Program (CA-TSGP)	Application to Caltrans/MTC.	Annual for 10-year Period (2008-2017)	\$89,200	N/A	\$121,000	N/A
California State Coastal Conservancy (CA-SCC)	Application submitted to the CA-SCC for GGB Informal Science Education Project.	One-Time	\$200,000	N/A	\$58,900	N/A
Infrastructure Bond: PTMISEA Account	Application to Caltrans/MTC.	Annual for 10-year Period (2008-2017)	\$51,900	N/A	\$4,945,400	N/A
Prop 63 Mental Health Services Act	Funds awarded by State for the Suicide Deterrent System.	One-Time	\$545,900	N/A	\$6,228,600	N/A
Low Carbon Transit Operations Program (LCTOP)	Programmed based on Formula.	Annual	\$2,400	N/A	\$1,645,000	N/A
Transportation Development Act (TDA)	Per agreement with the Counties and MTC. Annual application to MTC.	Annual	N/A	Marin:	N/A	Marin:
				\$7,507,100		TBD
			N/A	Sonoma:	N/A	Sonoma:
				\$5,652,900		TBD
State Transit Assistance (STA)	Revenue Based - Service-based formula. Population Based - MTC Discretion.	Annual	N/A	\$5,410,100	N/A	TBD

Appendix D

			Amount in FY 16/17 Budget		Secured for Future Years	
Fund Source	Programming Process/Agency	Program Cycle	Capital	Operating	Capital	Operating
Other Local Grants						
Regional Measure 2 (RM2)	Programming application to MTC.	Annual	\$0	\$2,770,300	\$0	\$2,770,300
Donations/Cell Site Revenues	For Suicide Deterrent System.	One-Time	\$17,100	N/A	\$195,600	N/A
TAM	For San Rafael Transit Center Relocation Design/Env Project and Bus Electric Charging Stations Project.	One-Time	\$71,300	N/A	\$253,500	N/A
Total Grant Funds			\$13,888,100	\$21,340,400	\$248,979,200	\$2,770,300

All dollar amounts rounded to the nearest one hundred.

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
AGENCY SUMMARY																	
BRIDGE DIVISION																	
GRANT FUNDED	700,460	700,460	-	741,765	41,305	42,694	126,634	172,120	167,875	147,130	2,800	3,380	12,628	17,100	8,100	-	741,765
DISTRICT FUNDED	336,974	-	336,974	360,849	23,875	27,190	59,325	56,890	57,760	61,370	18,992	6,830	12,218	22,360	14,040	-	360,849
TOTAL	1,037,434	700,460	336,974	1,102,614	65,179	69,883	185,959	229,010	225,635	208,500	21,792	10,210	24,845	39,460	22,140	-	1,102,614
BUS DIVISION																	
GRANT FUNDED	229,210	229,210	-	234,658	1,869	5,366	70,269	3,371	20,800	25,887	19,729	20,018	10,597	46,583	6,590	3,579	234,658
DISTRICT FUNDED	58,067	-	58,067	59,267	560	1,979	9,907	1,320	5,090	10,563	11,729	4,558	2,911	8,050	1,960	640	59,267
TOTAL	287,277	229,210	58,067	293,925	2,429	7,345	80,176	4,691	25,890	36,450	31,458	24,576	13,508	54,633	8,550	4,219	293,925
FERRY DIVISION																	
GRANT FUNDED	227,148	227,148	-	363,593	6,925	29,552	9,736	11,959	31,516	36,117	28,116	26,492	32,528	19,904	1,228	129,520	363,593
DISTRICT FUNDED	72,697	-	72,697	111,821	6,745	15,546	7,734	3,939	7,771	9,104	7,104	7,198	8,867	5,051	382	32,380	111,821
TOTAL	299,844	227,148	72,697	475,414	13,670	45,098	17,470	15,898	39,287	45,221	35,220	33,690	41,395	24,955	1,610	161,900	475,414
DISTRICT DIVISION																	
GRANT FUNDED	5,624	5,624	-	12,934	350	1,900	830	490	100	400	960	44	800	100	-	6,960	12,934
DISTRICT FUNDED	39,831	-	39,831	43,048	3,217	6,900	6,391	6,900	3,005	2,850	2,630	2,466	4,160	3,430	1,100	-	43,048
TOTAL	45,455	5,624	39,831	55,982	3,567	8,800	7,221	7,390	3,105	3,250	3,590	2,510	4,960	3,530	1,100	6,960	55,982
AGENCY TOTAL																	
GRANT FUNDED	1,162,442	1,162,442	-	1,352,950	50,449	79,512	207,469	187,939	220,292	209,534	51,605	49,934	56,553	83,687	15,918	140,059	1,352,950
DISTRICT FUNDED	507,569	-	507,569	574,985	34,396	51,615	83,356	69,049	73,626	83,887	40,455	21,052	28,155	38,891	17,482	33,020	574,985
TOTAL	1,670,011	1,162,442	507,569	1,927,935	84,845	131,126	290,825	256,989	293,918	293,421	92,060	70,986	84,708	122,578	33,400	173,079	1,927,935

Appendix E

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
BRIDGE DIVISION	13	14	15	blank	69	18	19	20	21	22	23	24	25	26	27	71	blank
GGB SEISMIC RETROFIT																	
Seismic: Design																	
9102 - Seismic Phase III - Design Review	12,671	11,024	1,647	40,384	27,713	5,000	7,671	-	-	-	-	-	-	-	-	-	40,384
Seismic: Construction																	
0000 - Seismic Phase IIIB Construction	610,000	488,000	122,000	610,000	-	20,000	80,000	160,000	180,000	170,000	-	-	-	-	-	-	610,000
1528 - Wind Retrofit	11,019	11,019	-	11,860	841	2,000	3,000	3,000	3,019	-	-	-	-	-	-	-	11,860
BRIDGE IMPROVEMENTS/REHABILITATION																	
Safety/Security Enhancements																	
1526 - Suicide Deterrent - Construction	171,140	118,086	53,053	192,335	21,195	22,000	76,000	59,000	14,140	-	-	-	-	-	-	-	192,335
1118 - Suicide Deterrent - Design	-	-	-	5,543	5,543	-	-	-	-	-	-	-	-	-	-	-	5,543
0805 - South Approach & Pier Security Improvements	3,664	2,931	733	5,000	1,336	3,664	-	-	-	-	-	-	-	-	-	-	5,000
1620 - Fixed CMS North Approach	1,560	-	1,560	1,560	-	60	500	1,000	-	-	-	-	-	-	-	-	1,560
1524 - North Anchorage House Security	795	-	795	1,000	205	795	-	-	-	-	-	-	-	-	-	-	1,000
0000 - Earthquake/Bridge Monitoring	200	-	200	200	-	-	-	100	-	-	-	-	100	-	-	-	200
Bridge Access Systems																	
1521 - South Approach & Arch Access Systems	19,992	-	19,992	20,000	8	-	-	500	5,000	12,000	2,492	-	-	-	-	-	20,000
1522 - North End Access Systems	20,000	-	20,000	20,000	-	-	-	-	500	5,000	12,000	2,500	-	-	-	-	20,000
9826 - Main Cable Access	11,193	-	11,193	13,180	1,987	500	10,693	-	-	-	-	-	-	-	-	-	13,180
Improvements/Rehab																	
0000 - Electrical Service to North Approach	3,960	-	3,960	3,960	-	-	-	-	-	-	-	160	1,290	1,660	850	-	3,960
0000 - Roadway Lighting	100	-	100	100	-	-	-	-	-	-	-	-	100	-	-	-	100
Paint/Erosion Rehab																	
0000 - North Tower Paint Rehab	30,000	24,000	6,000	30,000	-	-	-	-	-	-	-	500	10,000	15,000	4,500	-	30,000
0000 - Fort Point Arch Paint Rehab	7,500	6,000	1,500	7,500	-	-	-	-	-	-	-	1,000	4,500	2,000	-	-	7,500
0000 - North Tower Pier Shore Protection Construction	1,000	-	1,000	1,000	-	-	1,000	-	-	-	-	-	-	-	-	-	1,000
1822 - North Tower Pier Shore Protection Des/Env	450	-	450	500	50	200	250	-	-	-	-	-	-	-	-	-	500
Roadway Rehab																	
0000 - Bridge Pavement Repair	30,000	15,000	15,000	30,000	-	-	-	500	15,000	14,500	-	-	-	-	-	-	30,000
1722 - Toll Plaza Pavement Overlay	3,148	-	3,148	3,500	352	3,148	-	-	-	-	-	-	-	-	-	-	3,500
1424 - Deck Paving Investigation	150	-	150	150	-	75	75	-	-	-	-	-	-	-	-	-	150
Structure Rehab																	
0000 - Floor Beam & Cable Band Rehab Construction	8,200	6,560	1,640	8,200	-	-	-	-	2,000	3,500	2,700	-	-	-	-	-	8,200
0000 - Floor Beam & Cable Band Rehab Design	400	320	80	400	-	-	200	200	-	-	-	-	-	-	-	-	400

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
BRIDGE DIVISION																	
FACILITIES REHABILITATION																	
Grounds and Roads																	
1421 - Alexander Avenue Pavement Rehabilitation	2,987	-	2,987	3,000	13	300	600	1,300	787	-	-	-	-	-	-	-	3,000
0000 - Employee Parking Lots & Tunnel Rehab	2,300	-	2,300	2,300	-	-	-	-	-	-	400	1,300	600	-	-	-	2,300
0000 - Merchant Road Rehabilitation	1,800	-	1,800	1,800	-	-	-	-	-	400	1,400	-	-	-	-	-	1,800
0000 - Alexander Avenue Slide Repair - Construction	850	-	850	850	-	-	850	-	-	-	-	-	-	-	-	-	850
0000 - Alexander Avenue Slide Repair - Design/Env	500	-	500	500	-	500	-	-	-	-	-	-	-	-	-	-	500
Improvements/Rehab																	
1523 - Modular Offices Rehabilitation	340	-	340	559	219	340	-	-	-	-	-	-	-	-	-	-	559
Maintenance Facilities																	
0000 - Maintenance Facility Relocation	9,150	9,150	-	9,150	-	-	-	-	-	-	-	350	800	3,500	4,500	-	9,150
0000 - Fuel Station Upgrade and Rehabilitation	820	410	410	820	-	100	720	-	-	-	-	-	-	-	-	-	820
0000 - Wash Rack Replacement	755	378	378	755	-	-	-	-	-	-	-	300	455	-	-	-	755
Toll Plaza Buildings																	
0000 - Permanent Toll Collection Gantry & Pavement Rehab	30,000	-	30,000	30,000	-	-	-	-	-	-	-	-	5,000	15,000	10,000	-	30,000
0000 - Toll Plaza Administration Bldg Rehab	3,000	2,400	600	3,000	-	-	-	-	-	100	800	2,100	-	-	-	-	3,000
0000 - South Visitor Plaza Restrooms Improvement - Construct	3,000	3,000	-	3,000	-	-	-	-	2,000	1,000	-	-	-	-	-	-	3,000
1820 - Toll Plaza Gantry - Construction	1,700	-	1,700	2,000	300	700	1,000	-	-	-	-	-	-	-	-	-	2,000
0000 - Maintenance Shop Retrofit & Roof Rehab	1,690	-	1,690	1,690	-	-	-	500	1,190	-	-	-	-	-	-	-	1,690
1721 - Toll Plaza Admin Bldg HVAC Repl & Roof Rehab	2,654	2,123	531	2,952	298	2,654	-	-	-	-	-	-	-	-	-	-	2,952
1821 - IS Data Center Seismic Retrofit	1,450	-	1,450	1,500	50	300	1,150	-	-	-	-	-	-	-	-	-	1,500
0000 - Purchasing & Stores Bldg & Roof Rehab	860	-	860	860	-	-	100	760	-	-	-	-	-	-	-	-	860
0000 - Round House Roof Rehab	590	-	590	590	-	-	-	-	-	-	-	-	-	300	290	-	590
1560 - South Visitor Plaza Restrooms Improvement - Design	59	59	-	480	421	59	-	-	-	-	-	-	-	-	-	-	480
0000 - IS Trailer Rehabilitation	300	-	300	300	-	-	150	150	-	-	-	-	-	-	-	-	300
INFORMATION SYSTEMS/TECHNOLOGY																	
1525 - Toll System Upgrade	4,591	-	4,591	6,257	1,666	4,591	-	-	-	-	-	-	-	-	-	-	6,257
1422 - FASTRAK Equipment Upgrade	896	-	896	1,000	104	896	-	-	-	-	-	-	-	-	-	-	1,000
CAPITAL EQUIPMENT																	
Tools and Equipment																	
XX29 - Tools and Equipment	20,000	-	20,000	22,878	2,878	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-	22,878
TOTAL	1,037,434	700,460	336,974	1,102,614	65,179	69,883	185,959	229,010	225,635	208,500	21,792	10,210	24,845	39,460	22,140	-	1,102,614

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

[illegible]

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
BUS DIVISION																	
<i>D-2: Novato</i>																	
0000 - D-2 Pavement Rehabilitation	1,700	1,360	340	1,700	-	-	-	-	-	300	600	800	-	-	-	-	1,700
0000 - D-2 Wash Rack Improvements	840	672	168	840	-	-	-	-	-	320	520	-	-	-	-	-	840
0000 - D-2 Dispatch & Fuel Island Bldg Roof Rehab	760	608	152	760	-	-	-	-	320	440	-	-	-	-	-	-	760
0000 - D-2 Repair Railroad Crossing at Novato	-	-	-	115	-	-	-	-	-	-	-	-	-	-	-	115	115
<i>D-3: Santa Rosa</i>																	
0000 - D-3 Pavement Rehabilitation	2,100	1,680	420	2,100	-	-	-	-	-	-	-	-	800	800	500	-	2,100
0000 - D-3 Bus Security Improvements	1,500	1,200	300	1,500	-	-	-	-	-	-	300	1,200	-	-	-	-	1,500
0000 - D-3 Dispatch & Fuel Island Bldg Roof and Restroom Reha	900	720	180	900	-	-	-	-	300	600	-	-	-	-	-	-	900
0000 - D-3 Wash Rack Improvements	840	672	168	840	-	-	-	-	-	300	540	-	-	-	-	-	840
<i>D-4: San Francisco</i>																	
0000 - D-4 Pavement Rehabilitation	1,500	1,200	300	1,500	-	-	-	-	-	-	-	-	-	300	1,200	-	1,500
1531 - San Francisco (D-4) Bus Lot Env Eval and Mods	450	-	450	500	50	200	250	-	-	-	-	-	-	-	-	-	500
0000 - D-4 Curb Cut Bus Stop Improvements	50	-	50	50	-	50	-	-	-	-	-	-	-	-	-	-	50
<i>R-7: San Rafael Transit Center</i>																	
0000 - SRTC Relocation PS&E/CON	35,000	17,500	17,500	35,000	-	-	-	500	1,000	12,000	21,500	-	-	-	-	-	35,000
1717 - SRTC Relocation Design/Env	1,096	1,096	-	1,417	321	415	440	241	-	-	-	-	-	-	-	-	1,417
<i>Systemwide</i>																	
0000 - Install LED Yard Lighting at Bus Facilities	-	-	-	138	-	-	-	-	-	-	-	-	-	-	-	138	138
CAPITAL EQUIPMENT																	
XX39 - Capital Equipment	3,500	-	3,500	3,617	117	350	350	350	350	350	350	350	350	350	350	-	3,617
TOTAL	287,277	229,210	58,067	293,925	2,429	7,345	80,176	4,691	25,890	36,450	31,458	24,576	13,508	54,633	8,550	4,219	293,925

GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
FERRY DIVISION																	
REVENUE VEHICLES																	
MS San Francisco																	
0000 - MS San Francisco: End of Useful Life Replacement	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	25,000
0000 - MS San Francisco Rehab Projects	1,635	1,308	327	3,385	-	250	-	500	-	75	-	675	-	75	60	1,750	3,385
MS Marin																	
0000 - MS Marin: End of Useful Life Replacement	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	25,000
1741 - M.S. Marin Repower & Dry Dock	5,360	1,047	4,313	5,488	128	5,360	-	-	-	-	-	-	-	-	-	-	5,488
0000 - MS Marin Rehab Projects	2,765	2,212	553	3,545	-	180	150	580	180	25	780	105	130	525	110	780	3,545
1640 - M.S. Marin Ramp & Gangways Vessel Modifications	1,340	1,072	268	1,340	-	1,340	-	-	-	-	-	-	-	-	-	-	1,340
MS Sonoma																	
0000 - MS Sonoma: End of Useful Life Replacement	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	25,000
1740 - M.S. Sonoma Refurbishment and Repower	22,390	19,902	2,488	22,500	110	22,390	-	-	-	-	-	-	-	-	-	-	22,500
0000 - MS Sonoma Rehab Projects	2,530	2,024	506	4,725	-	-	75	-	375	-	425	300	230	-	1,125	2,195	4,725
MV Mendocino																	
0000 - MV Mendocino: End of Useful Life Replacement	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	25,000
0000 - MV Mendocino Rehab Projects	3,920	3,136	784	7,255	-	-	-	-	-	275	970	350	-	2,325	-	3,335	7,255
1840 - MV Mendocino Capital Improvements & Dry Dock	5,900	-	5,900	6,000	100	2,000	3,000	900	-	-	-	-	-	-	-	-	6,000
1647 - M.V. Mendocino - Eng. Design Correction	90	90	-	810	720	90	-	-	-	-	-	-	-	-	-	-	810
MV Del Norte																	
0000 - MV Del Norte: End of Useful Life Replacement	22,000	17,600	4,400	22,000	-	-	-	-	-	-	-	-	22,000	-	-	-	22,000
0000 - MV Del Norte Rehab Projects	1,325	1,060	265	1,490	-	125	120	-	150	-	750	-	100	-	80	165	1,490
1644 - M.V. Del Norte Propulsion Control Sys. Replacement	448	-	448	450	2	448	-	-	-	-	-	-	-	-	-	-	450
MV Napa																	
0000 - MV Napa: End of Useful Life Replacement	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	25,000
0000 - MV Napa Rehab Projects	2,145	1,716	429	2,270	-	380	80	575	150	25	750	105	-	-	80	125	2,270
1641 - M.V. Napa Ramp & Gangways Vessel Modifications	1,180	944	236	1,180	-	1,180	-	-	-	-	-	-	-	-	-	-	1,180
MV Golden Gate																	
0000 - MV Golden Gate: End of Useful Life Replacement	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	25,000
0000 - MV Golden Gate Rehab Projects	6,970	5,576	1,394	10,520	-	180	120	2,205	-	180	1,570	280	-	2,355	80	3,550	10,520
1742 - M.V. Golden Gate Dry Docking & Cap Improvements	832	-	832	939	107	832	-	-	-	-	-	-	-	-	-	-	939
1440 - Structural Modifications - MV Golden Gate	100	-	100	100	-	100	-	-	-	-	-	-	-	-	-	-	100
Systemwide																	
1745 - Bicycle Conveyor - Spaulding	50	-	50	150	100	50	-	-	-	-	-	-	-	-	-	-	150

