



March 20, 2020

BOARD OF DIRECTORS MEETING
FRIDAY, MARCH 27, 2020

(5) CONSENT CALENDAR:

(A) Approve the Minutes of the following Meetings:

- (1) Building and Operating Committee of February 27, 2020
- (2) Finance-Auditing Committee of February 27, 2020;
- (3) Rules, Policy and Industrial Relations Committee of February 28, 2020; and,
- (4) Board of Directors of February 28, 2020.

Motion

(B) Ratification of Previous Actions by the Auditor-Controller:

- (1) Ratify Commitments and/or Expenditures
- (2) Ratify Previous Investments
- (3) Authorize Investments
- (4) Accept Investment Report, February 2020

Resolution

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February 27, 2020



**MINUTES OF THE BUILDING AND OPERATING COMMITTEE/
COMMITTEE OF THE WHOLE**

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

Honorable Members:

A meeting of the Building and Operating Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) was held in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Thursday, February 27, 2020, at 9:00 a.m., Chair Theriault presiding.

- (1) **Call to Order:** 9:00 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong.

Committee Members Present (7): Chair Theriault; Vice Chair Moylan; Directors Cochran, Fredericks, Garbarino and Rabbitt; President Pahre.

Committee Members Absent (1): Director Belforte.

Other Directors Present (5): Directors Grosboll, Hernández, Hill, Mastin and Sobel.

Committee of the Whole Members Present (12): Directors Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

Committee of the Whole Members Absent (5): Directors Arnold, Belforte, Fewer, Sears, and Yee.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Joseph Wire; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Steve Miller; Deputy General Manager/Bus Transit Division Mona Babauta; Deputy General Manager/Ferry Division James Swindler; Senior Board Analyst Elizabeth Eells.

Visitors Present: None

- (3) **Authorize Execution of Professional Services Agreement No. 2019-B-056, Golden Gate Bridge Strong Motion Instrumentation Program, with the State of California, Division of Mines and Geology, with a Revised Amount**

**BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 27, 2020/PAGE 2**

(a) Staff Report

In a memorandum to the Committee, Deputy District Engineer John Eberle, District Engineer Ewa Bauer-Furbush and General Manager Denis Mulligan reported on staff's recommendation to authorize execution of Professional Services Agreement (PSA) No. 2019-B-056, *Golden Gate Bridge Strong Motion Instrumentation Program*, with the State of California, Division of Mines and Geology, with a revised not to exceed total amount of \$391,872. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation of Staff Report

At the meeting, Mr. Eberle reviewed the staff report. He spoke about the background of the item, and reviewed the reasons why an amendment is required.

[President Pahre arrived.]

(c) Action by the Committee

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

RECOMMENDATION

The Building and Operating Committee/Committee of the Whole recommends that the Board of Directors authorize execution of Professional Services Agreement (PSA) No. 2019-B-056, *Golden Gate Bridge Strong Motion Instrumentation Program*, with the State of California, Division of Mines and Geology, with a revised not to exceed total amount of \$391,872 as presented in the staff report; with the understanding that sufficient funds are budgeted in the FY 19/20 Bridge Division Operating Budget to finance this PSA cost.

Action by the Board at its meeting of February 28, 2020 – Resolution

AYES (11): Directors Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt and Sobel; Second Vice President Cochran; First Vice President Theriault,

NOES (0): None.

ABSENT (6): Directors Arnold, Belforte, Fewer, Sears, and Yee; President Pahre.

(4) Authorize Execution of Amendment No. 1 to Contract No. 2018-FT-058, Engineering and Detailed Design Services for the Refurbishment of the M.S. Sonoma Ferry, with BMT Designers & Planners

(a) Staff Report

In a memorandum to the Committee, Director of Engineering and Maintenance/Ferry Division Damon Brewer, Deputy General Manager/Ferry Division James Swindler and General Manager Denis Mulligan reported on staff's recommendation to authorize the General

**BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 27, 2020/PAGE 3**

Manager to execute Amendment No. 1 to Contract No. 2018-FT-058, *Engineering and Detailed Design Services for the Refurbishment of the M.S. Sonoma Ferry*, with BMT Designers & Planners, Alexandria, VA, (BMT), for the ADA bathroom modifications and the development of *M.S. Sonoma* as-built drawings once refurbishment of the vessel is complete and ADA-compliant restroom design. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation of Staff Report

At the meeting, Mr. Swindler reviewed the staff report. He explained why the amendment is required. He described the ADA restroom design change, and outlined the value of "as-built" drawings.

(c) Discussion by the Committee

Chair Theriault asked if as-built drawings are usually included in a project. Mr. Swindler responded that obtaining as-built drawings is a standard practice, but staff does not necessarily know what the drawings will cost in advance.

Director Garbarino commented that she would like to contribute to the celebration of the return of the *M.S. Sonoma* ferry if one occurs. Mr. Swindler commented that this year is the 50th anniversary of the Ferry Division.

(d) Action by the Committee

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

RECOMMENDATION

The Building and Operating Committee/Committee of the Whole recommends that the Board of Directors authorize the General Manager to execute Amendment No. 1 to Contract No. 2018-FT-058, *Engineering and Detailed Design Services for the Refurbishment of the M.S. Sonoma Ferry*, with BMT Designers & Planners, Alexandria, VA, in an amount not to exceed \$200,126, for the ADA bathroom modifications and the development of as-built drawings once refurbishment of the vessel is complete and ADA-compliant restroom design; with the understanding that sufficient funds are available in the FY 19/20 Ferry Division Capital Budget to finance this Amendment.

Action by the Board at its meeting of February 28, 2020 - Resolution

AYES (12): Directors Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (5): Directors Arnold, Belforte, Fewer, Sears, and Yee.

(5) Status Report from Board Appointee(s) on Sonoma-Marin Area Rail Transit Board

**BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 27, 2020/PAGE 4**

The Committee received a verbal update on matters relating to the Sonoma-Marín Area Rail Transit (SMART). The verbal update is provided for informational purposes only and no action is required. A copy of the written report is available on the District's web site or upon request from the Office of the District Secretary.

President Pahre commented that the SMART Board and staff are optimistic about SMART's sales tax extension ballot initiative passing. She reviewed the SMART ridership numbers and noted ridership has continued to increase since its inception. She said the Larkspur connection has been very positive for ridership.