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
FERRY DIVISION																	
FACILITIES REHABILITATION																	
Systemwide																	
0503 - Gangway & Piers - Design	5,091	4,281	811	11,863	6,771	500	500	500	3,591	-	-	-	-	-	-	-	11,863
0000 - Security Systems	500	400	100	500	-	-	-	500	-	-	-	-	-	-	-	-	500
Larkspur Ferry Terminal																	
0000 - Gangways & Piers - Larkspur Construction	66,000	52,800	13,200	66,000	-	-	-	-	4,000	24,000	24,000	14,000	-	-	-	-	66,000
0000 - LFT Parking Garage	40,000	32,000	8,000	40,000	-	-	-	-	500	4,500	5,000	15,000	15,000	-	-	-	40,000
0000 - LFT Channel Dredging	29,100	23,280	5,820	29,100	-	-	-	500	12,500	-	-	-	800	15,300	-	-	29,100
0000 - LFT Berth and Turning Basin Dredging	8,000	6,400	1,600	8,000	-	-	-	300	3,000	-	-	-	400	4,300	-	-	8,000
0000 - Terminal Truss Rehab and Painting	4,000	3,200	800	4,000	-	-	-	468	1,766	1,766	-	-	-	-	-	-	4,000
0000 - Terminal Bldgs and Waiting Area Roof Rehab	2,000	1,600	400	2,000	-	-	300	1,700	-	-	-	-	-	-	-	-	2,000
1542 - SLEP Larkspur	1,529	1,224	306	1,740	211	1,529	-	-	-	-	-	-	-	-	-	-	1,740
0000 - Admin Bldg Roof, Paint Exterior, Restroom Rehab	1,500	1,200	300	1,500	-	-	300	1,200	-	-	-	-	-	-	-	-	1,500
0000 - Rehab Parking Lot	1,500	1,200	300	1,500	-	-	-	-	-	-	-	300	1,200	-	-	-	1,500
1841 - Fuel System Rehab	1,450	-	1,450	1,500	50	500	950	-	-	-	-	-	-	-	-	-	1,500
0000 - LFT Maintenance Facility Rehabilitation	1,160	-	1,160	1,160	-	-	-	-	-	-	-	500	660	-	-	-	1,160
0000 - Terminal Water Line and Utilities Rehab	1,000	800	200	1,000	-	-	-	500	500	-	-	-	-	-	-	-	1,000
0000 - Oil Boom Platform Berth 3	900	-	900	900	-	900	-	-	-	900	-	-	-	-	-	-	900
0000 - Rehab Overflow Parking Lot Area	800	640	160	800	-	-	-	800	-	-	-	-	-	-	-	-	800
1545 - TVM Enclosure Door Replacement	50	40	10	100	50	50	-	-	-	-	-	-	-	-	-	-	100
0000 - Design/Install Swing Mooring Apparatus	86	-	86	86	-	86	-	-	-	-	-	-	-	-	-	-	86
1744 - LFT Maintenance Office Reception Rehab	-	-	-	51	51	-	-	-	-	-	-	-	-	-	-	-	51
0000 - Parking Lot Striping, Improvements, Signage	50	-	50	50	-	50	-	-	-	-	-	-	-	-	-	-	50
San Francisco Ferry Terminal																	
0000 - Gangways & Piers - San Francisco Construction	30,000	24,000	6,000	30,000	-	-	-	3,500	12,500	14,000	-	-	-	-	-	-	30,000
0000 - Rehab Former Ticket Office Bldg	2,800	2,240	560	2,800	-	-	-	-	-	-	-	2,000	800	-	-	-	2,800
0000 - Waiting Area Roof Rehab	1,200	960	240	1,200	-	-	-	-	-	300	900	-	-	-	-	-	1,200
1743 - Ferry Terminal Security Camera Upgrades	-	-	-	200	200	-	-	-	-	-	-	-	-	-	-	-	200
Sausalito Ferry Terminal																	
1441 - Gangways & Piers - Sausalito Construction	11,495	9,196	2,299	11,500	5	3,400	7,500	595	-	-	-	-	-	-	-	-	11,500
0000 - Sausalito Terminal Environmental Mitigation	100	-	100	100	-	100	-	-	-	-	-	-	-	-	-	-	100
ENVIRONMENTAL MITIGATION																	
Corte Madera Marsh																	
9710 - Corte Madera Marsh Restoration Design	722	-	722	2,489	1,767	722	-	-	-	-	-	-	-	-	-	-	2,489
0000 - CM Marsh Restoration Construction	5,000	4,000	1,000	5,000	-	1,500	3,000	500	-	-	-	-	-	-	-	-	5,000
INFORMATION SYSTEMS/TECHNOLOGY																	
0000 - Ticketing Systems/TVMs	2,050	-	2,050	2,050	-	750	1,300	-	-	-	-	-	-	-	-	-	2,050
CAPITAL EQUIPMENT																	
0000 - Oil Boom/Float Platform	30	-	30	30	-	30	-	-	-	-	-	-	-	-	-	-	30
XX49 - Tools and Equipment	750	-	750	4,048	3,298	75	75	75	75	75	75	75	75	75	75	-	4,048
TOTAL	299,844	227,148	72,697	475,414	13,670	45,098	17,470	15,898	39,287	45,221	35,220	33,690	41,395	24,955	1,610	161,900	475,414

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

						10-Year Projected Capital Need (\$000)											
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	Year 1 FY 2019	Year 2 FY 2020	Year 3 FY 2021	Year 4 FY 2022	Year 5 FY 2023	Year 6 FY 2024	Year 7 FY 2025	Year 8 FY 2026	Year 9 FY 2027	Year 10 FY 2028	Future Years	Line Item Total
DISTRICT DIVISION																	
FACILITIES REHABILITATION																	
0000 - A&D Admin Building Remodel/Rehab	1,500	-	1,500	1,500	-	200	1,300	-	-	-	-	-	-	-	-	-	1,500
0000 - Office Facility Renovation/Consolidation	-	-	-	6,960	-	-	-	-	-	-	-	-	-	-	-	6,960	6,960
0000 - Security Systems	700	560	140	700	-	-	100	100	-	500	-	-	-	-	-	-	700
INFORMATION SYSTEMS/TECHNOLOGY																	
1810 - Financial/HR/Payroll Management System Procurement	4,000	2,000	2,000	4,500	500	2,000	1,500	500	-	-	-	-	-	-	-	-	4,500
0000 - Radio Subscriber Upgrade	4,000	-	4,000	4,000	-	-	-	3,000	-	-	-	-	1,000	-	-	-	4,000
0000 - Telephone System Upgrade	2,550	-	2,550	2,550	-	-	-	-	800	-	-	-	-	50	1,700	-	2,550
0000 - Technology Improvements	2,250	-	2,250	2,250	-	-	250	250	250	250	250	250	250	250	250	-	2,250
0000 - Financial/HR/Payroll Management System Procurement	2,000	-	2,000	2,000	-	-	-	-	-	1,000	-	-	1,000	-	-	-	2,000
0000 - Radio System Upgrade	2,000	-	2,000	2,000	-	-	-	500	-	500	-	500	-	500	-	-	2,000
1711 - Radio System Upgrade	1,742	-	1,742	1,844	101	1,742	-	-	-	-	-	-	-	-	-	-	1,844
0000 - Business Intelligence	1,250	-	1,250	1,250	-	-	-	750	-	-	-	500	-	-	-	-	1,250
0000 - Transit Scheduling System	1,200	960	240	1,200	-	-	-	-	-	-	1,200	-	-	-	-	-	1,200
0000 - Data Storage System	1,200	-	1,200	1,200	-	-	-	600	-	-	-	-	600	-	-	-	1,200
0000 - INIT software refresh	1,100	-	1,100	1,100	-	-	1,100	-	-	-	-	-	-	-	-	-	1,100
0000 - Time Keeping System	1,055	844	211	1,055	-	-	-	-	-	-	-	55	1,000	-	-	-	1,055
0000 - Email/MS Office	1,000	-	1,000	1,000	-	-	-	500	-	250	-	-	250	-	-	-	1,000
1812 - Asset and Vehicle Fluid Mgmt Systm	900	900	-	1,000	100	900	-	-	-	-	-	-	-	-	-	-	1,000
1811 - Hardware and Software for ACIS/INIT	900	-	900	1,000	100	900	-	-	-	-	-	-	-	-	-	-	1,000
0000 - Disaster Recovery	1,000	-	1,000	1,000	-	-	250	-	250	-	250	-	250	-	-	-	1,000
1513 - Electronic Time Keeping	341	-	341	1,141	800	341	-	-	-	-	-	-	-	-	-	-	1,141
0000 - Cyber Security	805	-	805	805	-	-	250	-	-	-	-	80	260	215	-	-	805
0000 - Database Systems (SQL)	750	-	750	750	-	-	-	250	-	-	250	-	-	250	-	-	750
1712 - Transit Scheduling System	1,891	-	1,891	2,135	244	250	1,641	-	-	-	-	-	-	-	-	-	2,135
0000 - Asset and Vehicle Fluid Mgmt System	750	-	750	750	-	-	-	-	250	-	-	250	-	-	250	-	750
0000 - Bus Wifi	750	-	750	750	-	-	250	-	-	-	500	-	-	-	-	-	750
0000 - Internet of Things for all Divisions	750	-	750	750	-	-	-	-	250	-	-	250	-	-	250	-	750
0000 - Replace Network Equipment	740	-	740	740	-	-	-	-	-	-	740	-	-	-	-	-	740
1713 - ADS ACIS Data Radio Replacement	563	-	563	700	137	563	-	-	-	-	-	-	-	-	-	-	700
0000 - Indoor and Outdoor Wireless Network Access	660	-	660	660	-	-	-	-	320	-	-	-	-	-	340	-	660
0000 - Redundant Network / Systems	650	-	650	650	-	-	-	-	-	150	-	350	150	-	-	-	650
0000 - Replace Server Equipment	600	-	600	600	-	-	200	-	-	-	200	-	-	-	-	200	600
0000 - Document Management System	540	-	540	540	-	-	-	70	470	-	-	-	-	-	-	-	540
1610 - Cyber Security	130	-	130	530	400	100	30	-	-	-	-	-	-	-	-	-	530
0000 - Firetide Mesh Refresh	500	-	500	500	-	-	-	500	-	-	-	-	-	-	-	-	500
1813 - Transportation Statistics Reporting	400	-	400	500	100	200	200	-	-	-	-	-	-	-	-	-	500
1816 - Engineering Document Mgmt Solutions (Ferry)	250	-	250	300	50	250	-	-	-	-	-	-	-	-	-	-	300
1715 - Aviat Microwave Update - Santa Rosa Link	150	-	150	250	100	150	-	-	-	-	-	-	-	-	-	-	250
1814 - Redundant Network / Systems (FY18)	200	-	200	250	50	200	-	-	-	-	-	-	-	-	-	-	250
0000 - Ferry Passenger Information Systems	250	200	50	250	-	-	-	-	125	-	-	-	-	-	125	-	250

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

						10-Year Projected Capital Need (\$000)											
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	TOTAL PROJECT	FY18 & Prior Years	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Future Years	Line Item Total
DISTRICT DIVISION																	
0000 - GFI System Upgrade	245	-	245	245	-	245	-	-	-	-	-	-	-	-	-	-	245
0000 - Network Security	230	-	230	230	-	-	-	-	-	230	-	-	-	-	-	-	230
0000 - District Web Site Re-Design w/Mobile App	220	-	220	220	-	-	-	-	-	220	-	-	-	-	-	-	220
0000 - IVR replacement	200	-	200	200	-	-	-	-	200	-	-	-	-	-	-	-	200
1515 - Network Security	-	-	-	200	200	-	-	-	-	-	-	-	-	-	-	-	200
1518 - Website Redesign	400	-	400	532	132	400	-	-	-	-	-	-	-	-	-	-	532
0000 - Compellent San Replacement ACIS	200	160	40	200	-	-	-	200	-	-	-	-	-	-	-	-	200
1516 - Disaster Recovery	54	-	54	200	146	54	-	-	-	-	-	-	-	-	-	-	200
0000 - Video Conferencing	175	-	175	175	-	-	-	-	-	-	50	125	-	-	-	-	175
1716 - Financial Management System Analysis	-	-	-	175	175	-	-	-	-	-	-	-	-	-	-	-	175
0000 - Video Conferencing	155	-	155	155	-	155	-	-	-	-	-	-	-	-	-	-	155
1815 - Customer Service Incident System (Marketing)	-	-	-	45	45	-	-	-	-	-	-	-	-	-	-	-	45
0000 - Exacom Voice Recorder Refresh	40	-	40	40	-	-	-	-	40	-	-	-	-	-	-	-	40
0000 - Avtec VPGate Refresh	20	-	20	20	-	-	-	20	-	-	-	-	-	-	-	-	20
CAPITAL EQUIPMENT																	
XX19 - Capital Equipment	1,500	-	1,500	1,686	186	150	150	150	150	150	150	150	150	150	150	-	1,686
TOTAL	45,455	5,624	39,831	55,982	3,567	8,800	7,221	7,390	3,105	3,250	3,590	2,510	4,960	3,530	1,100	6,960	55,982

APPENDIX F – FINANCIAL PLAN



Agenda Item No. (6)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of October 27, 2016

From: Jennifer Mennucci, Director of Budget and Electronic Revenue
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **STATUS REPORT ON THE 2014 STRATEGIC FINANCIAL PLAN**

Recommendation

The following report is provided for informational purposes and does not require any action.

Introduction

This report provides a background on the Board of Director's (Board) process to create the 2014 Strategic Financial Plan (Plan), development of the plan's criteria and guiding principles, and the objectives of the Plan. Also, attached is an updated Plan including the current status of each Initiative (see Attachment B).

When the Golden Gate Bridge, Highway and Transportation District (District) approved its current Strategic Financial Plan (Plan) for achieving long-term financial stability on October 24, 2014, it was noted that the Plan was not only a financial plan but a work plan for staff and thus a living document that would require regular review on a routine basis. This report discusses the impact of the Plan, the current status of the Plan's initiatives, and next steps.

Impact of the Financial Plan

The goal of the Plan is to implement initiatives that will bring down the deficit. The original five-year deficit for the 2009 Plan was \$132 million. For example, the *2009 Strategic Plan for Achieving Long-Term Financial Stability* was successful in eliminating the five year deficit of approximately \$200 million.

The result of this year's five-year projection is that the five-year period of this Strategic Financial Plan is \$18.9 million in surplus. The Plan shows a 10-year deficit of \$185 million. In Appendix C, the chart compares the projection with the actual results from the Financial Plan. Overall, the results are positive from when this Strategic Financial Plan was developed in FY 13/14.

The 2014 Plan Status

The Plan has 46 initiatives. The initiatives have been categorized into the following four phases (see Appendix C for a complete set of initiatives):

Projects Underway (22 Initiatives) – Initiatives that are Board approved and are being implemented or Initiatives that are under analysis and have not yet come to the Board for action. This includes projects such as efficiencies from negotiations, fare increases, addressing Larkspur Ferry demand, etc.

Projects To Be Started (8 Initiatives) – Initiatives that are not yet Board approved or implemented and planned to be worked on in future years.

Projects Completed (11 Initiatives) – Initiatives that are fully implemented. These initiatives include projects such as Moveable Median Barrier, Bus Wi-Fi, the passage of temporary license plate legislation, and the transition of supplemental school service to Marin Transit.

Projects Withdrawn or Deferred (5 Initiatives) – Initiatives that are withdrawn include projects such as sidewalk access fees on the bridge sidewalks, while initiatives that are currently deferred by the Board include projects such as implementing Wi-Fi on the Ferry System.

Consideration of New Initiatives for 2016/17

The Board has an option to add/delete initiatives on/off the Plan at any time. Staff reviewed the Plan and recommends continuing to work off the current plan based on the numerous projects that are underway now and in future years. If the Board chooses to add an initiative, it does not commit the Board to implementation. Prior to implementation of any specific initiative, further staff analysis will be done and, as required by Board policy, each element of the Plan will be brought through the Board's committee structure and then to the Board for approval prior to implementation.

Fiscal Impact

There is no fiscal impact associated with this status report. Fiscal impacts will occur when specific initiatives are approved for implementation.

Guiding Principles

1. The Advisory Committee will develop a Strategic Plan whose components the Committee members can champion to the full Board of Directors when brought forward for adoption.
2. The Committee will be guided by the Mission Statement of the District in reviewing options for expense reduction and revenue generation:

The mission of the Golden Gate Bridge, Highway & Transportation District (District) is to provide safe and reliable operation, maintenance and enhancement of the Golden Gate Bridge and to provide transportation services, as resources allow, for customers within the U.S. Highway 101 Golden Gate Corridor.

3. The Strategic Plan will identify general priorities to guide implementation work on each initiative in recognition that staff resources are limited and not everything can happen at the same time.
4. The focus of the Advisory Committee will include both expense reductions and additional revenue generation.
5. The focus of the expense reduction initiatives will be on improving efficiency of current activities in such a way that savings result from the efficiencies and on finding new ways to provide the core services of the District. Outright elimination of any services will be minimized as much as possible.
6. This Advisory Committee will seek to keep existing projects underway at the District moving forward on schedule to the degree possible while undertaking new initiatives that are set forth by the Committee and ultimately adopted by the Board of Directors.

Development Criteria

This plan is an outline on how to ensure financial stability, but is also serves as a workplan for staff in recognition of workload impacts. The workload impact of the plan will be addressed each year in the Districts' budget. The Plan and initiatives will be reviewed annually as part of the review on the financial projections and conditions of the District. In general, initiatives in the proposed Plan are included based on the following criteria.

- A. Complete initiatives already underway.
- B. Focus on initiatives that will improve efficiencies of existing services or initiatives that work with community partners to increase the quality and breadth of service.
- C. Undertake initiatives that have substantial payoff potential but require a longer lead-time to fully implement.

Background

The District adopted its first Strategic Financial Plan in 2009 and was completed in 2013. In November 2013, a Committee was assigned to create a 2014 Strategic Financial Plan to address the District's projected financial deficit as outlined at the Board's October 25, 2013, Special Board meeting on the District's long-term financial condition. The Board approved the 2014 Strategic Financial Plan to guide the District in its long-term deficit reduction effort. It presents a path that, if implemented as presented, would eliminate the projected five and the majority of the ten year deficit.

The approval of the proposed Plan is not the approval of any of the specific initiatives within the Plan. Prior to implementation of any specific initiative, further staff analysis will be done and as required by Board policy, each element of the Plan will be brought through the Board's committee structure and then forward to the Board for possible approval. Also, some initiatives will require public outreach and public hearings during the deliberation process.

Development of the Financial Plan

As the first step in creating a proposed Strategic Financial Plan, the Advisory Committee developed guiding principles to assist in identifying initiatives for inclusion in the Plan. Secondly, they established a set of development criteria to guide in developing which ideas to undertake and include in the Plan (See Appendix A- for the Guiding Principles and Development Criteria).

The 2014 Plan had a set of themes that fell into one of the following categories:

1. Review Administrative Processes and Procedures.
2. Transit Service Efficiencies.
3. Benefit Cost Reductions.
4. Technology Efficiencies.
5. Regional Partnerships & Coordination.
6. New Ways to Generate Revenue.
7. Reassess Capital Plan.

Objectives of the Strategic Financial Plan

The Plan is tracked to provide progress on initiatives over the five year period. The Plan always covers the same five and ten year period of FY 15/16 – FY 24/25. The District's long-term deficit will be updated with every projection for the appropriate years, but the original savings amounts for each initiative in the plan will remain the same to provide a baseline for judging the plan's effectiveness.

Description of Plan Document Structure

The savings/revenues column shows the cumulative savings/revenue for the time period. For example, if it is year three, the savings/revenues are shown for first three years of the plan

period. The status column will be updated in order to show the progress on each initiative. If needed, new initiatives will be incorporated each year during the annual review, prior to the annual budget process where initiatives can be funded.

The Plan uses the same five and ten year period as the most current projection which was presented to the Finance Committee on September 23, 2015. The “five-year horizon” starts with the fiscal year that began on July 1, 2015, and end at the end of the fifth year, June 30, 2020, while the “ten-year horizon” ends June 30, 2025. While the main focus of this effort is on the next five years, the ten year impact of the various initiatives is included to reinforce each initiative’s long-term value in reducing the deficit, especially those initiatives that are projected to take several years to implement or will begin in later years of the Plan.

Next Steps

The staff will continue to work on the individual initiatives underway. Potential new initiatives will be discussed and planned during the upcoming annual budget process. The Plan as a whole will come to the Board for review again next fall and will again be compared to the latest deficit projection.

2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)	YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
Updated Deficit Projection (September 2016)	\$14.3	\$15.9	\$23.3	\$26.4	\$18.9	(\$185.0)	Updated deficit projection from Sept 2016: The Financial Plan covers FY 15/16 - 24/25. Actual is used for FY 15/16, Budget for FY 16/17 and the September 2016 projection is used for FY 17/18 - FY 26/27.
Projects Underway:							
4 Develop an initiative to have one set of Board and Committee meetings a month to save District resources.	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2	\$0.4	A reduction in the number of meetings occurred in 2016 and further reduction will be considered in the 2017 meeting schedule.
5 Implement time collection and Payroll automation throughout the District. Net reduction of 1-2 FTEs.	\$0.0	\$0.1	\$0.2	\$0.3	\$0.4	\$0.9	Completion scheduled for 2017.
7 Improve automatic toll collection system process to ensure toll collection from all auto traffic.	\$0.1	\$0.2	\$0.3	\$0.4	\$0.5	\$1.0	Several initiatives already implemented and the new toll system to be procured in FY 16/17 will further ensure accurate toll collection.
8 Evaluate the cost-effectiveness of using Bio Diesel over Clean Diesel in Ferry fleet. Convert blended Bio Diesel Fuel to Clean Diesel in Ferry Fleet.	\$0.5	\$1.1	\$1.6	\$2.2	\$2.7	\$5.4	Review and possible action scheduled FY 16/17. Converted bus fleet to renewable diesel (RD 99) in July 2016.
9 Non-Represented Employees. Cost savings in the areas of health plan design and employee premium contribution.	\$0.2	\$0.3	\$0.8	\$1.1	\$1.4	\$2.9	First year completed with significant changes in health plan design, and premium sharing.
10 ATU Labor Negotiations. Cost savings in the areas of health, pension, workers' compensation, absenteeism and work rule efficiencies. (Negotiations in 2014 & 2018)	\$0.2	\$0.6	\$1.0	\$1.4	\$1.8	\$3.8	Negotiations in 2014 completed. Significant changes in health plan design, premium sharing, pension contributions, worker's compensation reform, absenteeism. Next negotiation 2018.

2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	10-YR	Status of Project to Date
	FY 15/16	FY 15/16-16/17	FY 15/16-17/18	FY 15/16-18/19	FY 15/16-19/20	FY 15/16 - 24/25	
Projects Underway: (cont.)							
11 Coalition Labor Negotiations. Cost savings in the areas of health plan design and employee premium contribution, workers' compensation, absenteeism and work rule efficiencies. (Negotiations in 2014 & 2017)	\$0.5	\$1.0	\$1.6	\$2.6	\$3.6	\$8.6	Negotiations with Coalition in 2014 completed. Significant changes in health plan design and premium sharing. Next negotiation 2017.
17 Implement Administrative efficiencies. Implement opportunities to reduce costs, including increased use of technology and streamlining administration processes.Net reduction of 1-2 FTEs.	\$0.2	\$0.3	\$0.5	\$0.6	\$0.8	\$1.5	Establishment of the Medical Provider Network and the Nurse Triage programfor Workers Comp injuries, Alternative Dispute Resolution and Structured Return to Work Programs for Bus Operators, Consolidation of District Printer Services; and other efforts are ongoing.
18 Evaluate opportunities to reduce managing positions by approximately 10% as a goal through attrition. Reduction of 3-5 FTEs.	\$0.2	\$0.3	\$0.4	\$0.8	\$1.2	\$3.2	Actions to date include elimination of 2 supervisor positions: 1 vacant Bus Manager, 1 vacant Bridge Sergeant. Restructuring of 1 HR Administrator.
19 Winter Holiday Facility closures for non-operational functions as possible: Reduce functions between Christmas and New Year's.	\$-	\$-	\$-	\$-	\$-	\$-	Board approved to begin the Program on a voluntary basis for Non-Represented employees in 2016.
21 Develop a comprehensive initiative for paid parking and tour bus access to the Bridge visitor areas to reduce congestion and increase revenue.		\$-	\$-	\$-	\$-	\$-	Working with local partners to develop a long term plan. Currently staff is working on technologies to manage traffic and paid parking in this area.
22 Combine sick and vacation time into a new accrued leave program that reduces overall time, but allows flexibility and efficiency. (Negotiations in 2017)			\$0.1	\$0.1	\$0.2	\$0.4	TBD. Estimated to be implemented in FY 17/18 at approximately \$500,00/yr
23 When SMART operations begin, optimize bus service of competing bus trips in the same corridor.		\$0.1	\$0.1	\$0.2	\$0.3	\$0.8	Assess in 2017 after SMART implementation.