Director Fredericks commented that General Manager Farhad Mansourian gave a report to the Transportation Authority of Marin. She noted Mr. Mansourian said that when BART was two and a half years old, they only had 4% of their projected ridership.

Director Garbarino said the SMART messaging has been very good. She noted the environmental benefits of the train. She added SMART's ballot initiative is an extension of an existing one quarter cents tax.

Director Rabbitt added that on Monday night, Petaluma City Council approved two new housing developments adjacent to the train station. He said he had spoken to a reporter yesterday and projected SMART's ballot initiative will likely pass by a slim margin.

(6) Status Report on Engineering Projects

In a memorandum to the Committee, Deputy District Engineer John Eberle, District Engineer Ewa Bauer-Furbush, and General Manager Denis Mulligan reported on current engineering projects. The report is provided for informational purposes only and no action is required. A copy of the report is available on the District's web site or upon request from the Office of the District Secretary.

(7) Public Comment

There were no Public Comments.

(8) Adjournment

All business having been concluded, **Directors FREDERICKS/COCHRAN** moved and seconded that the meeting be adjourned at 9:14 a.m.

AYES (12): Directors Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (5): Directors Arnold, Belforte, Fewer, Sears, and Yee.

Respectfully submitted,

Michael Theriault, Chair
Building and Operating Committee

February 27, 2020



**MINUTES OF THE FINANCE-AUDITING COMMITTEE/
COMMITTEE OF THE WHOLE**

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

Honorable Members:

A meeting of the Finance-Auditing Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) was held in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Thursday, February 27, 2020, at 9:19 a.m., Chair Sobel presiding.

- (1) **Call to Order:** 9:19 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong.

Committee Members Present (6): Chair Sobel; Vice Chair Fredericks; Directors Cochran, Grosboll and Moylan; President Pahre.

Committee Members Absent (1): Director Yee.

Other Directors Present (6): Directors Garbarino, Hernández, Hill, Mastin, Rabbitt and Theriault.

Committee of the Whole Members Present (12): Directors Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt, and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

Committee of the Whole Members Absent (5): Directors Arnold, Belforte, Fewer, Sears and Yee.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Joseph Wire; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Administration and Development Kellee Hopper; Deputy General Manager/Bridge Steve Miller; Deputy General Manager/Bus Transit Mona Babauta; Deputy General Manager/Ferry James Swindler; Capital and Grants Programs Director Amy Frye; Senior Board Analyst Elizabeth Eells

Visitors Present: Lesley Murphy, PFM Asset Management, LLC.

(3) Ratification of Previous Actions by the Auditor-Controller

(a) Staff Report

In a memorandum to the Committee, Auditor-Controller Joseph Wire and General Manager Denis Mulligan reported on the commitments, disbursements and investments made on behalf of the District. The report included a copy of the District's "Investment Report" for January 2020 from PFM Asset Management, LLC (PFM). A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

At the meeting, PFM Senior Managing Consultant Lesley Murphy summarized the Investment Report. She noted U.S. Treasury yields fell in the first quarter with a more pronounced decline due to investor fears about the coronavirus. She said the yield curve has inverted and investors are anticipating the Federal Reserve may cut rates two to three times this year. She said the coronavirus death rate has increased, and investors' concern about the coronavirus has affected the financial markets. She also said that China's Gross Domestic Product is anticipated to be the one most affected by the coronavirus. She noted that some tourism in the Bay Area is likely to be affected by fewer flights from mainland China. She reviewed the employment data shown in a new Cornell-CPA US Private Sector Job Quality Index, and noted there are more lower quality jobs added to the economy since 1990. She said most of the decline has been attributed to the loss of high paying manufacturing jobs.

Ms. Murphy confirmed the District's portfolio is in compliance with Board policy and the law, and is well-diversified. She said that PFM puts a priority on maintaining the safety and credit worthiness of the District's portfolio.

(b) Discussion by the Committee

Director Hill asked if the Cornell-CPA US Private Sector Job Quality Index (Index) includes gig workers, which are predominately lower paid. Ms. Murphy responded that she does not believe the Index includes gig workers and noted the picture could be worse than presented by the Index.

Chair Sobel asked if the financial markets are over reacting to the coronavirus. Ms. Murphy responded that the market may have over reacted and may correct over time.

(c) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve the following actions:

FINANCE-AUDITING COMMITTEE
FEBRUARY 27, 2020/PAGE 3

- (i) Ratify commitments and/or expenditures totaling \$19,581.00 during the period of January 1, 2020 through January 31, 2020
- (ii) Ratify investments made during the period January 14, 2020, through February 18, 2020;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between February 18, 2020, and March 17, 2020, as well as the investment of all other funds not required to cover expenditures, which may become available; and,
- (iv) Accept the Investment Report for January 2020.

Action by the Board at its meeting of February 27, 2020 – Resolution
CONSENT CALENDAR

AYES (12): Directors Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt, and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (5): Directors Arnold, Belforte, Fewer, Sears and Yee.

[Director Garbarino departed.]

(4) Authorize Budget Adjustment(s) and/or Transfer(s)

No actions required authorization.

(5) Authorize Actions Related to Grant Programs

(a) Approve Actions Relative to the Low Carbon Transit Operations Program (LCTOP)

(i) Staff Report

In a memorandum to the Committee, Capital and Grants Programs Director Amy Frye, Capital and Grant Programs Analyst Clifford Duong, Auditor-Controller Joseph Wire and General Manager Denis Mulligan reported on staff's recommendation to approve actions necessary to secure FY 19/20 LCTOP grant funds to support transit capital and operating projects. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(ii) Presentation by Staff

At the meeting, Ms. Frye reviewed the staff report. She introduced Capital and Grant Programs Analyst Clifford Duong, and commended him for his efficiency in preparing the report. She reviewed the LCTOP grant funds some of the LCTOP requirements, and noted the funds have fallen below what was projected.

(iii) Discussion by Committee

Director Mastin asked if LCTOP has any requirements for spending the grant and completing the project. Ms. Frye said there is no sunset date for LCTOP funds. However, staff does report on the District's progress with projects.

Director Grosboll asked if the District is doing everything it can to reduce greenhouse gas emissions. Mr. Mulligan responded that staff will be coming back to the Board in the coming months with a report about the District's vision for achieving zero emissions for the bus and ferry fleets. He noted the staff report will include information about vehicle and facility emissions and possible reductions. He said staff is considering the possibility of recommending converting a ferry to an all-electric ferry. He said the vessel would have Tier 4 engines. He said that in other parts of the world, vessels have been fitted with a large battery that is two stories high and have been very efficient. He noted the District may also experiment with renewable fuels.

President Pahre commented about an electric vessel called Adventure Cat operates from the Napa marina.

Director Hill commented that Washington State Ferries and Norway have battery-powered ferries.

Director Rabbitt noted that the Red and White Fleet has a hydrogen fuel cell vessel. Mr. Mulligan said the vessel has electric engines and uses a hydrogen fuel cell. He said the District partners with Alameda/Contra Costa (AC) Transit to operate a hydrogen fuel cell vehicle, and noted there are some challenges with keeping the hydrogen cold. He said the hydrogen fuel cells require a giant thermos, in which the hydrogen is kept at a very low temperature. He also said the District is working with a consultant from the Pacific Northwest to monitor various projects and technologies, and to make recommendations. He emphasized that using various types of energy sources requires maintenance. He highlighted that many people make transportation choices based on speed. In the near future, the District may retrofit one its Spaulding ferries to utilize another fuel sources because the vessel would be able to maintain a speed that is competitive with its current speed. He noted that there would be infrastructure required such as thermos containers and large substations for any vehicle fuel changes. He noted that Deputy General Manager/Bus Transit Division Mona Babauta and Deputy General Manager/Ferry Division James Swindler are keeping abreast of industry and fuel developments.

Director Rabbitt said that the County of Sonoma (County) has a hydrogen fuel cell powered vehicle and there are challenges with using it. He said the County has replaced the battery three times. Mr. Mulligan noted one issue with being an early adopter of technology is the frequent changes and updates needed to refine the technology.

(iv) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve the following actions necessary to secure FY 19/20 Low Carbon Transit Operations Program (LCTOP) grant funds to support transit capital and operating projects for the Golden Gate Bridge, Highway and Transportation District (District):

- 1) Approve submission of one LCTOP grant application in FY 19/20 for the new vessel acquisition project;
- 2) Certify that the District will comply with all conditions and requirements set forth in the LCTOP certification and assurances, authorized agent documents, applicable statutes, regulations, and guidelines for all LCTOP-funded transit projects; and,
- 3) Authorize the General Manager, or his designee, to execute for and on behalf of the District any documents necessary to apply for and receive LCTOP funding, including certifications and assurances, authorized agent forms, and agreements relative to the FY 19/20 LCTOP program.

Action by the Board at its meeting of February 28, 2020 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Fredericks, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt, and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (6): Directors Arnold, Belforte, Fewer, Garbarino, Sears and Yee.

(6) Renew Annual Delegation of Investment Management Authority to the Auditor-Controller as Per Rule XI, Investment Policy, of the Rules of the Board

(a) Staff Report

In a memorandum to the Committee, Director of Fiscal Resources Alice Ng, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan reported on staff's recommendation to approve renewal of the annual delegation of investment management authority to the Auditor-Controller for FY 20/21 as Per Rule XI, **INVESTMENT POLICY**, of the *Rules of the Board*, and as provided for in California Government Code §53607. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation by Staff

At the meeting, Mr. Wire summarized the staff report. He stated that changes in California Code Section §53607 can lead to changes in the District's Investment Policy. He pointed out the two relatively minor changes in the District's Investment Policy.

(c) Discussion by the Committee

Chair Sobel reminded the Committee about the Board's Resolution Declaring a Climate Emergency, and how the climate action initiatives affect the District's policies.

Director Hill commented that he would like to encourage the Committee to look at the District's Investment Policy, and guidelines related to fossil fuels, renewables and sustainability.

Chair Sobel commented the Committee could consider climate change goals in relationship to its investment policy. Mr. Wire said it is appropriate for the Committee to consider its climate change goals in relationship to its Investment Policy given that the Investment Policy is being reviewed by the Committee. He noted staff has been considering the District's climate change goals in relationship to its Investment Policy. He noted that many organizations are considering it too. He also noted it can be challenging to define a policy that can be easily applied by the investment team. He said staff could look at the Committee goals, consider the matter and report back to the Committee.

Director Grosboll commented that the District has Asset Backed Securities investments in automobile companies. He noted the District could have an investment policy that incorporates climate change concepts. He added that staff and its Portfolio Manager would have to consider the climate change goals and products provided by each company.

Chair Sobel said he thought today's direction is to look at the Committee's goals to incorporate climate change considerations in the District's investments, consider the matter, and report back to the Committee.

(d) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors renew the annual delegation of investment management authority to the Auditor-Controller for FY 20/21 as per RULE XI, **INVESTMENT POLICY**, **Section E, Delegation of Authority**, of the *Rules of the Board*, and as provided for in California Government Code Section 53607.

Action by the Board at its meeting of February 27, 2020 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Fredericks, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt, and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (6): Directors Arnold, Belforte, Fewer, Garbarino, Sears and Yee.

(7) Approve Renewal of the Marine Insurance Program

(a) Staff Report

In a memorandum to the Committee, Risk Management and Safety Director Kelli Vitale, Deputy General Manager/Administration and Development Kellee Hopper, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan reported on staff's recommendation to approve renewal of the District's Marine Insurance Program. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation by Staff

At the meeting, Mr. Wire reviewed the staff report. He noted that the Marine Insurance Program has been well priced in the past. However, the market has changed. Some companies left the business. He noted this exodus has created a gap, which reduces supply and increases the prices. He said the District will continue to watch the prices and seek value. He also said the District has been investigating the Property and Liability insurance market. He noted there are some pressures there, but staff does not expect as significant of an increase as the Marine insurance. He pointed out that the staff report contains a ratification by the Board since staff had to take action before today's meeting to continue a component of the Marine Insurance Program.

Mr. Wire further pointed out the District has had losses and staff attempted to mitigate the possible cost increases by increasing the deductible. He highlighted staff is also looking at other possible coverages to compliment the coverage itself. He noted the Port of San Francisco has some requirements for coverage. He said staff is still investigating why the District experienced such a high increase in the Marine insurance cost.