2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)		YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
Projects Underway: (cont.)								
24	Develop partnerships with Bay Area private transportation providers and employers to develop increased bus and ferry usage during non-peak and reverse commute times.		\$0.0	\$0.0	\$0.1	\$0.2	\$0.7	Staff is working with a consultant to assist in creating partnerships to maximize trips from Larkspur to San Francisco during non-peak times.
26	Green Initiatives - Explore cost savings on installation of solar panels, wind power, and other green initiatives in District Facilities.			\$-	\$-	\$-	\$-	Staff anticipates advertising the implementation of solar panels in the San Rafael employee lot in 2017.
29	Partner with Marin Transit to reduce the cost to the District of regional paratransit service.			\$-	\$-	\$-	\$-	Staff negotiated a lower rate to reduce the costs and is exploring other delivery methods to further reduce overall costs and create efficiencies.
32	Replace Existing Ferry Terminal Gangways and Piers: Increase operating efficiency. May impact FTEs.				\$0.1	\$0.2	\$0.7	Sausalito portion of the project is the subject of a lawsuit filed by the City. San Francisco portion of the project is in the environmental review stage.
33	Implementation of Clipper 2.0 reducing transaction costs to collect revenue				\$0.1	\$0.2	\$0.7	Scheduled for implementation in FY 19/20. Clipper 2.0 is currently being developed with this goal.
38	Implementation of Clipper 2.0 eliminating cash collection on buses.					\$0.1	\$0.6	Clipper 2.0 is currently being developed and attempting to build Clipper to have functionality to go cashless.
41	Evaluate providing direct staff resources to other local public agencies for a fee.					\$-	\$	District is currently providing local transit agencies, Marin Transit and SMART, with customer services.
43	Take steps to be competitive to provide transportation to local SMART train stations.						\$-	District is providing a shuttle pilot program from the SMART station in San Rafael to the Larkspur Ferry.
44	Work with regional partners to convert HOV lanes in north bay to 3+ occupants to increase bus speed and reduce operating costs.						\$-	District advocating for this initiative with local and regional authorities.

2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)		YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
Projects To Be Started:								
30	Review and implement multi-year toll increase plan when current plan ends in June 2018.				\$7.0	\$14.4	\$116.7	Scheduled for consideration on FY 18/19.
31	Evaluate security staffing after upcoming Bridge construction projects. May impact up to 4 FTEs.				\$0.6	\$1.2	\$4.2	This initiative will not be considered until after the completion of the Suicide Barrier forecasted to be implemented in 2021.
34	Explore additional Partnership Projects with the Parks Conservancy.				\$-	\$-	\$-	Scheduled to be explored in a future year.
35	Work with regional partners to increase bus travel speed in San Francisco to reduce operating costs.				\$0.2	\$0.3	\$1.1	Scheduled to be explored in a future year.
37B	Address the increased demand for Larkspur Ferry service through exploring the environmental review process to expand the Larkspur Ferry Service beyond the allowable 42 trips a day.					\$-	\$-	Scheduled to be explored in FY 17/18.
39	Develop multiday bus pass to increase ridership.					\$-	\$-	Assess feasibility and implementation timing after Clipper 2.0 implementation in 2019.
42	Evaluate purchasing other agency staff expertise for specialized needs.					\$-	\$-	Savings estimate to be defined when project is developed.
45	Partner with MTC to receive funding to provide bus service in the highway 37 corridor to reduce congestion, speed up service, and increase ridership.						\$-	Assumes District would receive a regional funding source for the cost of this service similar to arrangement for Bus Route. 40.

2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)		YEAR 1 FY 15/16	YEAR 2 FY 15/16-16/17	YEAR 3 FY 15/16-17/18	YEAR 4 FY 15/16-18/19	YEAR 5 FY 15/16-19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
Projects Completed:								
1	Implement Moveable Median Barrier: Will impact staffing in lane management and roadway operations. Net reduction of 1-2 FTEs.	\$0.1	\$0.2	\$0.3	\$0.4	\$0.5	\$1.0	1 FTE reduction in the FY 15/16 Budget.
2	Complete Implementation of ACIS Project: Project will increase customer service and operations efficiencies.	\$0.0	\$0.1	\$0.2	\$0.3	\$0.4	\$0.9	Fully implemented in Summer 2016. Savings will come from future reduced run times and fuel savings.
3	Review of Capital Plan. Accurately assess timing and costs for Capital Plan.	\$-	\$-	\$-	\$-	\$-	\$-	Capital Office evaluated the plan and reduced the Capital need over 10 years reflected in the FY 16/17 Budget.
6	Charge for Parking at Larkspur Ferry: Assumed at \$2/day.	\$0.4	\$0.8	\$1.2	\$1.6	\$2.0	\$4.0	The parking lot fees were approved by the Board in FY 15/16. Annual net revenue approx. \$0.6 million.
12	Support Marin Transit in the transition of Supplemental School Service to alternative service provider. Will reduce FTEs.	\$1.1	\$2.3	\$3.4	\$4.6	\$5.7	\$11.4	It is estimated that annual savings is approximately \$450,000.
13	Improve the efficiencies of legal claims process.	\$0.1	\$0.2	\$0.3	\$0.4	\$0.5	\$1.0	With a new third party claims administrator with increased tracking capacity and better project management practices, the District and Legal have been able to improve their systems and increase efficiency. The third party administrator’s process for settling claims is far more efficient, and there is less back and forth with Risk Management and Legal.

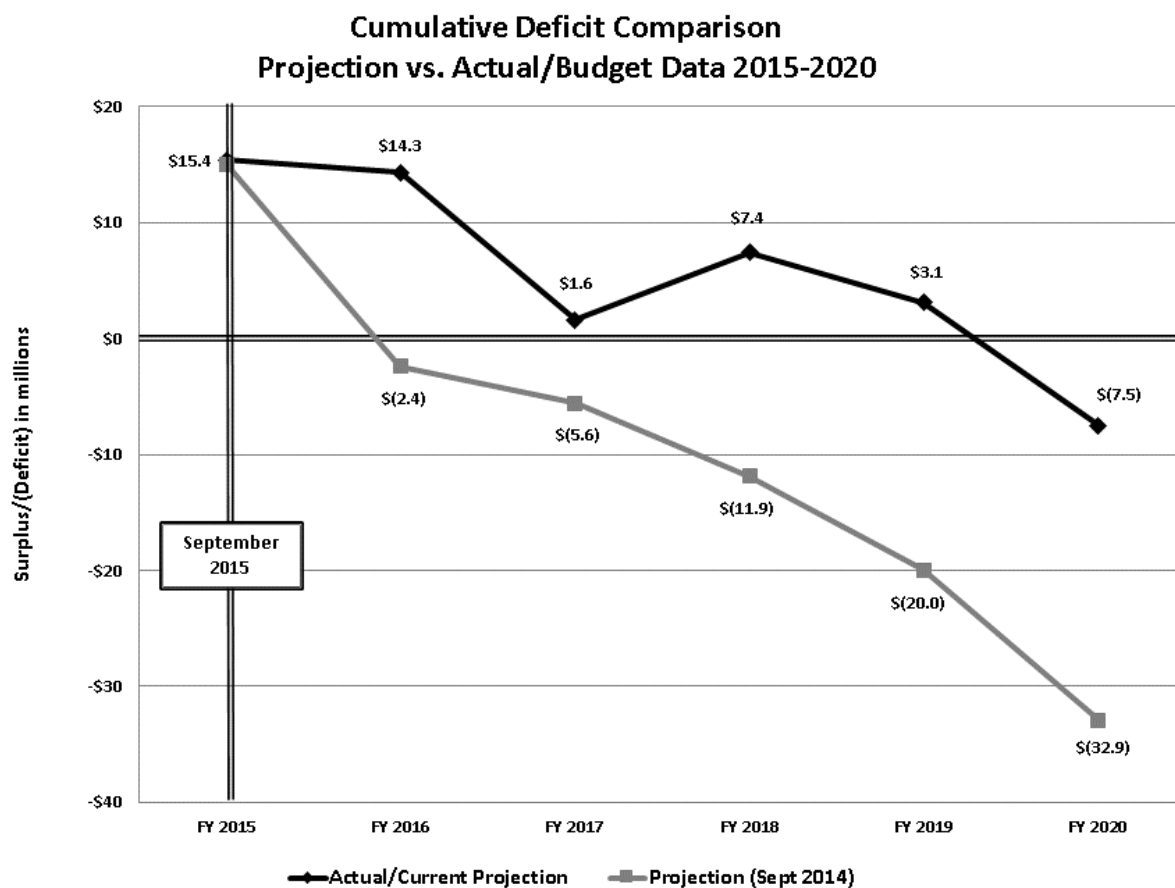
2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	10-YR	Status of Project to Date
		FY 15/16	FY 15/16-16/17	FY 15/16-17/18	FY 15/16-18/19	FY 15/16-19/20	FY 15/16 - 24/25	
Projects Completed: (cont.)								
14	Expansion of Wave service to increase Ferry ridership.	\$-	\$-	\$-	\$0.1	\$0.1	\$0.6	1 route is permanent and 2 pilot routes were eliminated after not meeting the minimum ridership standards.
15	Implement Wi-Fi on the Bus system. Increase ridership revenue and enhance customer service through implementing the ability to use Wi-Fi.	\$-	\$-	\$-	\$-	\$-	\$-	Bus Wi-Fi was available to customers December 2014.
25	Implement temporary plate legislation (AB2197). Temporary plates will provide more collectible toll revenue.			\$1.0	\$2.0	\$3.0	\$8.0	Assembly Bill 516 enacted and scheduled for implementation in 2019.
36	Bus Transit Alternative Fuel Study. Assess fuel use in buses that would result in cost savings. Currently 80 buses are due for replacement in 2016.				\$-	\$-	\$-	Board made decision to purchase hybrid/electric buses for the next bus purchases.
37A	Address the increase demand for Larkspur Ferry service through acquiring additional parking, additional service, and utilizing active transportation (bike and pedestrians).					\$-	\$-	Additional service in the afternoon commute implemented and District relocated Marin Airporter to create an additional 200 spaces for ferry customers.

2016 STRATEGIC FINANCIAL PLAN

Initiatives (Cumulative \$ in Millions)	YEAR 1 FY 15/16	YEAR 2 FY 15/16- 16/17	YEAR 3 FY 15/16- 17/18	YEAR 4 FY 15/16- 18/19	YEAR 5 FY 15/16- 19/20	10-YR FY 15/16 - 24/25	Status of Project to Date
Projects Withdrawn or Deferred:							
16 Implement Wi-Fi on the Ferry system. Increase ridership revenue and enhance customer service through implementing the ability to use Wi-Fi.	\$-	\$-	\$-	\$-	\$-	\$-	This project was deferred and will be considered in a future capital plan.
20 Reduce Ferry Service during December Holiday period: Assumes weekend schedule service every day over 2 weeks.	\$0.2	\$0.4	\$0.6	\$0.8	\$1.0	\$2.0	Given the increased need for Ferry service, this initiative will be considered in a future plan.
27 Evaluate Sidewalk Access Fees for Bikes.			\$-	\$-	\$-	\$-	AB40 prohibits charging a sidewalk access fee.
28 Evaluate Sidewalk Access Fees for Pedestrians.			\$-	\$-	\$-	\$-	AB40 prohibits charging a sidewalk access fee.
40 Work with regional partners to increase number and size of park and ride lots in 101 corridor to increase bus ridership.					\$0.2	\$1.2	Moved to a future financial plan due to timing.
TOTAL Savings/Revenues	\$ 3.8	\$ 9.9	\$ 17.3	\$ 33.4	\$ 50.4	\$ 193.2	
TOTAL Surplus(Deficit)	<u>\$ 14.3</u>	<u>\$ 15.9</u>	<u>\$ 23.3</u>	<u>\$ 26.4</u>	<u>\$ 18.9</u>	<u>\$ (-185.0)</u>	
NET CHANGE	\$ 18.1	\$ 25.8	\$ 40.6	\$ 59.8	\$ 69.3	\$ 8.2	

Below is a graphical representation of the actual projection savings since the workshop of April 10, 2009; an overview of the District's financial condition demonstrates the improvements to the District's deficit from that time period.



**Cumulative Totals
(\$ in Millions)**

Cumulative Surplus/(Deficit)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Actual/Current Projection	\$15.4	\$14.3	\$1.6	\$7.4	\$3.1	\$(7.5)
Projection (Sept. 2014)	\$15.0	\$(2.4)	\$(5.6)	\$(11.9)	\$(20.0)	\$(32.9)

Note: The Projection was developed in April 2009 as a Special Order of Business and was used as the basis of discussion of the "Overview of the District's Financial Condition and Impact of Economic Downturn."

APPENDIX G – FIVE AND TEN YEAR FINANCIAL PROJECTION



Agenda Item No. (7)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of September 23, 2016

From: Jennifer Mennucci, Director of Budget and Electronic Revenue
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **RECEIVE THE UPDATED FIVE- AND TEN-YEAR FINANCIAL PROJECTION**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors receive the updated five- and ten-year financial projection, as detailed in this staff report.

Summary

I. Background

This report contains the Golden Gate Bridge, Highway and Transportation District's (District) five and ten-year financial projection of operating and capital project revenues and expenses from FY 17/18 through FY 26/27. The projection reflects the maintenance of all current policy decisions – current operating service levels, the current capital project schedule and current revenue assumptions – over the period of the projection. It assumes that the cost will change over time with inflation and that revenues will change according to projections of traffic and transit patronage. *Future* policy decisions to change tolls, fares and/or service levels are *not* included in this projection.

The projection presents the long-term financial impact of the present baseline level of operations. The projection is not a policy document and therefore does not represent the future direction of the District. That direction will be set by policy decisions made by the Board in the coming year and beyond. Those decisions will change the direction of the District as compared to this projection, i.e., increase or decrease the fiscal strength of the District and, correspondingly, its ability to serve the public.

II. Fiscal Strength of the District

Summary

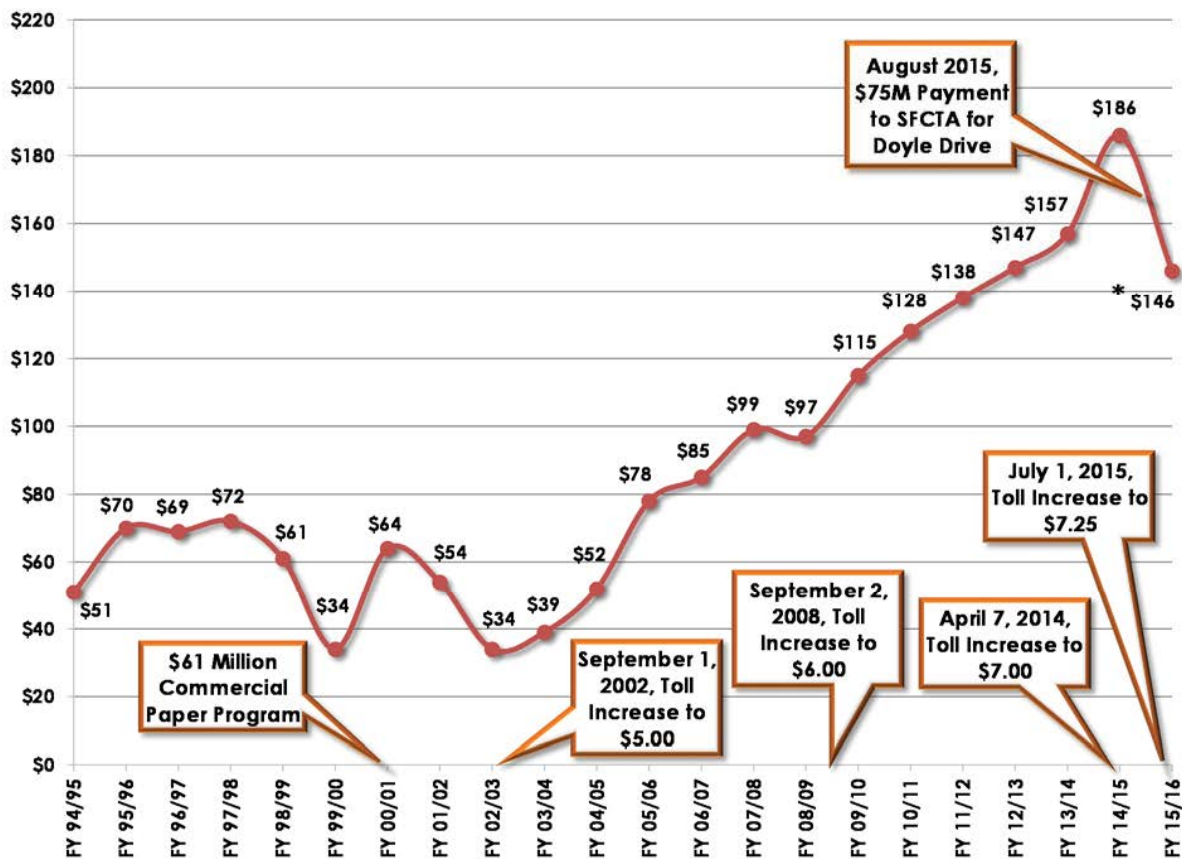
The fiscal strength of the District is best tracked by comparing the level of reserve funds available for operating and capital with the time period necessary for the projected needs of the

District to exhaust those resources. In the District's case, it is projected that the FY 17/18 Operating and Capital Budget will encumber all available capital reserve resources.

Reserve Level

Historically, the District has maintained reserve funds for capital projects and operating expense emergencies. The amount of these reserves has varied but adequate reserves are essential to the ability of the District to maintain its core assets – the Bridge, the transit rolling stock and infrastructure, and District facilities – and to survive downturns in the economy. At present, the District's reserves have increased due to the implementation of a five-year toll increase program that began in FY 13/14.

The capital reserve levels for the last + 20 years are displayed in the chart below (this chart has been updated since the FY 16/17 Budget).

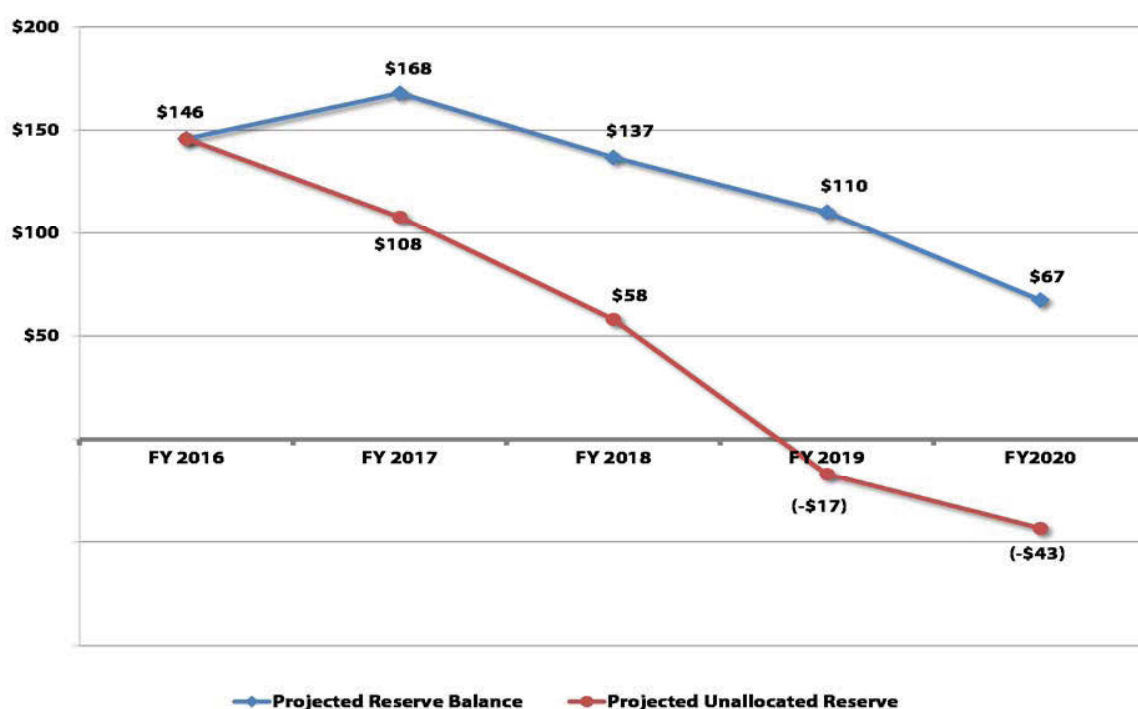


*Note: Graph amounts represent beginning of the year balances. See Appendix E for more details for more details. Fiscal Years 12/13, 13/14 and 14/15 have been refined based upon new methodology.

Given the projected funding needs of the capital projects, liability and operating reserve over the next few years, all available capital reserves are expected to be allocated in FY 18/19. Additional funding for new capital projects in future years beyond FY 18/19 will need to be raised to fund the full ten-year capital plan in this projection. The projection deficit includes that necessary funding.

In addition to the Capital Project Reserves, the District holds reserves for operations, emergencies, Bridge self-insured losses, other legal liabilities and debt services reserves (See Appendix E). These reserves are not considered available for capital projects.

The District accumulates reserves through its operating budget. Those reserves are set aside until the Board allocates them to fund the District's share of the of capital projects or to cover temporary operating budget deficits. After funds are allocated by the Board, they are spent out over one to several years depending on the particular project. The following graph represents a projection of how the current total of capital reserves would be allocated (Projected Unallocated Reserve line) and spent out (Projected Reserve Balance line) if capital projects are undertaken as laid out in the 10-Year Capital Plan (this chart has been updated since the FY 16/17 Budget).



Note: Graph amounts represent beginning of the year balances, but do not represent GASB 68 accounting change.

Use of Reserves to Fund Capital Projects

Current Board direction is to apply all capital project reserves to fund Capital projects in the ten-year projection period. These funds do not fully cover the District's Capital funding needs. Additional funds will need to be raised through the capital contribution transfer from the operating budget.

How the Reserves are Funded

New reserves are accumulated if future operating budgets are balanced. In FY 16/17, the operating budget will provide approximately \$30.6 million for the capital project reserves through three mechanisms; 1) the capital contribution set aside; 2) depreciation expense; and, 3) Bridge self-insurance against losses. The District is projected to have no operating deficit and

therefore would be able to make a small contribution to further fund reserves for future capital projects. The tradeoffs between which capital projects to begin and when will be made during the future year budget process. (For more information regarding the capital contribution or reserve structure, see Appendix D and E).

III. Projection Findings

The findings of the revised 5 and 10-year projection for revenues and expenses are summarized in the following table. A year-by-year summary table and detailed operating and capital revenue and expense tables are in the appendices.

	Year 1 FY 17/18 Estimate	Sub Total Year 1 – 5 Estimate	Total Year 1 – 10 Estimate
Total Operating with Capital Contribution	\$213	\$1,164	\$2,564
<u>Total Operating Revenue</u>	<u>\$220</u>	<u>\$1,113</u>	<u>\$2,225</u>
Total Operating & Capital Surplus (Deficit)	\$7	(\$51)	(\$339)

For comparison purposes, the projected 10-year deficit of \$339 million is approximately \$67 million higher than the \$272 million presented in the previous projection of September 25, 2015. The increase in the 10-year projected deficit is primarily due to an increase in depreciation plus salaries and fringe benefits. In particular, medical expenses, pension, and worker's compensation have increased in recent years (see Appendix B for more details).

In last year's five- and ten-year projections, the capital contribution for FY 16/17 was estimated to be \$21 million. FY 16/17 Adopted Budget was approved with the \$21 million capital contribution.

The capital contribution is projected to decrease from \$21 million to \$19 million per year primarily due to less district funds being utilized for capital projects.

Capital Contribution

In the budget process the 10-year Capital Plan is updated which becomes the basis for the annual Capital Contribution need. As the projection moves forward one year, new District-funded capital projects become part of the projection and need to be funded through the projected capital contribution. The projected ten-year District capital need is estimated at \$483 million compared to the \$493 million projected last year, a decrease of \$10 million due to less District funded capital projects overall (See Appendix C for more detail). After accounting for funds contributed by depreciation, and the use of \$110 million in District reserves, the necessary capital contribution from District Operations is approximately \$190 million or \$19 million annually for the ten-year period (See Appendix D for detail).

Comparison to Last Year's Projection

The five and ten-year projection is expected to stay relatively flat even though the projection adds one additional year of expenses and one less year with a toll increase. The current projection estimates a 5-year deficit of \$51 million compared to \$56 million projected last year. However, these deficit projections cover different periods of time. When comparing one year's projection to another, it is difficult to recognize the actual change in the deficit projection unless one focuses on the same period in time.

In an apples-to-apples comparison over the same 10 year period (2017-2026) between the new projection and the previous projection, the new projection shows:

- A \$16 million deficit for 5 years, which is \$40 million lower than the previous projection; and,
- A \$264 million deficit for 10 years, which is \$8 million lower from the previous projection.

IV. Assumptions

The assumptions used to build the projection are very important to the findings. Whether the assumption is the inflation rate used to inflate salary and expense costs or the list of capital projects to be undertaken, all assumptions have an impact on the findings. However, a change to any one of the inflation assumptions or capital projects will not dramatically change the findings in this report. Since the projection is neither a policy document, nor a direction for the District, but a status quo baseline to be used to provide a benchmark for future policy decisions, assumptions have been chosen that provide the greatest likelihood that the projection will correctly reflect a status quo future. The major operating revenue and expense assumptions are listed in Appendix B.

Capital Project Revenue and Expense Assumptions

The FY 17/18 through FY 26/27 Ten-Year Capital Projection, provided in Appendix C, identifies a \$1.6 billion capital need over the next ten years requiring a District contribution of \$483 million. This plan has been structured to systematically maintain and sustain existing Bridge, Bus and Ferry capital investments within existing staff resources.

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. The 80% grant funding assumption is based on past experience but will be reviewed each year to reflect current experience. All projects have been reviewed and rated essential for the continued operation of the District and the timing of each project balances the operational need for the project with the availability of staff resources to complete the project in a timely fashion.

Alternative Capital Revenue Assumption Scenarios

Historically, the 10-year Capital projections assume 80% grant funding for major Bridge projects (See table on the following page for a list of projects). The Board requested an analysis on what

the size of the deficit would be if less grant funding was obtained for these Capital projects. The following is a summary of the results:

Capital Revenue Assumption Scenarios (In Millions)	10 Year Deficit	Variance from 80% Funding Level
Grant Funding Level 80%	\$ 339	\$ 0
Grant Funding Level 50%	\$ 549	\$ 210
Grant Funding Level 30%	\$ 729	\$ 390

These scenarios all assume using approximately \$110 million of the District's Reserves over a 10-year period. The following is a table that lists the assumption of 80% grant funded Capital Bridge projects:

BRIDGE DIVISION
(All number in thousands)

<u>Capital Project Detail</u>	<u>10 - Year Total</u>
Bridge Seismic Retrofit	
Phase IIIB Construction	\$460,000
Phase IIIB Construction-South Tower Paint Rehab	30,000
Seismic Building Ops Center	7,930
Safety/Security Enhancements:	
Paint Rehab	
North Tower Paint Rehab	\$30,000
Fort Point Arch Paint Rehab	7,500
Safety/Security Enhancements	
North Anchorage House Security	\$745
Suicide Deterrent – Construction	198,506
South Approach & Pier Security Improvements	4,004
Structure Rehab	
Floor Beam & Cable Bank Rehab Design	\$400
Floor Beam & Cable Bank Rehab Construction	8,200
Facilities Rehabilitation:	
Toll Plaza Building	
Admin Bldg HVAC Replacement & Rook Rehab	\$1,500
Admin Bldg Retrofit	3,000
TOTAL	\$751,785

V. Next Steps

In response to previous financial projections, District staff developed a series of proposed initiatives to address the District's projected financial deficit. In October 2014, the Board approved its second Strategic Financial Plan to address the projected financial deficit. The *2014 Strategic Financial Plan* (Plan) outlines the District's long-term finances and proposed initiatives to reduce the deficit of which many are currently underway.

The Financial Plan has become part of the Board's regular financial planning cycle and will be reviewed by the Board this Fall.

Fiscal Impact

There is no direct fiscal impact. The report provides a 10-year projection of the potential fiscal impact of current policy.

Updated: 9/13/2016

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 17/18 - FY 26/27**

All Figures Rounded to (\$000)

80% Grant Funded

	Year 1 <u>FY 2018</u> Estimate	Year 2 <u>FY 2019</u> Estimate	Year 3 <u>FY 2020</u> Estimate	Year 4 <u>FY 2021</u> Estimate	Year 5 <u>FY 2022</u> Estimate	Year 6 <u>FY 2023</u> Estimate	Year 7 <u>FY 2024</u> Estimate	Year 8 <u>FY 2025</u> Estimate	Year 9 <u>FY 2026</u> Estimate	Year 10 <u>FY 2027</u> Estimate	Total 5 Year Estimate	Total 10 Year Estimate
Agency Expenses:												
Salaries (Gross of Capitalization & ICAP)	\$ 78,700	\$ 80,600	\$ 82,500	\$ 84,400	\$ 86,400	\$ 88,300	\$ 90,400	\$ 92,500	\$ 94,600	\$ 96,700	\$ 412,600	\$ 875,100
Fringe Benefits (Ind PR Taxes)	61,000	64,700	68,500	71,800	75,100	78,400	81,200	84,100	87,200	90,300	341,100	762,300
Professional Services	21,700	22,200	22,700	23,300	23,800	24,300	24,900	25,500	26,100	26,600	113,700	241,100
Fuel & Related Taxes	12,600	12,900	13,200	13,500	13,800	14,100	14,500	14,800	15,100	15,500	66,000	140,000
Repair & Operating Supplies	8,900	9,200	9,400	9,600	9,800	10,000	10,300	10,500	10,700	11,000	46,900	99,400
Insurance, Taxes & Permits	5,200	5,300	5,400	5,600	5,700	5,800	5,900	6,100	6,200	6,400	27,200	57,600
Purchased Transportation	2,300	2,300	2,400	2,400	2,500	2,600	2,600	2,700	2,700	2,800	11,900	25,300
Staff Development	1,200	1,200	1,200	1,300	1,300	1,300	1,300	1,400	1,400	1,400	6,200	13,000
Leases & Rentals	900	900	1,000	1,000	1,000	1,000	1,000	1,100	1,100	1,100	4,800	10,100
Debt Service-Interest Expense	1,300	1,600	1,800	2,000	2,200	2,400	2,600	2,700	2,800	2,700	8,900	22,100
Depreciation	8,900	11,000	13,000	15,100	19,100	20,300	23,100	24,000	24,600	26,400	67,100	185,500
Total Expenses	\$ 202,700	\$ 211,900	\$ 221,100	\$ 230,000	\$ 240,700	\$ 248,500	\$ 257,800	\$ 265,400	\$ 272,500	\$ 280,900	\$ 1,106,400	\$ 2,431,500
Known Changes:												
Federal Health Excise Tax (ACA)	\$ -	\$ -	\$ 800	\$ 1,800	\$ 2,100	\$ 2,600	\$ 3,000	\$ 3,500	\$ 4,000	\$ 4,600	\$ 4,700	\$ 22,400
Capitalized Labor	(4,000)	(4,100)	(4,200)	(4,300)	(4,400)	(4,500)	(4,600)	(4,700)	(4,800)	(4,900)	(21,000)	(44,500)
Commercial Paper Principal Pymts	-	-	-	-	-	-	-	-	1,400	1,500	-	2,900
Debt Service Expense Savings	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	(6,000)	(12,000)
Hiring Pattern	(2,000)	(1,500)	(1,000)	-	-	-	-	-	-	-	(4,500)	(4,500)
ICAP	(2,000)	(2,000)	(2,100)	(2,100)	(2,200)	(2,200)	(2,300)	(2,300)	(2,400)	(2,500)	(10,400)	(22,100)
Total Known Changes	\$ (9,200)	\$ (8,800)	\$ (7,700)	\$ (5,800)	\$ (5,700)	\$ (5,300)	\$ (5,100)	\$ (4,700)	\$ (3,000)	\$ (2,500)	\$ (37,200)	\$ (57,800)
Sub-Total Expense	\$ 193,500	\$ 203,100	\$ 213,400	\$ 224,200	\$ 235,000	\$ 243,200	\$ 252,700	\$ 260,700	\$ 269,500	\$ 278,400	\$ 1,069,200	\$ 2,373,700
Capital Contribution	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 95,000	\$ 190,000
Total Expense	\$ 212,500	\$ 222,100	\$ 232,400	\$ 243,200	\$ 254,000	\$ 262,200	\$ 271,700	\$ 279,700	\$ 288,500	\$ 297,400	\$ 1,164,200	\$ 2,563,700
Total Operating Revenue												
Known Changes:												
Temporary License Plate	\$ -	\$ 1,500	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 10,500	\$ 25,500
Total Net Surplus/(Deficit)	\$ 7,400	\$ 3,100	\$ (7,500)	\$ (20,700)	\$ (33,600)	\$ (42,000)	\$ (50,500)	\$ (57,100)	\$ (64,900)	\$ (73,000)	\$ (51,300)	\$ (338,800)
Bridge Expense												
Bridge Expense	\$ 76,900	\$ 80,000	\$ 83,300	\$ 86,800	\$ 92,500	\$ 95,800	\$ 100,600	\$ 103,500	\$ 107,300	\$ 109,900	\$ 419,500	\$ 936,600
Transit Expense												
Transit Expense	\$ 135,600	\$ 142,100	\$ 149,100	\$ 156,400	\$ 161,500	\$ 166,400	\$ 171,100	\$ 176,200	\$ 181,200	\$ 187,500	\$ 744,700	\$ 1,627,100

**Golden Gate Bridge, Highway & Transportation District Operating Budget Projection
Five-Year and Ten-Year Financial Projections FY 17/18 - FY 26/27**

Revenue Detail

All Figures Rounded to (\$000)

Revenue Categories	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total	Total
	FY 2018	FY2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	5 Year	10 Year
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Bridge Tolls	\$ 145,600	\$ 150,300	\$ 150,000	\$ 149,700	\$ 149,700	\$ 149,700	\$ 149,700	\$ 149,700	\$ 149,700	\$ 149,700	\$ 745,300	\$ 1,493,800
Transit Fares	38,200	37,900	37,600	37,400	37,300	37,200	37,200	37,200	37,200	37,200	188,400	374,400
Investment Income	3,600	3,700	3,400	2,600	1,700	1,600	2,600	3,800	4,800	5,600	15,000	33,400
Ferry Concessions	1,100	1,100	1,100	1,100	1,200	1,200	1,200	1,300	1,300	1,300	5,600	11,900
Other (Incl Adv. & Leases)	1,500	1,500	1,600	1,600	1,600	1,600	1,600	1,700	1,700	1,700	7,800	16,100
RM2 Local funding	2,300	2,400	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	12,200	24,700
Local Funds (MCTD Contract)	9,800	9,000	7,900	6,800	5,600	5,600	5,600	5,600	5,600	5,600	39,100	67,100
Federal/State/Local Funds	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	17,800	89,000	178,000
Total Revenue	\$ 219,900	\$ 223,700	\$ 221,900	\$ 219,500	\$ 217,400	\$ 217,200	\$ 218,200	\$ 219,600	\$ 220,600	\$ 221,400	\$ 1,102,400	\$ 2,199,400

Bridge Revenue	\$ 149,900	\$ 154,800	\$ 154,300	\$ 153,100	\$ 152,300	\$ 152,100	\$ 153,100	\$ 154,500	\$ 155,400	\$ 156,200	\$ 764,400	\$ 1,535,700
Transit Revenue	\$ 70,000	\$ 68,900	\$ 67,600	\$ 66,400	\$ 65,100	\$ 65,100	\$ 65,100	\$ 65,100	\$ 65,200	\$ 65,200	\$ 338,000	\$ 663,700

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 17/18 – FY 26/27**

CATEGORY ASSUMPTIONS

Operating Revenue

General Assumption: The FY 16/17

Adopted Budget has been used as the basis for all revenue and expense projections

Bridge Tolls

Bridge traffic is projected to increase 0.5% per year for the first four years with no growth for the remainder of the 10-year projection period. In April of 2014, the Board implemented a five-year toll increase over five years. At the time of creating the FY 16/17 budget, the revenue projection was conservative. This projection reflects updated revenues based on the trend from the last three fiscal years of actual revenue and traffic while including the remaining annual toll increases for FY 17/18 and FY18/19.

Bus Transit

There is no Bus fare increase included in this projection. The projection assumes no migration of passengers to the Clipper program. Based on the District's Planning Department projections, Regional Bus passengers are projected to decrease (7.5%) over the next ten years. A decrease in fare revenue is projected from passenger reduction. The Board of Directors is considering a new multi-year fare plan.

Ferry Transit

There is no Ferry fare increase included in this projection. The projection assumes no migration of passengers to the Clipper program. Ferry ridership is projected to increase 0.25% per year for the first seven years with no growth for the remainder of the 10-year projection period for Larkspur service and no growth is projected for Sausalito and Tiburon services. The Board of Directors is considering a new multi-year fare plan.

Local Funds

This projection includes a new contract with Marin Transit Local Service that includes a 2.7% increase per year in the rate per revenue hour through FY 21/22 in accordance with a 5-year contract that became effective July 1, 2015, with two one-year options. No additional increases beyond FY 21/22 are assumed for this projection. This projection assumes a decrease in the number of hours of service. No increases to local funding for Regional Measure 2 (RM2) are anticipated per the Metropolitan Transportation Commission (MTC).

State Funding

All State Transit Assistance (STA) and Transportation Development Act (TDA) funding is based on historical trends on funds received.

Federal Funding

No Federal operating funding is assumed for this projection.

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 16/17 – FY 25/26**

CATEGORY ASSUMPTIONS

Investment Income

Interest on investment is projected to be 1.7% for the first year, increasing slightly to a maximum of 4.5% based on current rate trends. Projected account balance is net of operating deficit excluding capital contribution and depreciation and includes projected capital spending plan. Other Revenue Based on a projected average CPI rate of 2.3%. This revenue includes leases, advertising, parking meters, ferry concessions and parking fees.

Known Changes

Temporary License Plate – AB516 bill

Projected revenue for implementing temporary license plates will begin in 1/1/19 and continue throughout the projection.

Operating Expense

CPI Rates

Projected CPI rates are based on estimates provided by California's Legislative Analyst's Office (LAO), Metropolitan Transportation Commission (MTC) and Congressional Budget Office (CBO). Projected rates for FY 17/18-FY 19/20 are based on an average of all rates. Projected rates for FY 20/21-FY 25/26 are based on MTC and CBO projections which average 2.3%. The projected CPI rate from MTC for FY 26/27 is 2.2%.

Salaries

Salary increases are based on the CPI rate projections as noted above. Capitalized labor and ICAP (Indirect Cost Allocation Plan) are itemized and reported separately as "Known Changes" (See Known Changes category below for detail on Capitalization, ICAP and Hiring Patterns).

Pension

PERS Pension (Employer Responsibility) is based on CalPERS actuarial estimates of 26.3%, 29.0%, 31.6%, 32.9%, 34.1% and 35.0% for the years FY17/18 through FY20/23 respectively. This projection assumes that pension cost continues to remain flat for the years of FY 23/24-FY 26/27. Pension rate for Bus Operator (ATU) is 22.165% for FY 17/18. This projection assumes that the ATU pension rates continue to remain flat for the years of FY 18/19-FY 26/27.

Medical Insurance

Assumes an average of 6.5% per year increase, based on projected rates from the Centers for Medicare & Medicaid Services, Office of the Actuary. In previous years more organizations have produced projections, but due to the pending Federal Health Excise Tax, there are sparse publications for the time period this projection covers.

**Golden Gate Bridge, Highway and Transportation District
Five- and Ten-Year Financial Projection for FY 17/18 – FY 26/27**

CATEGORY ASSUMPTIONS

Workers' Compensation

Workers' Compensation is based on historical trend and current expenses. Workers' Compensation excess insurance and administrative costs are projected to increase based on CPI rates.

Debt Service Payment

Assumes an interest rate increase of 0.5% per year reaching a cap of 6.0% in year 9.

All other expenses not mentioned above

Projection assumes an average increase of 2.2% - 3.1% depending on the year based on LAO, MTC and CBO CPI projections as described above.

Depreciation

Based on 10-Year Capital Expenditure Plan.

Known Changes

ACA

Costs for the Federal Health Excise Tax (ACA) will begin in FY19/20 and continue throughout the projection.

Capitalized Labor and Benefits

Capitalized labor and benefits reflects 50% Engineering labor charged to capital projects.

Commercial Paper Principal

Payments to the Commercial Paper Debt Principal will begin in FY 25/26, following completion of the Seismic Retrofit project. Per the original indenture agreement, projected payments are based on \$1.4 million beginning in FY 25/26.

Commercial Paper Savings

Cost savings on Commercial Paper debt service expense calculated at the 2.0% difference between the projected interest rate of approximately 4.0% and the 6.0% interest rate cap.

Hiring Patterns

Due to a higher than expected number of vacancies, it is anticipated that unfilled positions will be filled over the next three year period.

ICAP (Indirect Cost Allocation Plan)

ICAP is estimated at approximately 50% of Engineering capitalized labor expense.