Mr. Mulligan said the District used to be covered by AIG and Allianz (AGCS). He also said that he understands from Mr. Swindler that the increased prices are a nationwide issue. He noted that the District's broker could have served the District more effectively. He reported staff was in communication with President Pahre and Chair Sobel before taking action and obtaining the coverage.

(c) Discussion by the Committee

Chair Sobel noted that he worked with President Pahre, the General Manager and finance staff to make the decision to obtain the Marine insurance. Mr. Mulligan added that staff was proactive, but did not think it was necessary to be so proactive. Mr. Wire concurred.

Chair Sobel stated that there have been major marine incidents around the world. He asked if insurers mitigate losses by spreading the risk across multiple lines. Mr. Wire said that the insurers do look across multiple insurance lines, look at their whole business and attempt to be profitable overall. Mr. Mulligan noted that there have been maritime losses in passenger carrying industries. He said an accident in the same niche as the District will likely have an effect on the District's insurance prices.

Chair Sobel noted that staff hopes premiums will go down over the long term. Mr. Wire responded that the higher prices may attract more insurers, and then, the increased number of insurers could decrease prices. However, the insurers may take a while to adjust prices.

(d) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approve renewal of the Golden Gate Bridge, Highway and Transportation District's (District) Marine Insurance Program, effective February 28, 2020, with a renewal package totaling \$934,455.88, as follows:

- (i) Ratify the action of the General Manager to renew the Protection and Indemnity Liability Insurance Program and the Vessel Pollution excess coverage from \$5 million up to \$1 billion, with Steamship Mutual Club for a one-year term, at an annual premium of \$503,500;
- (ii) Renew the Vessel Pollution Liability Insurance Program with Great American OPA/CERCLA up to \$5 million coverage no deductibles for a one-year term for an annual premium of \$7,534;
- (iii) Renew the Hull and Machinery Insurance Program with Starr Indemnity/Sompo/Liberty for Agreed Amount coverage for each of the vessels with \$200,000 deductible for a one-year term, for an annual premium of \$245,000; and,
- (iv) Renew the Marine General Liability Insurance Program with Liberty Mutual at an annual premium of \$178,421.88;

with the understanding, those requisite funds in the amount of \$934,455.88 are available in the FY 19/20 Ferry Division Operating Budget and that requisite funds will be budgeted in the FY 20/21 Ferry Division Operating Budget.

Action by the Board at its meeting of February 27, 2020 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Fredericks, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt, and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (6): Directors Arnold, Belforte, Fewer, Garbarino, Sears and Yee.

(8) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Seven Months Ending January 2020)

(a) Staff Report

In a memorandum to Committee, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan provided schedules and charts for informational purposes only and no action is recommended. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(9) Monthly Review of Financial Statements (for Seven Months Ending January 2020)

(a) Statement of Revenue and Expenses

In a memorandum to Committee, Auditor-Controller Joseph Wire, and General Manager Denis Mulligan provided financial statements for informational purposes only and no action was recommended.

(b) Statement of Capital Programs and Expenditures

In a memorandum to Committee, Director of Capital and Grant Programs Amy Frye, Analyst of Capital and Grant Programs Clifford Duong, Auditor-Controller Joseph Wire and General Manager Denis Mulligan provided financial statements for informational purposes only and no action was recommended.

Copies of the reports for Item Nos. 9.a. and 9.b. are available on the District's web site or upon request from the Office of the District Secretary.

(10) Closed Session

Attorney Kimon Manolius, at the request of Chair Sobel, stated that the Committee would convene in Closed Session, as permitted by the Brown Act, to discuss the following matter, listed on the Agenda as Item No 10(a):

(a) Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code Section 54956.9(a)

Report of Athens Administrators, Inc.

- (i) Andrew Tarantino v. Golden Gate Bridge, Highway and Transportation District.
- (ii) Cassandra Wood v. Golden Gate Bridge, Highway and Transportation District.

After Closed Session, Chair Sobel called the meeting to order in Open Session with a quorum present. Attorney Manolius stated that the Committee had met in Closed Session, as permitted by the Brown Act, to discuss the matter listed under Closed Session, outlined above. He reported that the Committee was briefed by its negotiators, and gave appropriate guidance for this matter.

(11) Public Comment

There was no public comment.

(12) Adjournment

All business having been concluded, the meeting was adjourned at 10:09 a.m.

Respectfully submitted,

Brian Sobel, Chair
Finance-Auditing Committee

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February 28, 2020



**MINUTES OF THE RULES, POLICY AND INDUSTRIAL RELATIONS
COMMITTEE/COMMITTEE OF THE WHOLE**

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

Honorable Members:

A meeting of the Rules, Policy and Industrial Relations Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) was held in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Friday, February 28, 2020, at 9:10 a.m., Chair Arnold presiding.

- (1) **Call to Order:** 9:10 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong

Committee Members Present (6): Chair Arnold; Vice Chair Theriault; Directors Grosboll, Hernández and Hill; President Pahre.

Committee Members Absent (1): Director Belforte.

Other Directors Present (9): Directors Cochran, Fewer, Fredericks, Garbarino, Mastin, Moylan, Sears, Sobel and Yee.

Committee of the Whole Members Present (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

Committee of the Whole Members Absent (2): Directors Belforte and Rabbitt.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Joseph Wire; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Administration and Development Kellee Hopper; Deputy General Manager/Bridge Steve Miller; Deputy General Manager/Bus Transit Division Mona Babauta; Deputy General Manager/Ferry Division James Swindler; Director of Procurement Brian Garrity; Manager of EEO Compliance Programs Susan Spencer; DBE Program Administrator Artemise Davenport; Senior Board Analyst Elizabeth Eells.

Visitors Present: None.

(3) Approve Implementation of the Four-Year Equal Employment Opportunity Program/Affirmative Action Plan 2019-2023

(a) Staff Report

In a memorandum to the Committee, Manager of EEO Compliance Programs Susan Spencer, Deputy General Manager/Administration and Development Kellee Hopper and General Manager Denis Mulligan reported on staff's recommendation to approve the new Equal Employment Opportunity Program/Affirmative Action Plan (EEO/AAP) for the period of July 1, 2019 through June 30, 2023, and authorize submittal of the EEO/AAP to the Federal Transportation Administration (FTA). A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation by Staff

At the meeting, Ms. Spencer summarized the staff report and reviewed the EEO/AAP Program PowerPoint presentation, *Come Work with Us*.