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
AGENCY SUMMARY													
BRIDGE DIVISION													
GRANT FUNDED	575,948	575,948	-	37,711	47,780	85,682	146,768	166,050	21,830	2,288	17,570	30,832	19,437
DISTRICT FUNDED	277,721	-	277,721	22,358	31,025	46,350	52,580	62,970	11,370	3,798	11,590	18,868	16,813
TOTAL	853,669	575,948	277,721	60,069	78,805	132,032	199,349	229,020	33,200	6,085	29,160	49,700	36,250
BUS DIVISION													
GRANT FUNDED	209,887	209,887	-	3,059	62,424	11,066	23,012	19,527	8,611	19,058	10,837	47,063	5,230
DISTRICT FUNDED	49,913	-	49,913	1,596	10,856	9,754	5,268	4,473	887	4,318	2,971	8,170	1,620
TOTAL	259,800	209,887	49,913	4,655	73,280	20,820	28,280	24,000	9,498	23,376	13,808	55,233	6,850
FERRY DIVISION													
GRANT FUNDED	208,511	208,511	-	14,626	14,710	19,878	26,111	24,917	28,116	26,492	32,528	19,904	1,228
DISTRICT FUNDED	80,008	-	80,008	29,637	5,028	5,020	6,578	6,304	7,104	6,698	8,207	5,051	382
TOTAL	288,519	208,511	80,008	44,263	19,738	24,898	32,689	31,221	35,220	33,190	40,735	24,955	1,610
DISTRICT DIVISION													
GRANT FUNDED	13,017	13,017	-	620	2,380	1,250	3,620	3,239	960	-	218	642	89
DISTRICT FUNDED	29,025	-	29,025	4,802	7,073	2,860	1,730	2,402	1,670	2,110	1,609	1,901	2,867
TOTAL	42,042	13,017	29,025	5,422	9,453	4,110	5,350	5,641	2,630	2,110	1,827	2,543	2,956
AGENCY TOTAL													
GRANT FUNDED	1,007,363	1,007,363	-	56,017	127,295	117,876	199,511	213,733	59,517	47,837	61,153	98,441	25,984
DISTRICT FUNDED	436,666	-	436,666	58,393	53,982	63,983	66,156	76,149	21,031	16,924	24,377	33,990	21,682
TOTAL	1,444,030	1,007,363	436,666	114,409	181,276	181,860	265,667	289,882	80,548	64,761	85,530	132,431	47,666

GGBHTD 10-YEAR CAPITAL PLAN **FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
BRIDGE DIVISION													
Structure Rehab													
Floor Beam & Cable Band Rehab Design	400	320	80	200	200	-	-	-	-	-	-	-	-
Floor Beam & Cable Band Rehab Construction	8,200	6,560	1,640	-	-	2,000	3,500	2,700	-	-	-	-	-
FACILITIES REHABILITATION													
Grounds and Roads													
Merchant Road Rehabilitation	1,800	-	1,800	-	-	-	400	1,400	-	-	-	-	-
Employee Parking Lots & Tunnel Rehab	2,300	-	2,300	-	-	-	-	400	1,300	600	-	-	-
Alexander Avenue Rehabilitation	2,977	1,488	1,488	300	600	1,300	777	-	-	-	-	-	-
Improvements/Rehab													
Toll Plaza Admin Building Improvements - Design	-	-	-	-	-	-	-	-	-	-	-	-	-
Modular Offices Rehabilitation	392	-	392	392	-	-	-	-	-	-	-	-	-
Maintenance Facilities													
Wash Rack Replacement	755	378	378	-	-	-	-	-	300	455	-	-	-
Fuel Station Upgrade and Rehabilitation	820	410	410	100	720	-	-	-	-	-	-	-	-
Maintenance Facility Relocation	9,150	9,150	-	-	-	-	-	-	-	350	800	3,500	4,500
Toll Plaza Buildings													
Admin Bldg HVAC Replacement & Roof Rehab	1,500	1,200	300	300	1,200	-	-	-	-	-	-	-	-
Admin Bldg Retrofit	3,000	2,400	600	-	-	-	100	800	2,100	-	-	-	-
Maintenance Shop Retrofit & Roof Rehab	1,690	-	1,690	-	500	1,190	-	-	-	-	-	-	-
IS Data Center Retrofit & Rehabilitation	850	-	850	100	750	-	-	-	-	-	-	-	-
IS Trailer Rehabilitation	300	-	300	-	-	-	80	220	-	-	-	-	-
Round House Roof Rehab	590	-	590	-	-	-	-	-	-	-	300	290	-
Purchasing & Stores Bldg & Roof Rehab	860	-	860	100	760	-	-	-	-	-	-	-	-
Toll Plaza Modernization & Safety Improvs	24,495	12,248	12,248	4,495	10,000	10,000	-	-	-	-	-	-	-
INFORMATION SYSTEMS/TECHNOLOGY													
FASTRAK Equipment Upgrade (JL 1422)	796	-	796	796	-	-	-	-	-	-	-	-	-
Toll System Upgrade (JL 1525)	2,807	-	2,807	2,807	-	-	-	-	-	-	-	-	-
Replace Toll/Fastrak Systems (10YP Upgrade)	4,000	-	4,000	-	-	-	-	-	-	-	-	-	4,000
CAPITAL EQUIPMENT													
Tools and Equipment													
Fixed Changeable Message Signs - North Approach	940	-	940	940	-	-	-	-	-	-	-	-	-
Tools and Equipment	20,000	-	20,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL	853,669	575,948	277,721	60,069	78,805	132,032	199,349	229,020	33,200	6,085	29,160	49,700	36,250

GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
BUS DIVISION													
REVENUE VEHICLES													
Revenue Vehicle Replacement													
Replace 70 Transit Buses with Hybrids	57,500	48,875	8,625	500	57,000	-	-	-	-	-	-	-	-
Replace Buses (Regional)	92,471	76,751	15,720	-	-	-	22,270	20,240	-	20,726	-	29,235	-
Replace Buses (Local)	26,286	26,286	-	-	8,960	-	-	-	6,378	-	-	10,948	-
ADA Paratransit Vans	3,198	2,654	544	-	1,270	-	-	-	570	-	1,358	-	-
Revenue Vehicle Improvement													
Purchase and Install 120v Outlets on 55 MCI Buses	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase and Install Bicycle Racks on 55 MCI Buses	-	-	-	-	-	-	-	-	-	-	-	-	-
Replace Fareboxes	5,500	4,565	935	-	-	-	-	-	-	500	1,000	3,000	1,000
Revenue Vehicle Enhancements: bike racks, outlets, etc	500	400	100	-	-	-	-	-	-	-	-	-	500
Safety/Security													
Security Systems	1,000	800	200	-	-	-	-	-	-	-	-	-	1,000
Security Systems - Bus Security Cameras	-	-	-	-	-	-	-	-	-	-	-	-	-
FACILITIES REHABILITATION													
Safety/Security													
D-1 Bus Admin Bldg Roof, HVAC & Dispatch Rm	1,700	1,360	340	100	1,500	100	-	-	-	-	-	-	-
D-1 Fire Alarm System Upgrade	-	-	-	-	-	-	-	-	-	-	-	-	-
San Rafael Card Access Security	-	-	-	-	-	-	-	-	-	-	-	-	-
Automatic Door/Enclosure by Driver's Room (FY11; FY12)	-	-	-	-	-	-	-	-	-	-	-	-	-
D3 Bus Security Improvements	1,500	1,200	300	-	-	-	-	300	1,200	-	-	-	-
D-1: San Rafael													
Resurface D1 Employee Parking Lot	1,955	1,564	391	1,955	-	-	-	-	-	-	-	-	-
D-1 Main Shop Roof Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
D-1 Heavy Duty Shop Rehab: Roof/HVAC/Paint	1,600	1,280	320	200	1,400	-	-	-	-	-	-	-	-
D-1 Fuel Island Building Rehab: Concr Apron/Roof/Paint	850	680	170	-	100	750	-	-	-	-	-	-	-
D-1 Body Shop Roof and Coating, Storage Bldg	1,100	880	220	-	-	-	600	500	-	-	-	-	-
D-1 Main Shop Utility Rehab	1,900	1,520	380	-	-	800	1,100	-	-	-	-	-	-
D-1 Bus Lot Pavement Rehabilitation	2,500	2,000	500	-	-	500	2,000	-	-	-	-	-	-
D-1 IT Dispatch Office Rehab	800	640	160	100	700	-	-	-	-	-	-	-	-
D-1 Bus Lot Campus Redev. Ph1-Planning Study	400	320	80	-	-	-	-	200	200	-	-	-	-
D-1 Bus Lot Campus Redev. Ph2-Construction	25,000	20,000	5,000	-	-	-	-	-	-	1,000	10,000	10,000	4,000

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
				FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)										
BUS DIVISION													
<i>D-2: Novato</i>													
D-2 Dispatch & Fuel Island Bldg Roof Rehab	760	608	152	-	-	320	440	-	-	-	-	-	-
D-2 Wash Rack Improvements	840	672	168	-	-	-	320	520	-	-	-	-	-
D-2 Pavement Rehabilitation	1,700	1,360	340	-	-	-	300	600	800	-	-	-	-
D2 Repair Railroad Crossing at Novato	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>D-3: Santa Rosa</i>													
D-3 Dispatch & Fuel Island Bldg Roof and Restroom Rehab	900	720	180	-	-	300	600	-	-	-	-	-	-
D-3 Wash Rack Improvements	840	672	168	-	-	-	300	540	-	-	-	-	-
D-3 Pavement Rehabilitation	2,100	1,680	420	-	-	-	-	-	-	800	800	500	-
<i>D-4: San Francisco</i>													
San Francisco (D-4) Bus Lot Env Eval and Mods	400	-	400	400	-	-	-	-	-	-	-	-	-
D-4 Pavement Rehabilitation	1,500	1,200	300	-	-	-	-	-	-	-	300	1,200	-
<i>R-7: San Rafael Transit Center</i>													
SRTC Relocation	20,000	10,000	10,000	300	2,000	17,700	-	-	-	-	-	-	-
<i>Systemwide</i>													
Bus Stop Improvements	1,500	1,200	300	750	-	-	-	750	-	-	-	-	-
Install LED Yard Lighting at Bus Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
CAPITAL EQUIPMENT													
Capital Equipment	3,500	-	3,500	350	350	350	350	350	350	350	350	350	350
TOTAL	259,800	209,887	49,913	4,655	73,280	20,820	28,280	24,000	9,498	23,376	13,808	55,233	6,850

Appendix G

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
FERRY DIVISION													
REVENUE VEHICLES													
Safety/Security Enhancements													
Vessel Man Overboard Davits (All Vessels)	-	-	-	-	-	-	-	-	-	-	-	-	-
MS San Francisco													
MS San Francisco Rehab Projects	1,635	1,308	327	250	-	500	-	75	-	675	-	75	60
MS San Francisco: End of Useful Life Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
MS Marin													
M.S. Marin Repower & Dry Dock	5,288	-	5,288	5,288	-	-	-	-	-	-	-	-	-
M.S. Marin Ramp & Gangways Vessel Modifications	1,340	1,072	268	1,340	-	-	-	-	-	-	-	-	-
MS Marin Rehab Projects	2,765	2,212	553	180	150	580	180	25	780	105	130	525	110
MS Marin: End of Useful Life Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
MS Sonoma													
M.S. Sonoma Refurbishment and Repower	22,400	4,480	17,920	22,400	-	-	-	-	-	-	-	-	-
MS Sonoma Rehab Projects	2,530	2,024	506	-	75	-	375	-	425	300	230	-	1,125
MS Sonoma: End of Useful Life Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
MV Mendocino													
M.V. Mendocino - Eng. Design Correction	-	-	-	-	-	-	-	-	-	-	-	-	-
MV Mendocino Rehab Projects	6,395	5,116	1,279	150	130	2,195	-	275	970	350	-	2,325	-
MV Mendocino: End of Useful Life Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
MV Del Norte													
M.V. Del Norte Propulsion Control Sys. Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
M.V. Del Norte Main Engine QL1 Overhaul	-	-	-	-	-	-	-	-	-	-	-	-	-
M.V. Del Norte Vessel Mods, Main Door	100	-	100	100	-	-	-	-	-	-	-	-	-
MV Del Norte Rehab Projects	1,325	1,060	265	125	120	-	150	-	750	-	100	-	80
MV Del Norte: End of Useful Life Replacement	22,000	17,600	4,400	-	-	-	-	-	-	-	22,000	-	-
MV Napa													
M.V. Napa Main Engine QL3 Overhaul	415	-	415	415	-	-	-	-	-	-	-	-	-
M.V. Napa Ramp & Gangways Vessel Modifications	1,180	944	236	1,180	-	-	-	-	-	-	-	-	-
MV Napa Rehab Projects	2,145	1,716	429	380	80	575	150	25	750	105	-	-	80
MV Napa: End of Useful Life Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
MV Golden Gate													
M.V. Golden Gate Main Engine QL3 Overhaul	222	-	222	222	-	-	-	-	-	-	-	-	-
M.V. Golden Gate Dry Docking & Cap Improvements	539	480	59	539	-	-	-	-	-	-	-	-	-
Structural Modifications - MV Golden Gate	100	80	20	100	-	-	-	-	-	-	-	-	-
MV Golden Gate Engine-Vessel Improvements & Dry Dock	631	504	126	631	-	-	-	-	-	-	-	-	-
MV Golden Gate Rehab Projects	6,970	5,576	1,394	180	120	2,205	-	180	1,570	280	-	2,355	80
MV Golden Gate: End of Useful Life Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
FERRY DIVISION													
FACILITIES REHABILITATION													
Safety/Security Enhancements													
Ferry Terminal Security Camera Upgrades	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Systems	500	400	100	-	-	500	-	-	-	-	-	-	-
Systemwide													
Gangway & Piers - Design	1,993	1,674	319	500	500	500	493	-	-	-	-	-	-
Larkspur Ferry Terminal													
SLEP Larkspur	1,531	1,224	306	1,531	-	-	-	-	-	-	-	-	-
TVM Enclosure Door Replacement	-	-	-	-	-	-	-	-	-	-	-	-	-
LFT Channel Dredging	29,100	23,280	5,820	-	-	500	12,500	-	-	-	800	15,300	-
LFT Berth and Turning Basin Dredging	8,000	6,400	1,600	-	-	300	3,000	-	-	-	400	4,300	-
Gangways & Piers - Larkspur Construction	66,000	52,800	13,200	-	-	-	4,000	24,000	24,000	14,000	-	-	-
Terminal Bldgs and Waiting Area Roof Rehab	2,000	1,600	400	300	1,700	-	-	-	-	-	-	-	-
Admin Bldg Roof, Paint Exterior, Restroom Rehab	1,500	1,200	300	-	300	1,200	-	-	-	-	-	-	-
Terminal Water Line and Utilities Rehab	1,000	800	200	-	-	500	500	-	-	-	-	-	-
Terminal Truss Rehab and Painting	4,000	3,200	800	-	-	468	1,766	1,766	-	-	-	-	-
Fuel System Rehab	1,500	1,200	300	312	1,188	-	-	-	-	-	-	-	-
Oil Boom Platform Berth 3	900	-	900	900	-	-	-	-	-	-	-	-	-
Rehab Overflow Parking Lot Area	800	640	160	-	-	800	-	-	-	-	-	-	-
Rehab Parking Lot	1,500	1,200	300	-	-	-	-	-	-	300	1,200	-	-
LFT Parking Garage	40,000	32,000	8,000	-	-	-	500	4,500	5,000	15,000	15,000	-	-
Parking Lot Striping, Improvements, Signage	50	-	50	50	-	-	-	-	-	-	-	-	-
LFT Maintenance Office Reception Rehab	51	-	51	51	-	-	-	-	-	-	-	-	-
Design/Install Swing Mooring Apparatus	86	-	86	86	-	-	-	-	-	-	-	-	-
San Francisco Ferry Terminal													
Gangways & Piers - San Francisco Construction	25,000	20,000	5,000	-	3,500	12,500	9,000	-	-	-	-	-	-
Waiting Area Roof Rehab	1,200	960	240	-	-	-	-	300	900	-	-	-	-
Rehab Former Ticket Office Bldg	2,800	2,240	560	-	-	-	-	-	-	2,000	800	-	-
Sausalito Ferry Terminal													
Gangways & Piers - Sausalito Construction	11,900	9,520	2,380	3,400	7,500	1,000	-	-	-	-	-	-	-
Sausalito Landing Rehab Env Mitigation	-	-	-	-	-	-	-	-	-	-	-	-	-
Sausalito Terminal Environmental Mitigation	100	-	100	100	-	-	-	-	-	-	-	-	-

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
				FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)										
FERRY DIVISION													
ENVIRONMENTAL MITIGATION													
<i>Corte Madera Marsh</i>													
Corte Madera Marsh Restoration Design	1,199	-	1,199	1,199	-	-	-	-	-	-	-	-	-
CM Marsh Restoration Construction	5,000	4,000	1,000	1,500	3,000	500	-	-	-	-	-	-	-
INFORMATION SYSTEMS/TECHNOLOGY													
Ticketing Systems/TVMs													
	2,050	-	2,050	750	1,300	-	-	-	-	-	-	-	-
CAPITAL EQUIPMENT													
Oil Boom/Float Platform													
	30	-	30	30	-	-	-	-	-	-	-	-	-
Tools and Equipment													
	750	-	750	75	75	75	75	75	75	75	75	75	75
TOTAL	288,519	208,511	80,008	44,263	19,738	24,898	32,689	31,221	35,220	33,190	40,735	24,955	1,610

GGBHTD 10-YEAR CAPITAL PLAN FY 2018 - FY 2027

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
DISTRICT DIVISION													
<u>SAFETY/SECURITY ENHANCEMENTS</u>													
Security Systems	700	560	140	100	100	-	500	-	-	-	-	-	-
<u>FACILITIES REHABILITATION</u>													
Miscellaneous Facilities Rehab	3,910	-	3,910	1,440	720	310	-	-	-	170	900	180	190
Office Facility Renovation/Consolidation	6,960	6,960	-	-	-	750	3,060	3,150	-	-	-	-	-
<u>INFORMATION SYSTEMS/TECHNOLOGY</u>													
Financial Management System Analysis	-	-	-	-	-	-	-	-	-	-	-	-	-
Radio System Upgrade (FY17 Project)	700	-	700	700	-	-	-	-	-	-	-	-	-
ADS ACIS Data Radio Replacement	600	-	600	600	-	-	-	-	-	-	-	-	-
Redundant Network/Systems (FY17 Project)	100	-	100	100	-	-	-	-	-	-	-	-	-
Aviat Microwave Update - Santa Rosa Link	-	-	-	-	-	-	-	-	-	-	-	-	-
Transit Scheduling System (FY17 Project)	375	300	75	375	-	-	-	-	-	-	-	-	-
Electronic Time Keeping		-			-	-	-	-	-	-	-	-	-
Network Security		-			-	-	-	-	-	-	-	-	-
Disaster Recovery		-			-	-	-	-	-	-	-	-	-
Website Redesign	10	-	10	10	-	-	-	-	-	-	-	-	-
Cyber Security	278	-	278	278	-	-	-	-	-	-	-	-	-
Transit Network Access Security Enhancements	72	72	-	72	-	-	-	-	-	-	-	-	-
Radio System Upgrade (10YP Upgrades)	3,734	-	3,734	234	3,000	-	-	-	500	-	-	-	-
Redundant Network / Systems (10YP Upgrades)	650	-	650	-	-	-	-	150	-	350	150	-	-
Transit Scheduling System (10YP Upgrades)	1,200	960	240	-	-	-	-	-	1,200	-	-	-	-
Telephone System Upgrade	2,550	-	2,550	-	-	-	-	800	-	-	-	50	1,700
Video Conferencing	105	-	105	-	105	-	-	-	-	-	-	-	-
Financial / HR / Payroll Management System	4,500	2,250	2,250	-	4,500	-	-	-	-	-	-	-	-
Asset and Vehicle Fluid Mgmt System	550	550	-	-	50	500	-	-	-	-	-	-	-
Replace Network Equipment	740	-	740	-	-	-	-	-	-	740	-	-	-
Replace Server Equipment	400	-	400	-	-	200	-	-	-	200	-	-	-
Document Management System	540	-	540	-	-	-	70	470	-	-	-	-	-
TimeKeeping System	870	696	174	15	-	-	-	-	-	-	52	803	-
Data Storage System	1,200	-	1,200	-	-	-	600	-	-	-	-	600	-
Indoor and Outdoor Wireless Network Access	660	-	660	-	-	-	-	320	-	-	-	-	340
Disaster Recovery	800	-	800	200	350	-	-	-	50	200	-	-	-
Ferry Passenger Information Systems	222	178	44	-	-	-	-	111	-	-	-	-	111
Bus Wifi	-	-	-	-	-	-	-	-	-	-	-	-	-
Email/MS Office	750	-	750	-	-	250	-	-	250	-	-	250	-
Cyber Security	1,010	-	1,010	250	205	-	-	-	-	-	80	260	215
Grants Module	415	332	83	195	-	-	-	-	-	-	220	-	-
Network Security	415	-	415	185	-	-	-	-	230	-	-	-	-
IVR replacement	200	-	200	-	-	-	-	200	-	-	-	-	-
GFI System Upgrade	245	-	245	245	-	-	-	-	-	-	-	-	-
Data Center Racks (on FY18 Project List)	121	-	121	23	23	-	-	-	-	50	25	-	-

**GGBHTD 10-YEAR CAPITAL PLAN
FY 2018 - FY 2027**

				10-Year Projected Capital Need (\$000)									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	10-Year Total (\$000)	10-Year Grants (\$000)	10-Year District (\$000)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
DISTRICT DIVISION													
District Web Site Re-Design w/Mobile App	600	-	600	-	-	600	-	-	-	-	-	-	-
Technology	2,500	-	2,500	250	250	250	250	250	250	250	250	250	250
Compellent San Replacement ACIS	200	160	40	-	-	-	200	-	-	-	-	-	-
Firetide Mesh Refresh	500	-	500	-	-	-	500	-	-	-	-	-	-
Avtec VPGate Refresh	20	-	20	-	-	-	20	-	-	-	-	-	-
Exacom Voice Recorder Refresh	40	-	40	-	-	-	-	40	-	-	-	-	-
INIT software refresh	1,100	-	1,100	-	-	1,100	-	-	-	-	-	-	-
CAPITAL EQUIPMENT													
Capital Equipment	1,500	-	1,500	150	150	150	150	150	150	150	150	150	150
TOTAL	42,042	13,017	29,025	5,422	9,453	4,110	5,350	5,641	2,630	2,110	1,827	2,543	2,956