(c) Discussion by the Committee

Director Grosboll asked about the balance between the District's white and minority employees. He asked if the 55% minorities was an increase since 2015 and the District has more minorities than whites now. Ms. Spencer confirmed those numbers.

Director Sobel thanked Ms. Spencer for the report. He noted her report was comprehensive and interesting. He asked how the District's statistics and turnover compare to other transit agencies. He noted that the District had a 40% staff turnover from the start to the end of the reporting period from 2015 to 2019. Ms. Spencer responded that she would research his question and get back to the Committee.

Director Sobel noted the District's turnover could be a systemic issue. Mr. Mulligan responded that the vast majority of separations from District employment were due to retirement. He said staff focuses on the separations that are voluntary and not retirements. He noted that the group that moved onto other roles at other organizations was small at 24% of the total that separated from District employment. Ms. Spencer added that departing employees complete an Exit Survey. She said she looks at the surveys, and then, works with the managers if any issues surface. She said she believes people may move for career reasons or locate work closer to home.

Director Sobel observed that 3% of the District's employees come from Solano County. He also asked if the District has a Whistleblower Program and phone number. Mr. Mulligan responded that staff encourages employees to talk to Ms. Spencer, Ms. Hopper and himself should issues arise that cannot be resolved with the supervisor. He said that the District has had whistleblower complaints. He noted not too long ago, there was a large group of employees who reported certain behavior, and the District dealt with a manager at one of the highest levels.

RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 28, 2020/PAGE 3

Director Sobel commented that he collaborated with a group of people to create a Whistleblower Program and a contact who was independent of management. He said that with this approach the employee could contact the independent person to get the situation resolved. He said that staff could consider a similar approach for the District. Mr. Mulligan responded that employees see Ms. Spencer in the role of being the contact for whistleblowers. Ms. Spencer responded she has an email on the intranet, and employees can contact her. She noted that she can make it more clear that she is the contact for whistleblower complaints.

Director Theriault commented that he is pleased to see the “Two + Races” category in the Workforce Utilization by Race question. He noted he has two mixed race sons, and they had the experience of not having an appropriate box to check. He also commented that the District appears to accept the male and female dichotomy. He recommended the District accommodate anyone who does not wish to declare his or her gender. Ms. Spencer responded that District has had the Two + Races for quite some time. She noted that the District does have an option allowing an employee to decline to declare gender. However, the Federal Transit Administration requires that the gender box be completed, and if an employee does not select his or her gender, she makes a selection for them. She said the reporting will not capture a gender neutral identity, and the District’s reports have to align with the consultant’s reporting format.

Director Grosboll inquired if staff has a sense of why 79 employees left to get other jobs. He asked if the employees who left were offered higher paying jobs. He also asked if the District’s wages are competitive. Ms. Spencer said that she looks at the exit interviews, and mostly what she sees is that employees really enjoy working at the District. She noted that some exiting employees exhibit a level of upset with the District or employees. She said the District’s Compensation Study will allow staff to look at whether or not the District has competitive compensation. Mr. Mulligan said the reasons for leaving and getting other jobs can differ by classification.

Director Grosboll commented that the District has one female in the construction trades. Ms. Spencer confirmed the District has one female in the trades who is an electrician.

Director Grosboll asked if there are about 4% women in the trades. Director Theriault responded there are about 4% women in the trades.

President Pahre asked if there is a downside to having the word whistleblower in an email address. She stated that she believes people recognize the whistleblower term. She stated she is not sure the most protective way is to go through a generic email or a person. Mr. Mulligan said that he cannot think of any downsides to having a whistleblower email, and he suggested staff implement a whistleblower email.

President Pahre asked if there is any downside to having an option for separated employees to indicate they left for higher wages or working closer to home. She noted the world of work has changed. People can work at home. She added the exit interviews are powerful. She suggested talking to staff about what other information would be useful to know about employees separated from the District.

RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 28, 2020/PAGE 4

Ms. Spencer responded staff can look at the Exit Interview form and make any necessary changes. She noted she could also speak to people about why they left.

Director Garbarino commented that she was formerly a guidance counsellor. She noted she would love to hear more about the District's internship program at a later time. Ms. Spencer responded she and Ms. Hopper would enjoy discussing the internship program.

Director Hill asked how the District accommodates maternity leave, and what the District policies are to help families. Ms. Spencer responded male and female employees can take time off for baby bonding. She said that the District has a number of employees who are currently on leave associated with baby births. She said she manages the Leave Program with Human Resources Technician Maria Rodriguez. She said they look at each situation individually, and how they can help employees. She noted that if someone has a need, they will see what can be done.

Director Hill commented about the high percentage of minorities that have grandparents taking care of grandchildren. Ms. Spencer commented that grandchildren are addressed in the District's policies.

(d) Action by Committee

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

RECOMMENDATION

The Rules, Policy and Industrial Relations Committee/Committee of the Whole recommends that the Board of Directors approve the new Equal Employment Opportunity Program/Affirmative Action Plan (EEO/AAP) for the period of July 1, 2019 through June 30, 2023; and authorize submittal of the EEO/AAP to the Federal Transportation Administration (FTA), by March 1, 2020.

Action by the Board at its meeting of February 28, 2020 – Resolution

AYES (13): Directors Arnold, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears and Sobel; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (4): Directors Belforte, Fewer, Rabbitt and Yee.

(4) Annual Progress/Status Report and Update On Disadvantaged Business Enterprise (DBE) Program

(a) Staff Report

RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/COMMITTEE OF THE WHOLE
FEBRUARY 28, 2020/PAGE 5

In a memorandum to the Committee, DBE Program Administrator Artemise Davenport, Deputy General Manager/Administration Development Kellee Hopper, and General Manager Denis Mulligan reported on the District's Disadvantaged Business Enterprise (DBE) Program. The verbal update was provided for informational purposes only and no action was required. A copy of the presentation is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation of the Staff Report

Ms. Davenport reviewed the staff report. She noted the District tries to foster DBE participation. She said she is seeking to implement a new initiative to work with Washington State to try to partner with them to develop more DBEs for ferry projects. She noted she is going to push to try to break through the blockages in achieving the DBE goals for ferry projects, which traditionally have been tough to reach.

(5) Approve Actions Relative to the Table of Organization in the Procurement Department

(a) Staff Report

In a memorandum to the Committee, Director of Procurement Brian Garrity, Auditor-Controller Joseph Wire and General Manager Denis Mulligan reported on staff's recommendation to approve the elimination of two vacant positions and approve the addition of two newly created Assistant Procurement Specialist positions. A copy of the staff report is available on the District's web site or upon request from the Office of the District Secretary.

(b) Presentation of the Staff Report

At the meeting, Mr. Garrity summarized the staff report. He noted the new positions will provide a career path to the Procurement Specialist position.

(c) Action by Committee

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

RECOMMENDATION

The Rules, Policy and Industrial Relations Committee/Committee of the Whole recommends that the Board of Directors approve the following actions relative to the Procurement Department's Table of Organization:

- (i) Eliminate one vacant Office Specialist position at an annual salary savings of \$63,169.60 \$76,336.00 not including benefits;

**RULES, POLICY AND INDUSTRIAL RELATIONS COMMITTEE/COMMITTEE OF
THE WHOLE
FEBRUARY 28, 2020/PAGE 6**

- (ii) Eliminate one vacant Procurement Analyst position at an annual salary savings of \$86,153.60 to \$104,124.80 not including benefits; and,
- (iii) Add two Assistant Procurement Specialist positions at an annual salary range of \$71,801.60 to \$86,715.20 each, not including benefits.

Action by the Board at its meeting of February 28, 2020 – Resolution

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(6) Public Comment

There was no public comment on items not on the Agenda.

(7) Adjournment

All business having been concluded, the meeting was adjourned at 10:20 a.m.

Respectfully submitted,

Judy Arnold, Chair
Rules, Policy and Industrial Relations Committee

JA:AMK:EIE:mjl



2020-02

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

FEBRUARY 28, 2020

The Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Friday, February 28, 2020, at 10:25 a.m., President Pahre presiding.

- (1) **CALL TO ORDER:** 10:25 a.m.
- (2) **ROLL CALL:** Secretary of the District Amorette M. Ko-Wong

Directors Present (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

Directors Absent (2): Directors Belforte and Rabbitt.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Joseph Wire; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Administration and Development Kellee Hopper; Deputy General Manager/Bridge Division Steve Miller; Deputy General Manager/Bus Transit Division Mona Babauta; Deputy General Manager/Ferry Division James Swindler; Senior Board Analyst Elizabeth Eells.

Visitors Present: Dave Rhody, The Climate Reality Project; Manuel Gamboa, Sacramento County Resident.

- (3) **PLEDGE OF ALLEGIANCE:** Director Alice Fredericks
- (4) **PUBLIC COMMENT:**

(A) **Public Comment**

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 2**

Dave Rhody, The Climate Reality Project, commented that in 2006, the Global Warming Solutions Act (AB 32) set goals for reducing greenhouse emissions in California to 1990 levels by the year 2020. He spoke about the State's efforts to achieve the climate goals of AB 32 and noted a new law signed in 2017 by then Governor Jerry Brown to reduce greenhouse emissions 40% below the 1990 level by 2030 of which California is currently falling short of its new goal and this shortfall jeopardizes the goal to achieve carbon neutrality by 2045. He stated people must renew their commitment to lead the effort to reduce greenhouse emissions throughout the country.

Manuel Gamboa, Sacramento County Resident, spoke about his son Kyle who jumped off the Bridge in September 2013. He thanked the District for its support of the Suicide Deterrent System (SDS) construction project. He endorsed the District's enforcement of its security policies and commented that enforcement is a way that the District protects the public from harm. He noted that Bridge Security is doing a good job, and he thanked the Security staff for their work.

(5) CONSENT CALENDAR:

Directors ARNOLD/FREDERICKS moved and seconded to approve the Consent Calendar. All items were approved by the following vote of the Board of Directors:

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(A) Approve the Minutes of the following Meetings

- (1) Finance-Auditing Committee of January 23, 2020;
- (2) Rules, Policy and Industrial Relations Committee of January 23, 2020;
- (3) Governmental Affairs and Public Information Committee of January 23, 2020; and,
- (4) Board of Directors of January 24, 2020

Carried

(B) Ratification of Previous Actions by the Auditor-Controller

Resolution No. 2020-004 (as detailed in the February 27, 2020 Finance-Auditing Committee meeting)

- (1) Ratify Commitments and/or Expenditures
- (2) Ratify Previous Investments
- (3) Authorize Investments
- (4) Accept Investment Report January 2020

Adopted

(6) REPORTS OF OFFICERS:

(A) General Manager

(1) Presentation of Awards

Presentation of Twenty-Year Service Award to Joseph M. Wire, Auditor-Controller, District Division

President Pahre presented a Twenty-Year Service Award to Joseph M. Wire, Auditor-Controller, District Division, for his years of dedicated service to the District, and expressed her congratulations on behalf of the Board of Directors.

Presentation of Employee of the Month Award for February 2020 to Jeffrey Di Gregorio, Network Administrator, District Division

President Pahre presented the Employee of the Month Award for February 2020 to Jeffrey Di Gregorio, District Division, and expressed her congratulations on behalf of the Board of Directors.

(2) Video Entitled *What We Do: Golden Gate Transit Mechanics*

Mr. Mulligan presented the video *What We Do: Golden Gate Transit Mechanics*. The video features Bus Division Unit Room Lead and Maintenance Trainer Brian Fields and Diesel Mechanic Linh Do describing Golden Gate Transit's maintenance and in-house parts refurbishment efforts. A copy of the video is available at: <https://vimeo.com/392774317/552f9832aa> (Duration 2:18).

(3) Report of the General Manager

Mr. Mulligan stated that all items contained in the written General Manager's Report are informational only. A copy of the General Manager's Report is available on the District's web site or upon request from the Office of the District Secretary.

Notifications

Mr. Mulligan said District management have activated the District Emergency Operation Center (EOC) center in response to the coronavirus (COVID-19). The EOC staff are meeting frequently with county and public health agencies and transit partners to share information and develop plans to address this rapidly evolving situation. He noted staff is relying on medical advice from the Center for Disease Control (CDC) and County Public Health officials for guidance. The District wants to be ready to take action as required to protect its employees and the public. Mr. Mulligan added that this type of proactive action is quite a challenge for transit operators including BART, which carries hundreds of thousands of people per day.