Golden Gate Bridge, Highway and Transportation District
Five-Year and Ten-Year Financial Projections FY 17/18 - FY 26/27
 CAPITAL CONTRIBUTION REQUIRED TO FUND PROJECTED CAPITAL PLAN - Assumes Bridge Capital is 80% Grant Funded

All Figures Rounded to (\$000)

	Year 1 FY 2018 Estimate	Year 2 FY 2019 Estimate	Year 3 FY 2020 Estimate	Year 4 FY 2021 Estimate	Year 5 FY 2022 Estimate	SubTotal Year 1 - 5 Estimate	Year 6 FY 2023 Estimate	Year 7 FY 2024 Estimate	Year 8 FY 2025 Estimate	Year 9 FY 2026 Estimate	Year 10 FY 2027 Estimate	Total Year 1 - 10 Estimate
DISTRICT GRANTS	\$60,727	\$64,697	\$77,624	\$85,836	\$76,149	\$365,033	\$21,121	\$16,924	\$24,377	\$33,990	\$21,682	\$483,127
	<u>\$53,699</u>	<u>\$153,776</u>	<u>\$143,094</u>	<u>\$233,520</u>	<u>\$213,733</u>	<u>\$797,812</u>	<u>\$59,877</u>	<u>\$47,837</u>	<u>\$61,153</u>	<u>\$98,441</u>	<u>\$25,984</u>	<u>1,091,104</u>
TOTAL	\$114,415	\$218,473	\$220,718	\$319,356	\$289,882	\$1,162,845	\$80,998	\$64,761	\$85,530	\$132,431	\$47,666	\$1,574,231
District Portion Of the Capital Requirement	\$60,730	\$64,700	\$77,620	\$85,840	\$76,150	\$365,040	\$21,120	\$16,920	\$24,380	\$33,990	\$21,680	\$483,130
Total Depreciation Included in the Budget	8,900	11,010	12,960	15,100	19,109	\$ 67,079	20,290	23,130	23,980	24,580	26,440	\$ 185,499
Additional Capital Contribution Required to Fund Projected Capital Plan	51,830	53,690	64,860	70,740	57,041	\$ 297,961	830	(6,210)	400	9,410	(4,760)	\$ 297,631
Average of the 10 Year Capital Contribution	\$29,800	\$29,800	\$29,800	\$29,800	\$29,800	\$ 149,000	\$29,800	\$29,800	\$29,800	\$29,800	\$29,800	\$ 298,000

Re-Styled: Fund District Capital through Reserves	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Year 1 - 5	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Year 1 - 10
District Funded Capital Projects net of Depreciation	\$51,800	\$53,700	\$64,700	\$70,700	\$57,000	\$ 297,900	\$800	(\$6,200)	\$400	\$9,400	(\$4,800)	\$ 297,500
Use Reserves to Fund District Projects	11,000	11,000	11,000	11,000	11,000	55,000	11,000	11,000	11,000	11,000	11,000	110,000
Additional Capital Contribution Required to Fund Projected Capital Plan with Reserves	40,800	42,700	53,700	59,700	46,000	\$ 242,900	(10,200)	(17,200)	(10,600)	(1,600)	(15,800)	187,500
Average of the 10 Year Capital Contribution	19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$ 95,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$ 190,000

In 2003 the Board authorized capital contribution from operations to fund future capital projects. In 2008 the Board instructed staff to assume spending all reserves except those that are restricted or set aside by the Board. This projection assumes \$110 million in capital contribution reserves will be released to fund capital projects during this 10-year projection period. \$19 million per year will be released from unrestricted reserves, and thus decrease the capital contribution from \$21 million to \$19 million per year. The \$19 million is distributed to each Division according to its percentage share of District Funded capital projects. The annual capital contribution amount is calculated by taking the sum of the District funded portion of the capital program, less depreciation, for ten years divided by ten years and rounded to the nearest million.

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT
NET POSITION AVAILABLE FOR NEW CAPITAL PROJECTS OR OPERATIONS - FY 16/17 BUDGET

Reserve Name	Category	Estimated Balance 7/1/2016	Estimated Balance 6/30/2017	Estimated Balance 7/1/2017
Available Net Position before Long Term Liabilities,				
Board Designated and Other Reserves¹:				
	[A]	\$ 26,900,000	\$ 32,000,000	\$ 32,000,000
Long Term Liabilities²				
Cal PERS Net Pension Liability		\$ 100,800,000	\$ 105,800,000	\$ 105,800,000
Golden Gate Transit A		53,200,000	64,200,000	64,200,000
Subtotal Long Term Liabilities	[B]	\$ 154,000,000	\$ 170,000,000	\$ 170,000,000
Board Designated and Other Reserves:				
Operating Reserve ³		\$ (14,800,000)	\$ (15,800,000)	\$ (15,800,000)
Emergency Reserve ⁴		(6,900,000)	(7,400,000)	(7,400,000)
Bridge Self Insurance Loss Reserve		(13,300,000)	(14,600,000)	(14,600,000)
Subtotal Board Designated and Other Reserves		\$ (35,000,000)	\$ (37,800,000)	\$ (37,800,000)
Net Position Available Before Committed Capital Projects	[A] + [B] + [C]	\$ 145,900,000	\$ 164,200,000	\$ 164,200,000
Committed Capital Projects (District-funded portion only):				
Bridge		\$ (45,000,000)	\$ (38,800,000)	\$ (86,000,000)
Transit		(25,000,000)	(21,200,000)	(51,100,000)
Total Committed Capital Projects (District-funded portion)	[D]	\$ (70,000,000)	\$ (60,000,000)	\$ (137,100,000)
Net Position Available for New Capital Projects or Operations	[A] + [B] + [C] + [D]	\$ 75,900,000	\$ 104,200,000	\$ 27,100,000

- Adjusted to exclude funded capital contributions, Bridge self insurance reserves and restricted Local, State and Federal grant funds for capital projects.
- In 2015, the District restated its Net Position as a result of the new reporting requirements of GASB 68 ("Accounting and Financial Reporting for Pensions"). GASB 68 requires agencies to report undunded pension obligations as a liability on the financial statements even in cases where the agency is not legally responsible for the unfunded pension obligation. The District is not legally responsible for the funding of the Golden Gate Transit Amalgamated Retirement Plan.
- Board policy funds the operating reserve at 7.5% of the budget or to cover the expected operating deficit, whichever is larger.
- Board policy funds the emergency reserve at 3.5% of the operating budget to enable the amount kept in reserve for emergencies to remain relative to the size of District's operations.

APPENDIX H – GLOSSARY

401(A) Deferred Compensation Plan: An employer-sponsored retirement savings deferred compensation plan.

457(B) Deferred Compensation: A program that allows you to defer compensation on a pre-tax basis through payroll deduction.

Accrual: A method of accounting that recognizes expenses when incurred and revenue when earned rather than when payment is made or received.

ACIS: Advanced Communication and Information System.

Actuarial: Analysis completed and submitted by an external firm specializing in the collection and interpretation of numerical data. An actuarial is usually prepared for the purpose of analyzing employee benefits, such as medical insurance.

ADA: The Americans with Disabilities Act. A comprehensive civil rights measure signed into law on July 1990 to ensure persons with disabilities receive equal access to public transportation and other services.

AET: All Electronic Tolling. Vehicles no longer stop at the Toll Plaza as all tolls are assessed electronically. Through FasTrak® or the Pay-by-Plate program, drivers can make one-time payments online, over the phone or at designated cash payment locations. If customers choose not to take advantage of the convenient options, a toll invoice will be mailed to the registered owner of the vehicle, according to the license plate number, with no added fees.

ARC: Annual Required Contribution.

Assembly Bill 516: A bill that would require the Department of Motor Vehicles to affix temporary license plates at the time of sale to a vehicle sold without a permanent license. The bill would require all vehicles to have a license plate, either temporary or permanent, visible at all times.

Assembly Bill 584: This bill authorized the Golden Gate Bridge, Highway & Transportation District to develop a transportation facility plan for implementing a mass transportation program in the Golden Gate Highway 101 corridor.

Assembly Bill 919: This bill required the Golden Gate Bridge, Highway & Transportation District to develop a long-range transportation program for the Golden Gate Highway 101 corridor. The result was the creation of an integrated bus and ferry system.

ASP: Application Service Provider.

ATU: Amalgamated Transit Union. A union representing bus drivers, maintenance and clerical employees of a variety of North American transit districts.

Balanced Budget: A budget in which the expenditures incurred during a fiscal year are matched by revenues.

BART: Bay Area Rapid Transit. This is a public transportation system serving the San Francisco Bay Area.

BSIR: Bridge Self-Insurance Reserve.

Budget: Plan of financial operations for a given period including proposed expenditures, revenues and staffing levels.

CAFR: Comprehensive Annual Financial Report.

CARB: California Air Resources Board.

CalPERS: California Public Employees Retirement System. A State organization used by the District to organize and dispense employee retirement benefits.

Caltrans: California Department of Transportation. Caltrans is responsible for the design, construction, maintenance and operation of the California State Highway System, as well as that portion of the Interstate Highway System within the state's boundaries.

Capital Asset: Property, facility or equipment whose cost exceeds \$5,000 per unit and has a useful life greater than three years. Capital asset costs include installation cost, delivery cost, sales and use taxes, staff training costs, and general and administrative overhead costs.

Capital Expenditure: Acquisition of a capital asset.

Capital Program (CP): Portfolio of capital projects and their funding.

Capital Project: Defined scope of work to build, acquire or renovate physical assets to increase the asset's useful life.

CCTV: Closed Circuit Television.

CFO: Chief Financial Officer.

ClipperSM: A Bay-area-wide electronic fare collection system operated in cooperation with several local public transportation agencies. ClipperSM receivers are being placed by fareboxes on board a variety of local public transport vehicles. Customers are able to "swipe" a ClipperSM card that bills directly to a customer account, thus removing the need for the customer to carry exact change. The ubiquity of the ClipperSM receiver will also allow a traveling customer the ability to "jump" to and from a variety of different public transportation systems around the Bay Area when the project is fully implemented.

CMER: Corte Madera Ecological Reserve.

COLA: Cost of Living Adjustment. It is an increase in wages to cover increased cost of living.

Commercial Paper: Short-term interest-bearing promissory note secured by pledged revenues and a liquidity/credit facility.

Corridor: Defined area occupied by significant transportation byways such as highways, bus transitways, light rail lines, bikeways, etc.

CPI: Consumer Price Index. A statistical description of price levels provided by the U.S. Department of Labor. The index is commonly used as a measure of the increase in the cost of living.

CP Program: See Commercial Paper.

Crisis Text Line: This is a free, 24/7 confidential text message service for people in crisis.

DBE: Disadvantaged Business Enterprise. Businesses owned and operated primarily by minorities and/or women.

Debt Service: Repayment of the principal and/or interest on debt.

Depreciation: Allocation of the cost of an asset over its useful life. A means to budget for future maintenance expenditures.

DGM: Deputy General Manager. This position manages one of the different divisions of Golden Gate Bridge.

EDDs: Energy Dissipation Device.

EEO/AAP: Equal Employment Opportunity/Affirmative Action Program. Federal laws prohibiting job discrimination.

Enterprise Fund: In governmental accounting, a fund that provides goods or services to the public for a fee that makes the entity self-supporting is considered an enterprise fund. It basically follows GAAP as does a commercial enterprise.

ERFA: Employee Request for Absence.

Fare: The price paid to ride public transportation such as a bus or ferry.

Fare Media: Passes which may be purchased and used in lieu of cash when purchasing a ride on a bus or ferry.

Farebox Recovery Ratio: A standard by which a public transit agency can be evaluated for financial health. The farebox revenue divided by operating costs.

FasTrak®: An electronic toll system residing on all Bay Area bridges. FasTrak® receivers are set up on toll plazas to read and account for transponders placed in a customer's car. FasTrak® provides convenience to customers by electronically billing their tolls directly to a customer account, thus removing the need for the customer to stop and make a cash payment at any local toll facility.

FHWA: The Federal Highway Administration.

Fiscal Year: The period at the end of which a business determines its financial position and results of operations. The District's fiscal year begins July 1 and ends June 30 of the following calendar year.

Fixed Assets: Assets that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FLSA: Fair Labor Standards Act. This act prescribes standards for the basic minimum wage and overtime pay.

FMLA: Family Medical Leave Act. This act allows employees who worked 1,250 hours over the previous year to take up to 12 weeks off work for a valid medical reason for the employee or immediate family.

FTA: Federal Transit Administration. The Federal government, through the FTA, provides financial assistance to develop new transit systems and improve, maintain and operate existing systems.

Fund: Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and changes in these assets and liabilities.

Fund Balance: The excess of assets and estimated revenues of a fund over its liability and appropriations at the end of a fiscal year. A portion of this balance may be available to finance the next fiscal year's budget.

FY: See Fiscal Year.

GASB: Governmental Accounting Standards Board. The Board establishes and improves standards of state and local governmental accounting and financial reporting.

GASB 45: Accounting and Financial provision requiring government employers to measure and report the liabilities associated with other (than pension) postemployment benefits (or OPEB).

GASB 68: Accounting and Financial reporting that requires government employers that sponsor defined benefit plans to recognize a net pension liability in their statement of net position.

GFOA: Government Finance Officers Association. An organization providing standards and education to the financial departments of government organizations.

GGF: Golden Gate Ferry.

GGNRA: Golden Gate National Recreation Area.

GGT: Golden Gate Transit.

Hastus: Computer software used to plan bus transit routes, dispatch bus operators and generate accurate bus operator payrolls.

HRA: Health Reimbursement Account.

Hybrid Buses: Buses that combine a combustion and an electrical engine, so as to increase efficiency and thereby reduce emissions.

IBU: Inland Boatmen's Union. A union representing deckhand employees.

ICAP: The allocation of indirect centralized costs from operating expenses to capitalized projects in accordance with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribe Governments.

IFAS: Financial software customized for the District's financial activities including general ledger, accounting, budgeting, payroll, accounts payable, human resources and purchasing.

Indirect Cost: Cost that is not identifiable with a specific product, function or activity.

Infrastructure: The fixed components of a transit system, such as stations, park-and-ride lots, bus stops and maintenance facilities.

ITCS: Intermodal Transport Control Systems.

Lease: Contract by which possession of land and/or building space is given by owner to a tenant for a specified period of time and for a specified financial amount.

LFT: Larkspur Ferry Terminal.

Long-Term Debt: Financial obligations lasting over one year. For example, debt obligations such as bonds and notes which have maturities greater than one year are considered long-term debt.

LT: Limited Term of employment.

Maximo: Asset and vehicle fluid financial management system.

MCTD: Marin County Transportation District.

MEBA: Marine Engineer's Beneficial Association. A union representing vessel masters.

MMB: Moveable Median Barrier. A traffic safety barrier that can be moved from lane to lane to reduce congestion while preventing head-on collisions.

MTC: Metropolitan Transportation Commission.

NPS: National Park Service.

NSF: National Science Foundation.

NTD: National Transit Database. A database consisting of financial and operational information for over 600 U.S. transit agencies that receive FTA Section 5307 grants.

OPEB: Other Post-employment Benefits. This term is used by the District in reference to retiree health benefits (please refer to page 42 for further explanation).

Operating Budget: Funds allocated for normal District operations, such as employee salaries, power and fuel. Excludes funds allocated for capital and fiduciary activities.

Operating Expenses: All expenses pertaining to the normal operation of the agency with the exception of capital expenditures, interest expenses and non-recurring losses.

OTP: On Time Performance.

Paratransit: The Americans with Disabilities Act (ADA) of 1990 requires that transportation services comparable to existing public transportation be made available to individuals with disabilities who are unable to use fixed-route transportation systems. Paratransit is the term used to refer to these ADA transportation services.

Performance Measures: Specific quantitative and qualitative measure of work performed as an objective of specific departments or programs.

PERS: Public Employees' Retirement System. This is a defined benefit retirement plan that provides a secure income for retirement.

PRA: Public Records Act.

QL1: A light engine rebuild.

QL3: A mid-life engine rebuild.

RD99 Renewable Diesel: This is a renewable diesel fuel produced from waste fats, residues and vegetable oils. The use of this type of fuel reduced greenhouse gas emissions.

Revenue Vehicle: Vehicles that carry fare-paying passengers.

RFP: Request for Proposal. The competitive proposal method of procurement.

RM2: Regional Measure 2, passed by the Metropolitan Transportation Committee, raised the toll on the seven state-owned bridges in the Bay Area. Funds from these tolls are earmarked for transportation projects within the Bay Area, particularly those projects which will relieve congestion on bridges.

RTPI: Real Time Passenger Information.

Senate Bill 1: The Road Repair and Accountability Act of 2017, provides the first significant, stable and ongoing increase in State Transportation funding in more than two decades. The bill increases revenues and expands the California Transportation Commission's role to provide transparent oversight and accountability for infrastructure investments.

Senate Bill 622: This bill requires the Golden Gate Bridge, Highway & Transportation District to advertise for contracts for all vessel repair, maintenance and alteration work, if estimated expenditures exceed \$1.0 million, and for all other construction, repair, maintenance, alteration work and all similar work if the estimated expenditures exceed \$5,000. This bill also authorizes the Golden Gate Bridge, Highway & Transportation District to contract without competitive bidding with suppliers of goods and services by participating in contracts led by one or more specified public entities and any other entity that expends public funds.

SF: San Francisco.

SLEP: Service Life Extension Program.

SMART: Sonoma-Marín Area Rail Transit. It is a voter approved passenger rail and bicycle-pedestrian pathway project located in Marin and Sonoma counties.

SRTC: San Rafael Transit Center.

SRTP: Short Range Transit Plan.

STA: State Transit Assistance fund used to account for the revenue from the sales tax on gasoline used for transit purposes. The STA fund was created as an amendment to the Transportation Development Act of 1976.

Strategic Plan: Broad statement of direction in which planning or action is required to achieve long-term financial stability.

TDA: Transportation Development Act. Created by state law in 1972, the TDA authorized the use of $\frac{1}{4}$ of 1% of the state sales tax for transportation purposes.

Transbay Service: Transit service from Marin County to San Francisco and/or the East Bay.

TRP: Technical Review Panel.

TSP: Transit Sustainability Project.

UHP: Ultra High Pressure.

VOIP: Voice Over Internet Protocol.

APPENDIX I – STATISTICAL DATA AND SUPPLEMENTAL INFORMATION

The following information was excerpted from “Highlights Facts and Figures of the Golden Gate Bridge, Highway and Transportation District.”

The Golden Gate Bridge stands at the entrance to the San Francisco Bay in California and is a symbol of American ingenuity and resolve, having been constructed during the era of the Great Depression. The Golden Gate Bridge is a beloved international icon and an engineering marvel. It is also a vital transportation link between northern San Francisco Bay Area counties and San Francisco. The Bridge serves over 40 million vehicles a year, along with millions of tourists from around the world. The Golden Gate Bridge offers free pedestrian walkways and bicycle paths from which visitors experience breath-taking views of the San Francisco skyline, Alcatraz Island and the Marin headlands. The best time to visit the Bridge is in the fall and winter months, as the summer months bring the famous San Francisco fog, which veils the Bridge most of the season.

The Golden Gate Bridge, Highway and Transportation District (GGBHTD) was formed under authority of the Golden Gate Bridge and Highway Act of 1923 and incorporated on December 4, 1928, to include within its boundaries the City and County of San Francisco, the counties of Marin, Sonoma, and Del Norte, most of Napa and part of Mendocino.

Bridge construction began January 5, 1933, and the span was opened for Pedestrian Day on May 27, 1937. The entire roadway was opened exclusively to pedestrians from dawn to dusk. By 6:00 pm, thousands of visitors were waiting to cross. A number of “firsts” took place that day with people competing to be the first to walk, run, roller skate, tap dance, ride a unicycle or cross on stilts. This proved to be a memorable event, with news reports estimating up to as many as 200,000 people. This was topped in 1987, the Golden Gate Bridge’s 50th anniversary, when more than 300,000 people surged onto the span with more than 400,000 spectators gathered in the surrounding areas and hillsides.

In 1969, the California State Legislature authorized GGBHTD to use bridge tolls to develop transit service in the U.S. Highway 101 (US 101) Golden Gate Corridor as a means of managing traffic congestion and avoiding costly highway expansion. In August 1970, GGBHTD inaugurated ferry service between Sausalito and the San Francisco Ferry Building. In December 1970, GGBHTD initiated a shuttle bus service to Sausalito Ferry using five leased Greyhound coaches and four drivers on four bus routes. In September 1971, GGBHTD received 20 of 132 newly purchased buses and hired 30 experienced Greyhound drivers. Local Marin County bus service was initiated in December 1971, under contract to Marin County Transit District. In January 1972, GGBHTD established Golden Gate Transit (GGT) Transbay commute service with 152 buses and facilities in Novato and Santa Rosa and a temporary facility in San Rafael. Golden Gate Transit Bus and Ferry services are subsidized using “surplus” Golden Gate Bridge toll revenue.

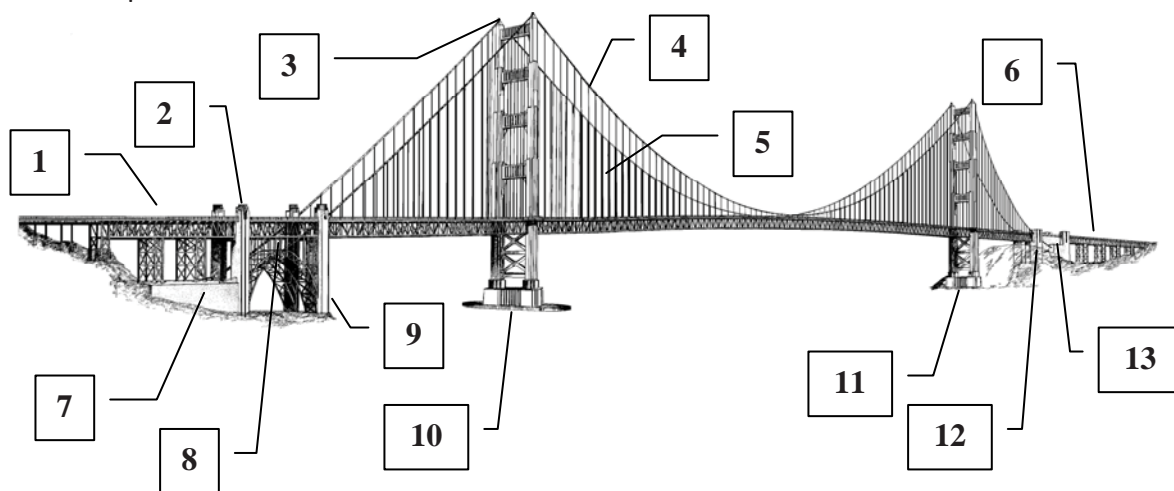
Statistical Data

The total construction cost of the Golden Gate Bridge was \$35 million, which included \$27 million for construction of the structure. This \$27 million was \$3 million higher than the original construction bids as other items were added such as the toll plaza, toll collection equipment, tower elevators and miscellaneous military replacements and improvements. The remaining \$8 million was for engineering and inspection, financing costs and administration.

The Golden Gate Bridge spans 1.7 miles and consists of six main structures:

1. San Francisco (south) approach viaduct
2. San Francisco (south) anchorage housing and pylons
3. Fort Point arch
4. Main suspension bridge
5. Marin (north) approach viaduct
6. Marin (north) anchorage housing and pylons

Engineers, painters, ironworkers and other staff members work daily on critical rehabilitation and improvement projects that have been undertaken to preserve, protect and extend the life of the Golden Gate Bridge. A lower lateral bracing system was added to the span to increase the torsional stability of the stiffening truss of the roadway. A railing was added between the Bridge roadway and sidewalks. Approach structures were retrofitted to increase earthquake resistance and Phases I & II of the Seismic Retrofit Design and Construction Project were completed. Phase I retrofitted the Marin approach and Phase II retrofitted the San Francisco approach structures and Fort Point arch. In April 2008, Phase IIIA began and will retrofit the north anchorage housing and pylons. Phase IIIB of the Seismic Retrofit project began in 2011 and includes the retrofit of the 4,200 foot-long main suspension span, the two 746 foot-tall main towers and the San Francisco tower pier.



1. South Viaduct
2. Pylon S2
3. Saddle
4. Main Cables
5. Suspender Ropes
6. North Viaduct
7. South Anchorage Housing
8. Fort Point Arch
9. Pylon S1
10. South Tower, 746 feet tall
11. North Tower, 746 feet tall

12. Pylon N1

13. North Anchorage Housing

The length of Bridge deck between a pylon and a tower is referred to as a Side Span. The Bridge Side Spans measure 1,125 feet across.

The length of Bridge deck between the two towers is referred to as the Main Span. The Bridge Main Span measures 4,200 feet across.

The length of Bridge deck between Pylon S1 and Pylon N1 is referred to as the Suspension Span. The Bridge Suspension Span measures 6,450 feet across.

Depending upon tidal conditions, the distance between the deck at the center of the Main Span and the water below is roughly 220 feet.

Traffic by Fiscal Year Since Bridge Opening on May 28, 1937

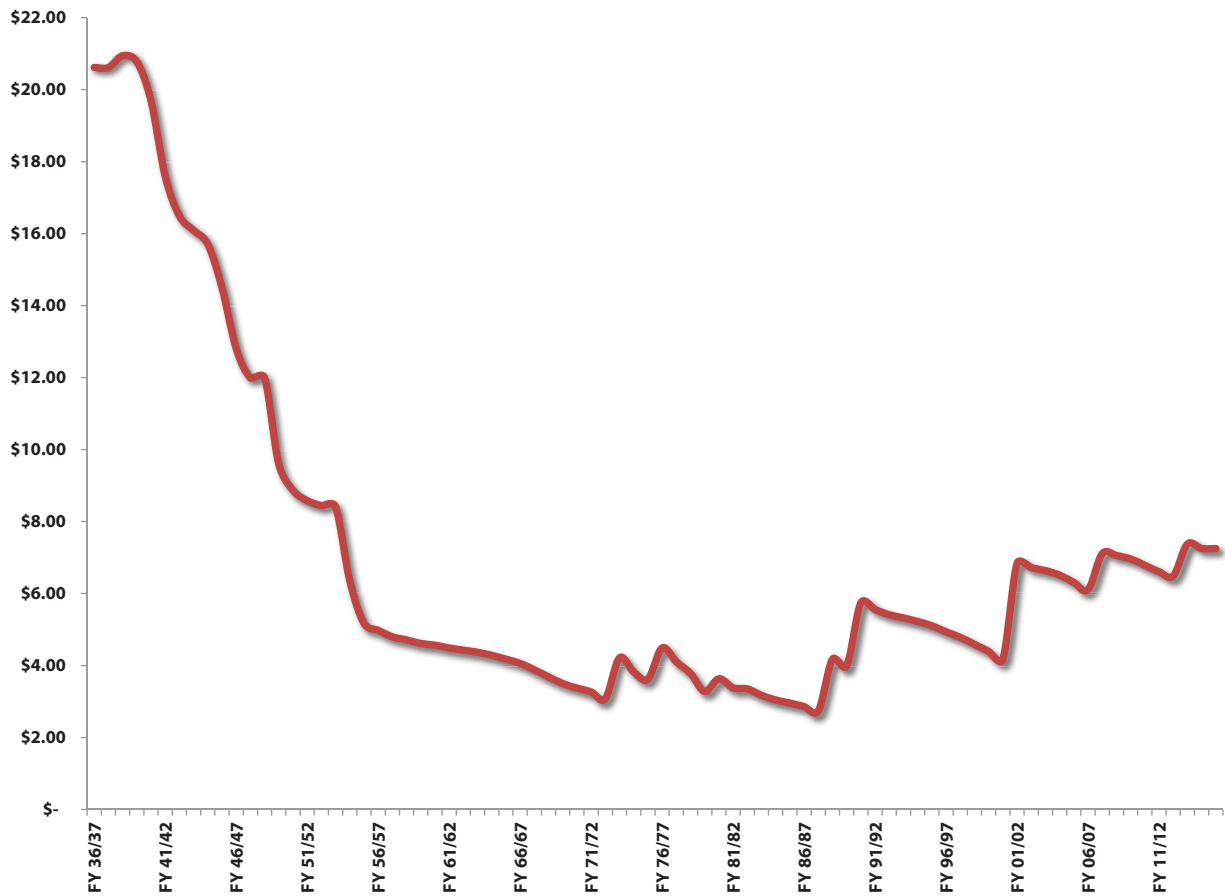
Fiscal Year July 1 - June 30	Avg. Vehicles Per Day	Total Vehicles	% of Increase	Total Revenue
May & June 1937	17,339	582,607	-	\$312,818
1937-38	9,073	3,326,521	-	\$1,594,958
1938-39	11,045	4,047,224	21.67%	\$1,903,372
1939-40	11,792	4,332,785	7.06%	\$2,124,158
1940-41	13,054	4,780,585	10.34%	\$2,282,213
1941-42	14,169	5,187,168	8.50%	\$2,292,945
1942-43	14,711	5,382,282	3.76%	\$2,579,981
1943-44	13,214	4,849,300	-9.90%	\$2,495,220
1944-45	13,106	4,799,989	-1.02%	\$2,710,710
1945-46	18,198	6,674,825	39.06%	\$3,579,521
1946-47	20,434	7,506,144	12.45%	\$3,864,817
1947-48	21,978	8,091,289	7.80%	\$4,077,231
1948-49	23,309	8,552,514	5.70%	\$4,186,815
1949-50	25,518	9,356,348	9.40%	\$4,519,515
1950-51	27,701	10,153,493	8.52%	\$3,985,673
1951-52	30,589	11,240,410	10.70%	\$4,251,913
1952-53	31,982	11,723,318	4.30%	\$4,427,194
1953-54	33,461	12,267,508	4.64%	\$4,511,025
1954-55	36,059	13,220,641	7.77%	\$4,517,603
1955-56	40,298	14,749,185	11.56%	\$4,112,357
1956-57	42,951	15,676,971	6.29%	\$4,123,161
1957-58	44,955	16,408,399	4.67%	\$4,219,181
1958-59	48,198	17,592,396	7.22%	\$4,509,698
1959-60	51,396	18,810,807	6.93%	\$4,773,623
1960-61	54,825	20,011,302	6.38%	\$4,885,762
1961-62	56,861	21,377,944	6.83%	\$4,820,046
1962-63	61,683	22,514,356	5.32%	\$5,040,421
1963-64	65,637	24,023,128	6.70%	\$5,358,257
1964-65	69,267	25,282,353	5.24%	\$5,545,875
1965-66	74,023	27,018,462	6.87%	\$5,802,084
1966-67	77,673	28,350,598	4.93%	\$6,308,081
1967-68	82,700	30,293,793	6.85%	\$6,428,332
1968-69	85,622	31,251,968	3.16%	\$6,583,074
1969-70	89,657	32,725,026	4.71%	\$7,320,561
1970-71	91,773	33,497,080	2.36%	\$7,978,283
1971-72	94,086	34,435,542	2.80%	\$8,384,443
1972-73	94,852	34,620,920	0.54%	\$8,537,373
1973-74	89,931	32,824,780	-5.19%	\$9,458,892
1974-75	91,325	33,333,798	1.55%	\$12,455,458
1975-76	95,278	34,871,856	4.61%	\$12,938,278
1976-77	96,927	35,378,544	1.45%	\$12,947,397
1977-78	98,716	36,031,236	1.84%	\$15,890,977
1978-79	99,380	36,273,760	0.67%	\$17,461,538
1979-80	97,080	35,531,296	-2.05%	\$17,044,037
1980-81	99,708	36,393,422	2.43%	\$18,824,231

Appendix I

Fiscal Year July 1 - June 30	Avg. Vehicles Per Day	Total Vehicles	% of Increase	Total Revenue
1981-82	97,952	35,752,524	-1.76%	\$21,122,488
1982-83	101,343	36,990,346	3.46%	\$22,538,225
1983-84	105,532	38,519,280	4.13%	\$23,695,501
1984-85	108,578	39,630,790	2.89%	\$24,430,950
1985-86	110,930	40,489,422	2.17%	\$25,009,522
1986-87	115,672	42,220,298	4.27%	\$26,188,035
1987-88	119,089	43,467,470	2.95%	\$26,995,767
1988-89	118,881	43,391,562	-0.17%	\$30,460,808
1989-90	120,276	43,900,850	1.17%	\$37,974,294
1990-91	117,313	42,819,078	-2.46%	\$38,668,744
1991-92	113,548	41,445,182	-3.21%	\$52,764,409
1992-93	112,241	40,968,012	-1.15%	\$54,603,270
1993-94	112,263	40,975,844	0.02%	\$54,890,757
1994-95	111,547	40,714,520	-0.64%	\$55,036,868
1995-96	112,751	41,266,836	1.36%	\$57,259,004
1996-97	113,334	41,366,860	0.24%	\$57,475,737
1997-98	113,065	41,381,834	0.04%	\$57,602,148
1998-99	114,601	41,943,808	1.36%	\$58,452,829
1999-00	116,026	42,465,336	1.24%	\$59,368,792
2000-01	115,525	42,166,660	-0.70%	\$59,180,029
2001-02	111,493	40,694,792	-3.49%	\$59,518,943
2002-03	106,456	38,856,556	-4.52%	\$79,427,334
2003-04	106,234	38,881,684	0.06%	\$84,419,500
2004-05	106,292	38,796,706	-0.22%	\$84,213,058
2005-06	106,637	38,922,468	0.32%	\$84,746,887
2006-07	108,263	39,516,006	1.45%	\$84,970,839
2007-08	107,420	39,315,596	-0.51%	\$85,416,488
2008-09	104,473	38,132,812	-3.00%	\$97,121,446
2009-10	106,784	38,976,078	2.21%	\$100,568,913
2010-11	110,113	40,191,124	3.12%	\$100,779,715
2011-12	101,253	37,058,745	-7.79%	\$102,638,203
2012-13	101,979	37,222,438	0.44%	\$102,294,057
2013-14	109,667	40,028,374	7.54%	\$106,350,200
2014-15	110,060	40,171,728	0.36%	\$129,187,098
2015-16	112,641	41,113,970	2.29%	\$137,418,500
2016-17	112,831	41,183,206	1.17%	\$143,028,555
Total Since Inception:		2,316,292,668		\$2,714,130,112

Historical Trends in Bridge Traffic and Tolls

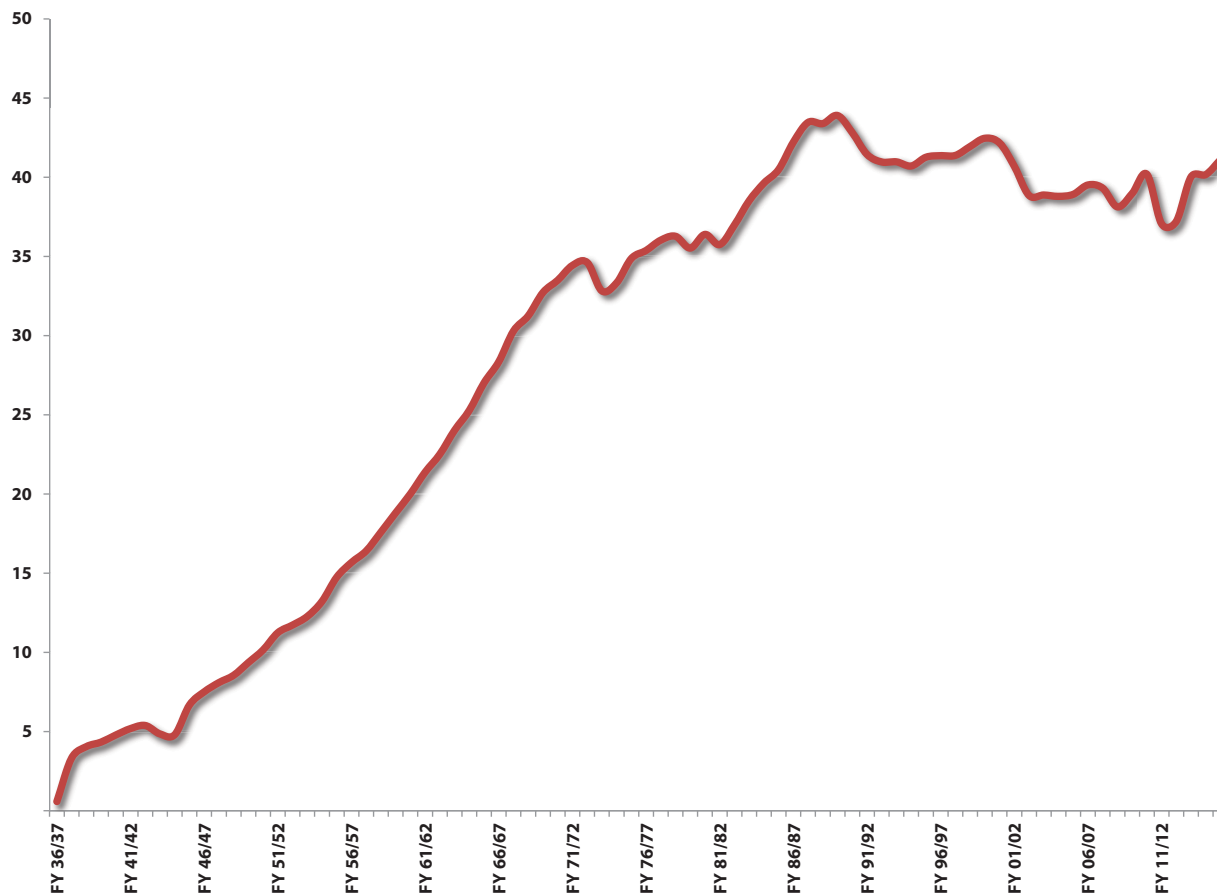
Bridge Tolls Adjusted for Inflation



The above chart applies the Bay Area Region Consumer Price Index to the historical cost of a Golden Gate Bridge toll. All prices shown are in 2016 dollars.

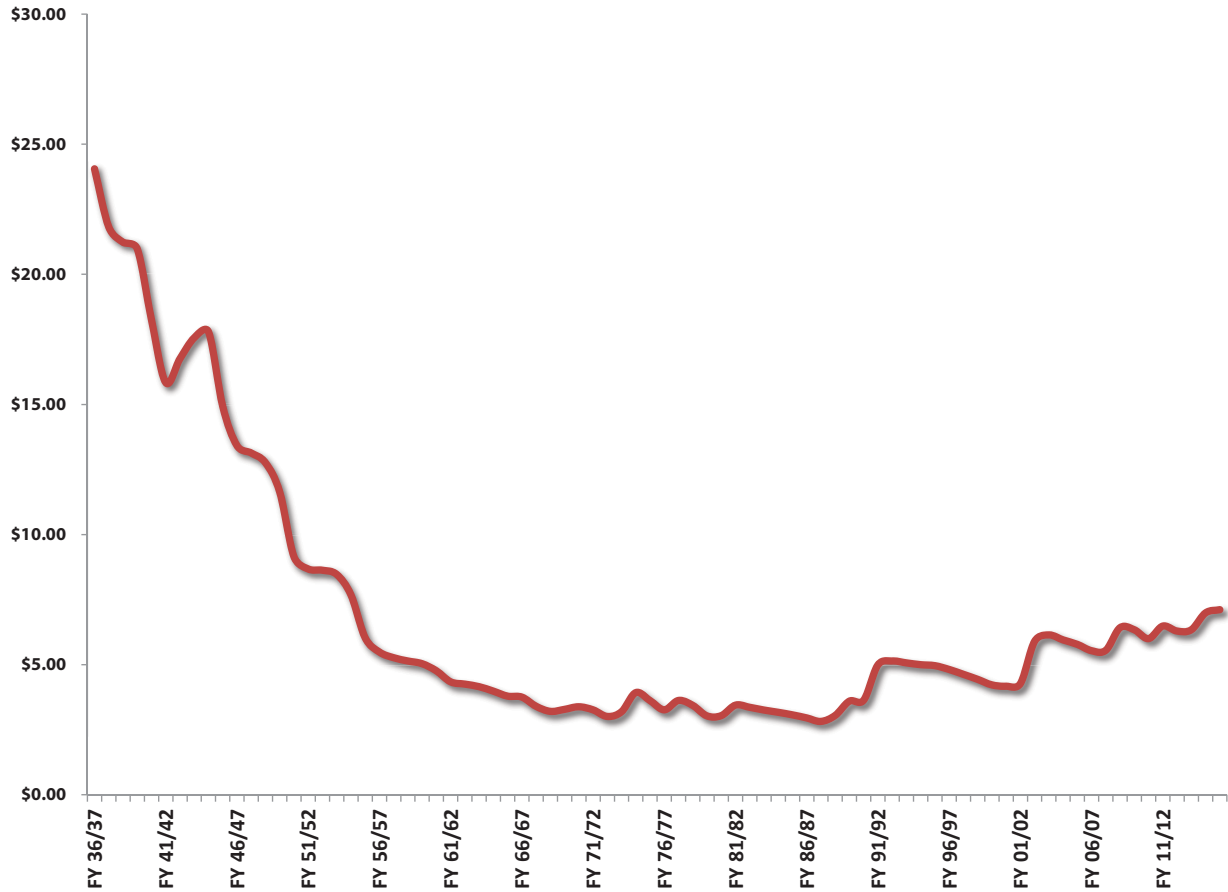
CPI data courtesy of the Bureau of Labor Statistics.

Total Annual Vehicle Crossings (All Numbers In Millions)



The above chart illustrates the total annual vehicle crossings for the Golden Gate Bridge. This total includes all South and North-bound crossings.