President Pahre said the District Secretary's Office has been proactive and wipes down handles, tables and microphones with disinfectant cloths after public meetings.

Mr. Mulligan highlighted that the California High Speed Rail Small Business Newsletter showcased the Disadvantaged Business Enterprise (DBE) Administrator Artemis Davenport, her career and contributions to the DBE community.

Legislative

Mr. Mulligan stated that there is a lot of legislative activity in Sacramento this session, and he outlined several Assembly bills being monitored by staff. He said the Legislature is considering discounting fares for people based on things besides economic means. He explained that the Legislature is considering bills that would provide free transit to youths, seniors, and students enrolled in California Community Colleges, the California State University, or the University of California. He emphasized that the District could lose roughly \$1 million in youth and \$2 million in senior fares, and the District would support these bills only if there are provisions to make up for lost revenue. He pointed out that from a policy perspective it could make more sense to look at a state-wide means-based fare legislative action. He said the District has not taken a position on these bills. However, staff and the District's lobbyists will let lawmakers know that the District's Board embraces mean-based fares as the best public policy and recommends the Legislature do the same.

He spoke about Assembly Bill (AB) 2057, which is sponsored by Assembly Member Chiu and envisions seamless transit. He said this bill builds on existing laws that establish the Metropolitan Transportation Commission (MTC) as a local area planning agency for the nine-county San Francisco Bay area. However, the Legislature is still developing the specifics for the bill. He noted staff is concerned that the Board may lose its authority to set fares and this authority would be given to another entity. He emphasized that any entity that has the authority to set fares and schedules will have control of the District's budget. He stated that the fiscal effect upon the District is unknown at this time, but this type of transfer of authority could force the District to cut service to compensate for revenue losses.

Mr. Mulligan added that AB 2674, which renews the prohibition of Bridge sidewalk tolls, became public recently. However, the bill, authored by Assembly Member Ting, was not included in his monthly report. Mr. Mulligan noted the new bill does include a ten-year sunset clause.

(4) Discussion by the Board

Director Sobel asked if staff plans to take a neutral position on AB 2674. Mr. Mulligan responded that the District has not officially taken a position on AB 2674, but staff is likely to recommend the District take a neutral position.

Director Sobel stated his prior and continuing views that the District should give some consideration to imposing pedestrian tolls. He said the District has 10 million visitors to the Bridge each year and as a result of the visitors, the District has to provide security services and maintenance services. He suggested visitors would not mind paying a nominal toll and the District is losing out on a potential revenue source.

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 5**

Director Hill commented that AB 2057 is the first step for MTC to streamline the transit system and make it cheaper for all involved. He said the key will be how to finance it. Mr. Mulligan added that staff knows the draft bill will change as it evolves and is further defined. He noted the District does not want to be in a position that forces service cuts.

Director Grosboll stated that the bill deals with who makes decisions and funding. He said the bill goals may be well intentioned, but the North Bay lawmakers and residents want to have a say in what constituents are being charged. Mr. Mulligan responded that some of the unions that represent the workforce at various transit agencies have some concerns about how the bill could affect decisions about working conditions. He noted many stakeholders will be interested as the bill develops.

Director Garbarino seconded Director Sobel's comments about pedestrian tolls. She said that although there would be costs associated with collecting pedestrian tolls, the District could realize additional revenue, which could help offset its suicide deterrent efforts.

(B) Attorney

(1) Report of the Attorney

Attorney Kimon Manolius stated that all items contained in the written Attorney's Report are informational. A copy of the Attorney's Report is available on the District's web site or upon request from the Office of the District Secretary.

(2) Closed Session

Attorney Manolius reported that a Closed Session will take place just prior to the conclusion of this meeting to discuss the following matters, listed on the Board Agenda as Item No. 6.B.1.a:

**(a) Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(a)
Report of Hanson Bridgett, LLP**

- (i) Michael Saliani v. Golden Gate Bridge, Highway and Transportation District, San Francisco Superior Court; Case Number CGC-14-540384.
- (ii) Pamela Moore v. Golden Gate Bridge, Highway and Transportation District, San Francisco Superior Court; Case No. CGC-15-549048.
- (iii) Kristin Freeland and Michael Jefferson v. Golden Gate Bridge, Highway and Transportation District, San Francisco Superior Court; Case No. CGC-16-550947.

He noted the District will not discuss the following matter listed on the Board Agenda as Item No. 6.B.1.b:

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 6**

- (b) Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Report of Hanson Bridgett, LLP
Negotiations with the Amalgamated Transit Union, Local No. 1575

(C) District Engineer

(1) Report of the District Engineer

Ms. Bauer-Furbush stated that all items contained in the Engineer's Report are informational only. A copy of the Engineer's Report is available on the District's web site or upon request from the Office of the District Secretary.

(2) Video Entitled *Building the Suicide Deterrent Net: Installing the Net Supports*

Ms. Bauer-Furbush presented the video *Building the Suicide Deterrent Net: Installing the Net Supports*. A copy of the video is available at: <https://vimeo.com/392611633/1d3c3da072> (duration 2:21).

Ms. Bauer-Furbush reported the video showed the installation of the net supports on the north back span of the suspension Bridge relative to the Suicide Deterrent System (SDS) project. She noted the whole process took about half an hour and is very promising and effective. She highlighted that 85% of the 260 net supports have been fabricated, and 164 have been installed. She said fabrication of the net is roughly 45% complete and is ongoing.

(3) Discussion by the Board

Director Hill asked if the video would be available on the internet. Ms. Bauer-Furbush responded the video would be available on the District's website.

President Pahre asked if the video is part of the SDS historical documentation project approved in November of last year. Ms. Bauer-Furbush responded in the affirmative.

(7) OTHER REPORTS:

There were no "Other Reports" to discuss.