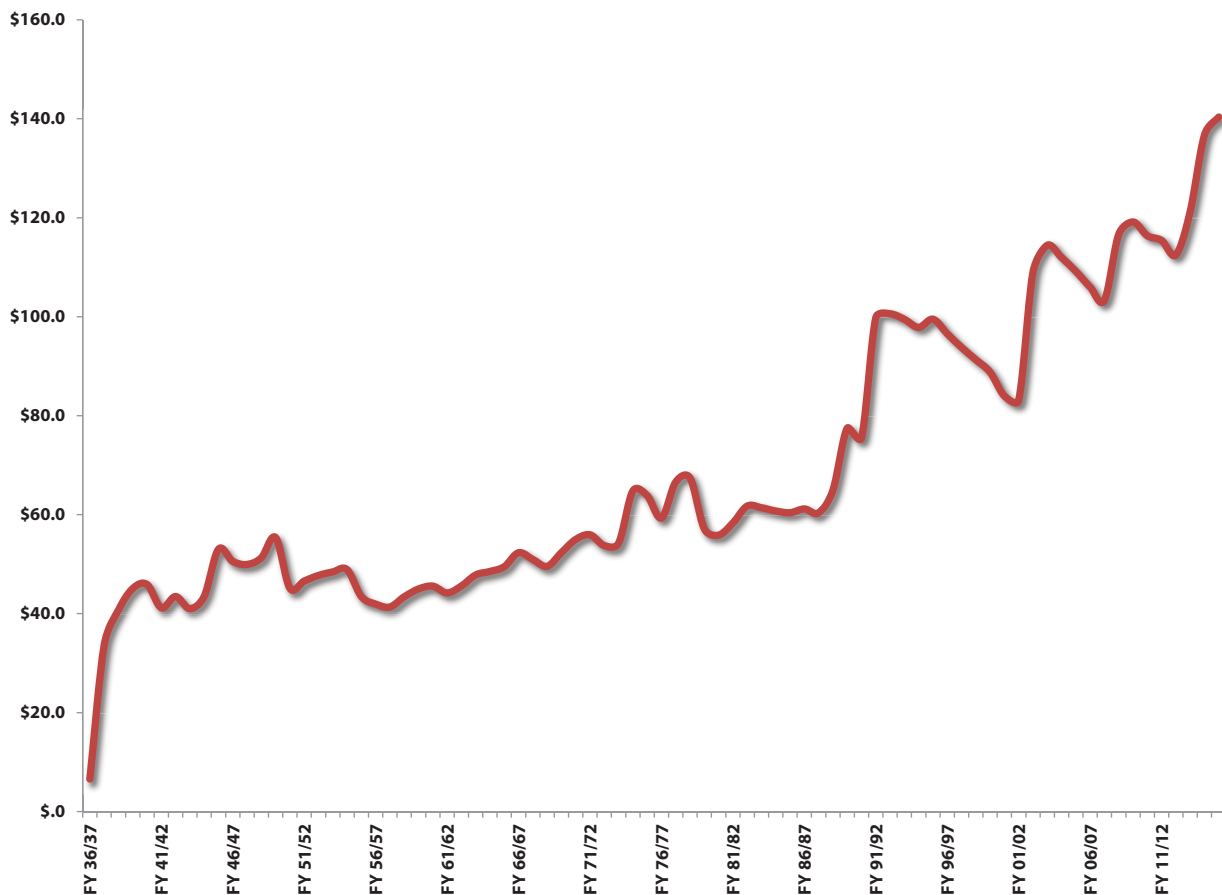
Revenue Per Southbound Vehicle Adjusted for Inflation



Southbound vehicles currently represent 47% of the total traffic on the Bridge. If we apply this percentage to the historical revenue per vehicle data, and then adjust the results for inflation using the Bay Area Region Consumer Price Index, the above chart is the result. All prices shown are in 2016 dollars.

CPI data courtesy of the Bureau of Labor Statistics.

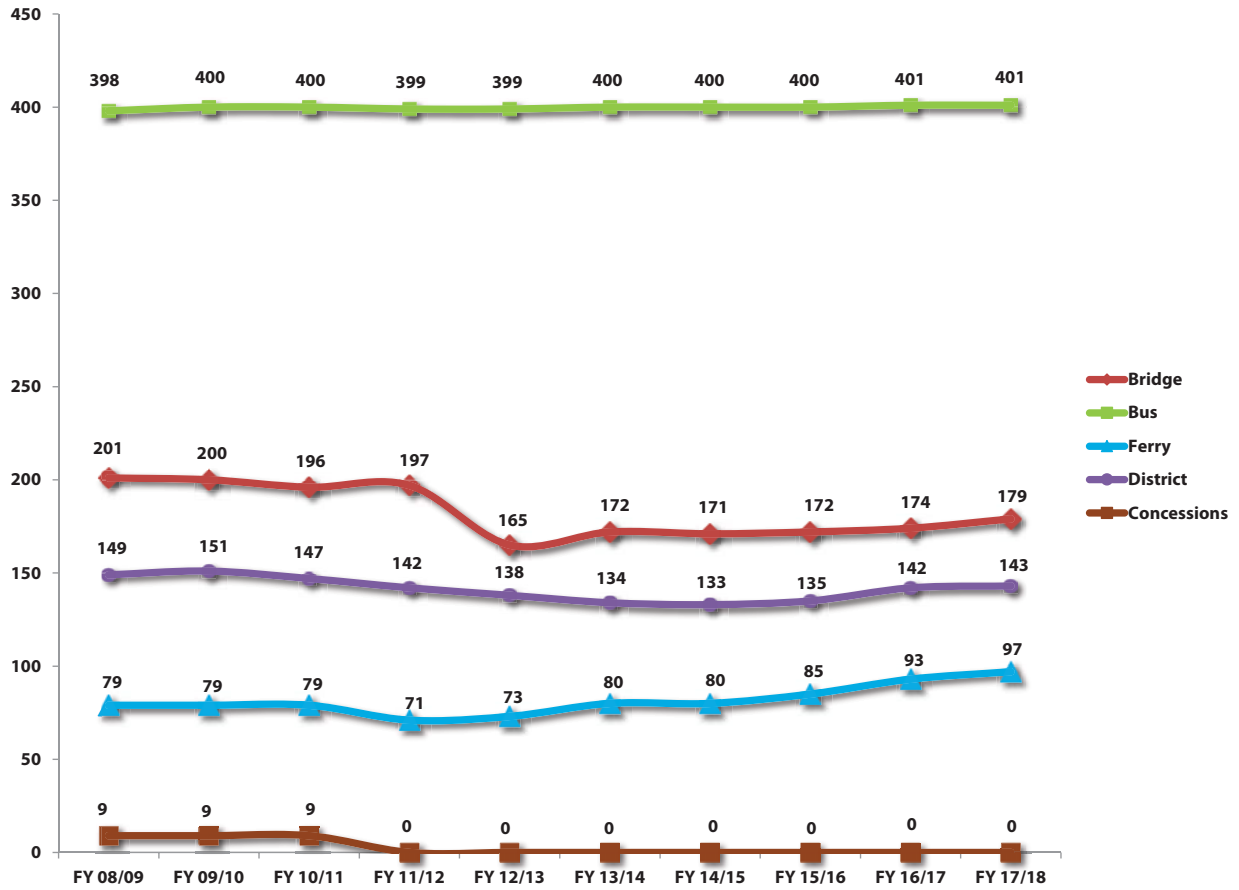
Annual Revenue Adjusted for Inflation (All Numbers in Millions)



The above chart applies the Bay Area Region Consumer Price Index to the historical annual toll revenue for the Golden Gate Bridge. All prices shown are in 2016 dollars.

CPI data courtesy of the Bureau of Labor Statistics.

Table of Organization by Division



The above chart depicts all changes to the Table of Organization by Division over the last ten years.

Golden Gate Bridge Tolls History

Date	Adjustment to Tolls
May 28, 1937	\$0.50 per Auto, plus \$0.05 per occupant over 5 in same Auto. 30 Trip Commute Book for \$11.00 for Autos not exceeding 5 occupants.
December 23, 1937	\$0.30 per Auto, plus \$0.05 per occupant over 5.
January 3, 1938	\$0.50 per Auto, plus \$0.05 per occupant over 5 in same Auto.
May 4, 1938	40 Trip - 60 Day Commute Book for \$8.00, plus \$0.05 per passenger over 5. 20 Trip - 60 Day Commute Book for \$7.00, plus \$0.05 per passenger over 5.
April 15, 1941	Elimination of \$0.05 passenger charge on 40-Trip Commute Book.
September 30, 1942	Increase extra passenger toll from \$0.05 to \$0.10 on cash auto tolls and reduces number of occupants riding without charge from 5 to 3.
March 14, 1946	Reduces extra passenger charge in all vehicles from \$0.10 to \$0.05.
November 1, 1946	Eliminates charge for extra passenger in all cash vehicles.
January 1, 1948	20 Trip - 60 Day Commute book for \$7.00, good for driver and all passengers.
July 1, 1950	Auto toll reduced to \$0.40. Truck toll based on axles instead of weight. (\$0.50 per axle, not counting front axle.)
December 1, 1950	Eliminate extra passenger charge on \$8.00 - 40 trip commute book.
June 30, 1953	20 Trip commute book for \$6.00.
January 31, 1955	Reduce Auto toll from \$0.40 to \$0.30.
September 30, 1955	Reduce Auto toll from \$0.30 to \$0.25. Reduce 40 Trip commute book to \$7.00.
July 1, 1959	52 Trip Discount book for \$9.00 (\$0.173 per trip).
September 1, 1960	52 Trip Discount book for \$8.00 (\$0.154 per trip).
July 1, 1961	50 Trip Discount book for \$6.50 (\$0.130 per trip).
July 1, 1965	\$1.00 bus toll changed to \$0.25 cash / \$0.13 on charge account.
October 18, 1968	One-Way Toll established (\$0.50 southbound, free northbound).
November 1, 1969	25 Trip Discount book for \$6.50 (\$0.26 per trip).
December 1, 1969	26 Trip Discount book for \$10.00 (\$0.40 per trip).
January 1, 1970	Commute bus toll \$0.10, all buses \$2.00 per trip.
December 25, 1971	Discontinued Discount Books. Started Convenience Book sales at \$10.00 for 20 trips (\$0.50 per trip).
January 1, 1972	District (Golden Gate Transit) took over Greyhound commute runs.
March 1, 1974	Bridge Auto Toll increased to \$0.75 southbound. 20 Trip Convenience Book for \$15.00 (.75 per trip).
April 16, 1976	Car Pools (3 or more people in auto) free from 6 am to 10 am on weekdays.
October 10, 1977	Van Pools start.
November 1, 1977	Bridge Auto Toll increased to \$1.00 southbound. Auto and Trailer toll \$1.50. 20 Trip Convenience Book for \$20.00 (\$1.00 per trip) and 20 ticket Truck Convenience Book for \$30.00 (1.50 per ticket)
July 1, 1978	Started Handicap Discount Book at \$10.00 for 20 trips (\$0.50 per trip).
November 17, 1978	Additional Car Pool hours from 4 pm to 6 pm, weekdays, no toll for 3 or more people in auto.
September 14, 1979	Changed morning Car Pool hours, 6 am to 9 am. Added motorcycles.
March 1, 1981	Auto Toll increased to \$1.25.
July 20, 1981	Auto Toll decreased back to \$1.00.

Date	Adjustment to Tolls
August 21, 1981	Start \$2.00 toll Fridays and Saturdays (4 am Friday to 4 am Sunday). \$1.00 toll Sunday through Thursdays.
August 29, 1981	Change \$2.00 toll hours to 12:01 am Friday to 12 midnight Saturday.
December 1, 1981	Start Saturday Only Discount Book - \$25.00 for 20 trips (\$1.25 per trip).
April 1, 1982	Auto and Trailer toll raised to \$3.00 on Friday and Saturdays only.
July 1, 1982	All buses free during Car Pool hours, \$2.00 all other times.
January 1, 1989	Auto Toll increased to \$2.00 every day. \$20.00 for 16 trip commute book (\$1.25 per trip). Auto and Trailer toll \$3.00 every day. Two axle Truck toll increased to \$2.00.
June 11, 1989	12 Trip Discount Book for \$20.00 (\$1.67 per trip).
July 1, 1991	Toll increased to \$3.00 for Autos and 2-axle Trucks. Other truck tolls increased to \$1.50 per axle. \$20.00 commute book with 8 tickets at \$2.22 each; \$40 book with 18 tickets at \$2.22 each. Disabled Toll increased to \$1.50 (1/2 of current Toll for 2 axle Autos) Discount Book for Disabled @ \$30.00 for 20 trips (\$1.50 per trip).
July 1, 1992	Discount on commute books lowered. \$20.00 book with 8 tickets at \$2.50 each; \$40.00 book with 16 tickets at \$2.50 each.
July 1, 1995	Discount on commute books lowered. \$20.00 book with 6 tickets at \$2.67 each; \$40.00 book with 15 tickets at \$2.67 each.
July 1, 2000	Introduction of FasTrak®, electronic toll collection system. FasTrak® discounted toll \$2.67.
September 15, 2000	Last day of sale for auto discount commute books.
November 15, 2000	Last day of acceptance of auto discount tickets at the toll plaza.
July 1, 2001	Elimination of \$2.67 discounted toll for FasTrak®. Toll for all 2-axle vehicles is \$3.00.
September 1, 2002	Toll Increased to \$5.00 for Autos and 2-axle Trucks. Other truck tolls increased to \$2.50 per axle. FasTrak® tolls discounted @ \$4.00 for Autos and 2-axle Trucks ONLY.
September 2, 2008	Toll increased to \$6.00 for Autos and 2 axle-Trucks. Other truck (cash) tolls increased to \$3.00 per axle. FasTrak® tolls discounted @ \$5.00 for Autos and 2-axle Trucks ONLY. Other truck tolls remain @ \$2.50 per axle. Tolls for Persons with Disabilities (PWD) increased to \$3.00.
July 1, 2010	Car Pool and Clean Air Vehicles Toll commenced at \$3.00 for motorcycles, 2 ax vehicles with 3 or more persons, buses. FasTrak® required to receive discounted toll (07/01-07/16 cash was accepted during "grace period".
July 1, 2011	The GGB toll rates for vehicles with more than 2-axes increased in accordance with the program adopted by the Board of Directors to increase multi-axle toll rates incrementally with the first increase on July 1, 2011, and a second increase on July 1, 2012.
July 1, 2012	The second increase on GGB toll rates for vehicles with more than 2-axes, as adopted by the Board of Directors, went into effect on July 1, 2012.
March 27, 2013	All Electronic Tolling commences. Cash no longer accepted, no longer Bridge Officers in Toll Lanes.

Date	Adjustment to Tolls
April 7, 2014	Toll increased to \$7.00 for two-axle vehicles, \$6.00 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.00 per axle, \$6.00 per axle with FasTrak® discount.
July 1, 2015	Toll increased to \$7.25 for two-axle vehicles, \$6.25 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.25 per axle, \$6.25 per axle with FasTrak® discount.
July 1, 2016	Toll increased to \$7.50 for two-axle vehicles, \$6.50 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.50 per axle, \$6.50 per axle with FasTrak® discount.
July 1, 2017	Toll increased to \$7.75 for two-axle vehicles, \$6.75 with FasTrak® discount. Tolls for vehicles with 3+ axles increased to \$7.75 per axle, \$6.75 per axle with FasTrak® discount.

Demographic and Economic Information - 10 Years

Marin County ¹					
	Population	Personal Income (In Thousands)	Per Capita Personal Income	Median Age	Average Unemployment Rate
2007	246,100	22,574,434	91,729	44.2	3.7%
2008	248,345	23,161,297	93,263	44.7	4.7%
2009	250,750	22,351,575	89,139	44.4	8.1%
2010	252,789	20,854,466	82,498	44.0	8.2%
2011	255,031	21,871,623	85,761	44.3	8.1%
2012	256,069	23,918,732	93,407	44.6	7.0%
2013	258,365	25,093,401	97,124	44.8	5.4%
2014	260,750	25,716,754	98,626	45.1	4.2%
2015	261,221	N/A	N/A	N/A	3.4%
2016	N/A	N/A	N/A	N/A	3.5%

City/County of San Francisco ²					
	Population	Personal Income (In Thousands)	Per Capita Personal Income	Median Age	Average Unemployment Rate
2007	799,185	56,306,703	70,455	39.4	4.1%
2008	808,001	58,199,006	72,028	40.0	4.6%
2009	815,358	56,037,063	68,727	40.4	7.4%
2010	805,235	56,665,228	70,371	38.5	9.7%
2011	812,826	58,619,926	72,119	37.3	9.2%
2012	825,863	60,059,972	72,724	38.5	8.1%
2013	841,138	63,777,061	75,822	37.9	6.5%
2014	852,469	63,775,311	74,812	37.4	5.2%
2015	864,421	65,635,719	75,930	37.4	3.9%
2016	N/A	N/A	N/A	N/A	3.6%

Sonoma County ³					
	Population	Personal Income (In Thousands)	Per Capita Personal Income	Median Age	Average Unemployment Rate
2007	481,765	23,642,001	49,074	39.8	4.3%
2008	484,470	23,663,256	48,844	39.3	5.5%
2009	486,630	22,787,716	46,828	39.4	10.1%
2010	493,285	21,701,296	43,993	39.5	10.6%
2011	487,125	21,142,471	43,403	39.7	10.1%
2012	487,011	21,417,425	43,977	39.8	9.0%
2013	490,423	22,126,957	45,118	40.2	7.1%
2014	490,486	23,548,182	48,010	40.5	5.7%
2015	502,146	24,606,709	49,585	N/A	4.3%
2016	N/A	N/A	N/A	N/A	4.2%

1. County of Marin June 30, 2015, CAFR, with additional information as follows:
 - a) Population for 2015 provided by U.S. Census Bureau, American Community Survey.
 - b) Median age for all years provided by U.S. Census Bureau, American Community Survey.
 - c) Average unemployment rate for 2016 provided by California Employment Development Department.
2. City and County of San Francisco June 30, 2015, CAFR:
 - a) Average unemployment rate for 2016 provided by California Employment Development Department.
3. County of Sonoma June 30, 2015, CAFR, with additional information as follows:
 - a) Population for 2015 provided by U.S. Census Bureau, American Community Survey.
 - b) Median age for all years provided by U.S. Census Bureau, American Community Survey.
 - c) Average unemployment rate for 2016 provided by California Employment Development Department.

Principal Employers, Current and Previous Period Comparison

Marin County							
Principal Employers ¹	Type of Entity	Employees in 2014	Rank	% of Total County Employment	Employees in 2005	Rank	% of Total County Employment
County of Marin	Government	2,125	1	1.55%	2,036	1	1.64%
San Quentin State Prison	Government	1,705	2	1.24%	1,638	3	1.32%
Kaiser Permanente Med. Ctr.	Hospital	1,575	3	1.15%	1,295	4	1.05%
Marin General Hospital	Hospital	1,378	4	1.01%	876	6	0.71%
BioMarin Pharmaceutical	Medical	850	5	0.62%	-	-	-
Novato Unified School District	School	834	6	0.61%	825	8	0.67%
Autodesk, Inc.	Technology	763	7	0.56%	840	7	0.68%
Fireman's Fund Insurance Co	Insurance	721	8	0.53%	1,793	2	1.45%
San Rafael City Schools	School	610	9	0.45%	-	-	-
Dominican University	School	422	10	0.31%	-	-	-
Lucasfilm, Ltd	Movie Production	-	-	-	1,209	5	0.98%
Golden Gate Transit	Government	-	-	-	593	9	0.48%
Safeway, Inc.	Grocery	-	-	-	579	10	0.47%
Total		10,983		8.03%	11,684		9.45%

City/County of San Francisco (SF)							
Principal Employers ²	Type of Entity	Employees in 2013	Rank	% of Total County Employment	Employees in 2004	Rank	% of Total County Employment
City & County of SF	Government	26,207	1	5.15%	28,220	1	5.36%
University of Calif, SF	School	20,600	2	4.04%	19,138	2	3.63%
SF Unified School District	School	8,497	3	1.67%	7,241	4	1.37%
Wells Fargo & Co	Banking	8,300	4	1.63%	7,581	3	1.44%
California Pacific Med. Ctr.	Hospital	5,837	5	1.15%	5,000	7	0.95%
Salesforce	Software	5,000	6	0.98%	-	-	-
Gap, Inc.	Retail	4,438	7	0.87%	4,180	9	0.79%
PG&E Corporation	Utility	4,297	8	0.84%	4,629	8	0.88%
State of California	Government	4,078	9	0.80%	6,115	5	-
Kaiser Permanente Med. Ctr.	Hospital	3,500	10	0.69%	3,860	10	0.73%
United States Postal Service	Government	-	-	-	5,234	6	0.99%
Total		90,754		17.82%	91,198		16.14%

Note: In some instances, information for current year and nine years ago is not available; information for periods that are available are provided as an alternative.

1. Data Source: County of Marin, June 30, 2015, CAFR.
2. Data Source: City and County of San Francisco, June 30, 2015, CAFR.

Sonoma County							
Principal Employers ³	Type of Entity	Employees in 2014	Rank	% of Total County Employment	Employees in 2005	Rank	% of Total County Employment
County of Sonoma	Government	3,949	1	1.53%	4,045	1	1.62%
Santa Rosa Junior College	School	3,552	2	1.38%	-	-	-
Kaiser Permanente Med. Ctr.	Hospital	2,640	3	1.03%	2,400	4	0.96%
Graton Resort and Casino	Casino	2,000	4	0.78%	-	-	-
St. Joseph Health System	Medical	1,578	5	0.61%	2,800	3	1.12%
Keysight Technologies	Technology	1,300	6	0.51%	-	-	-
City of Santa Rosa	Government	1,250	7	0.49%	1,299	10	0.52%
Sonoma State University	School	1,033	8	0.40%	1,531	8	0.61%
Sutter Santa Rosa Regional Hospital	Hospital	936	9	0.36%	-	-	-
Amy's Kitchen	Retail	870	10	0.34%	-	-	-
State of California	Government	-	-	-	3,387	2	1.36%
United States Government	Government	-	-	-	1,929	5	0.77%
Agilent Technologies	Technology	-	-	-	1,850	6	0.74%
Safeway, Inc.	Grocery	-	-	-	1,550	7	0.62%
Santa Rosa School District	School	-	-	-	1,525	9	0.61%
Total		19,108		7.43%	22,316		8.93%

Note: In some instances, information for current year and nine years ago is not available; information for periods that are available are provided as an alternative.

3. Data Source: County of Sonoma, June 30, 2015, CAFR.

APPENDIX J – SERVICE AREA MAP