(8) REPORT OF COMMITTEES:

- (A) Meeting of the Building and Operating Committee/Committee of the Whole
February 27, 2020
Chair Michael Theriault

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 7**

- (1) **Authorize Execution of Professional Services Agreement No. 2019-B-056, Golden Gate Bridge Strong Motion Instrumentation Program, with the State of California, Division of Mines and Geology, with a Revised Amount**

Directors THERIAULT/COCHRAN

Resolution No. 2020-005 authorizes execution of Professional Services Agreement (PSA) No. 2019-B-056, *Golden Gate Bridge Strong Motion Instrumentation Program*, with the State of California, Division of Mines and Geology, with a revised not to exceed total amount of \$391,872 as presented in the staff report; with the understanding that sufficient funds are budgeted in the FY 19/20 Bridge Division Operating Budget to finance this PSA cost.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

- (2) **Authorize Execution of Amendment No. 1 to Contract No. 2018-FT-058, Engineering and Detailed Design Services for the Refurbishment of the M.S. Sonoma Ferry, with BMT Designers & Planners**

Directors THERIAULT/FREDERICKS

Resolution No. 2020-006 authorizes the General Manager to execute Amendment No. 1 to Contract No. 2018-FT-058, *Engineering and Detailed Design Services for the Refurbishment of the M.S. Sonoma Ferry*, with BMT Designers & Planners, Alexandria, VA, in an amount not to exceed \$200,126, for the ADA bathroom modifications and the development of as-built drawings once refurbishment of the vessel is complete and ADA compliant restroom design; with the understanding that sufficient funds are available in the FY 19/20 Ferry Division Capital Budget to finance this Amendment.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

- (B) **Meeting of the Finance-Auditing Committee/Committee of the Whole
February 27, 2020
Chair Brian Sobel**

(1) **Approve Actions Relative to the Low Carbon Transit Operations Program (LCTOP)**

Directors SOBEL/FREDERICKS

Resolution No. 2020-007 approves the following actions necessary to secure FY 19/20 Low Carbon Transit Operations Program (LCTOP) grant funds to support transit capital and operating projects for the Golden Gate Bridge, Highway and Transportation District (District):

- (a) Approves submission of one LCTOP grant application in FY 19/20 for the new vessel acquisition project;
- (b) Certifies that the District will comply with all conditions and requirements set forth in the LCTOP certification and assurances, authorized agent documents, applicable statutes, regulations, and guidelines for all LCTOP-funded transit projects; and,
- (c) Authorizes the General Manager, or his designee, to execute for and on behalf of the District any documents necessary to apply for and receive LCTOP funding, including certifications and assurances, authorized agent forms, and agreements relative to the FY 19/20 LCTOP program.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(2) **Renew Annual Delegation of Investment Management Authority to the Auditor-Controller as Per Rule XI, Investment Policy, of the Rules of the Board**

Directors SOBEL/COCHRAN

Resolution No. 2020-008 renews the annual delegation of investment management authority to the Auditor-Controller for FY 20/21 as per RULE XI, **INVESTMENT POLICY, Section E, Delegation of Authority**, of the *Rules of the Board*, and as provided for in California Government Code Section 53607.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(3) **Approve Renewal of the Marine Insurance Program**

Directors SOBEL/COCHRAN

Resolution No. 2020-009 approves renewal of the Golden Gate Bridge, Highway and Transportation District's (District) Marine Insurance Program, effective February 28, 2020, with a renewal package totaling \$934,455.88, as follows:

- (a) Ratifies the action of the General Manager to renew the Protection and Indemnity Liability Insurance Program and the Vessel Pollution excess coverage from \$5 million up to \$1 billion, with Steamship Mutual Club for a one-year term, at an annual premium of \$503,500;
- (b) Renews the Vessel Pollution Liability Insurance Program with Great American OPA/CERCLA up to \$5 million coverage no deductibles one-year term for an annual premium of \$7,534;
- (c) Renews the Hull and Machinery Insurance Program with Starr Indemnity/Sompo/Liberty for Agreed Amount coverage for each of the vessels with \$200,000 deductible for a one-year term, for an annual premium of \$245,000; and,
- (d) Renews the Marine General Liability Insurance Program with Liberty Mutual at an annual premium of \$178,421.88;

with the understanding, those requisite funds in the amount of \$934,455.88 are available in the FY 19/20 Ferry Division Operating Budget and that requisite funds will be budgeted in the FY 20/21 Ferry Division Operating Budget.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(C) **Meeting of the Rules, Policy and Industrial Relations Committee/Committee of the Whole**

February 28, 2020

Chair Judy Arnold

(1) **Approve Implementation of the Four Year Equal Employment Opportunity Program/Affirmative Action Plan 2019-2023**

Directors ARNOLD/HERNÁNDEZ

Resolution No. 2020-010 approves the new Equal Employment Opportunity Program/Affirmative Action Plan (EEO/AAP) for the period of July 1, 2019 through June 30, 2023; and,

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 10**

authorizes submittal of the EEO/AAP to the Federal Transportation Administration (FTA), by March 1, 2020.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(2) Approve Actions Relative to the Table of Organization in the Procurement Department

Directors ARNOLD/COCHRAN

Resolution No. 2020-011 approves the following actions relative to the Procurement Department's Table of Organization:

- (a) Eliminates one vacant Office Specialist position at an annual salary savings of \$63,169.60 to \$76,336.00 not including benefits;
- (b) Eliminates one vacant Procurement Analyst position at an annual salary savings of \$86,153.60 to \$104,124.80 not including benefits; and,
- (c) Adds two Assistant Procurement Specialist positions at an annual salary range of \$71,801.60 to \$86,715.20 each, not including benefits.

Adopted

AYES (15): Directors Arnold, Fewer, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.

ABSENT (2): Directors Belforte and Rabbitt.

(9) ADDRESSES TO BOARD:

There were no "Addresses to Board" to discuss.

(10) SPECIAL ORDER OF BUSINESS:

(A) Report on Meetings/Conferences Attended by Director(s)

Director Theriault reported on the trip he took to Washington D.C. with Director Gerald Cochran, General Manager Denis Mulligan, and Secretary of the District Amorette Ko-Wong. He said their meeting with leadership in Washington focused on the following five items, four of which were requests and one of which was informational:

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 11**

- (1) The Golden Gate Bridge Seismic Retrofit Phase IIIB Funding – The District is seeking grants for \$100 million totaling 24% of the ultimate cost of the project. The contingent discussed the possibility of including a bridge program as part of federal highway funding. The funding is usually formulaic, and favors bridges that are not well maintained. The Golden Gate Bridge is well maintained but has an extraordinary need to complete the seismic retrofit. The contingent requested a discretionary component be added to the federal highway funding programs.
- (2) Ferry Funding – The Federal Transit Administration has a \$30 million grant program, which is not a lot of money for ferries each year and equates to about the cost of one ferry. The District is asking to triple the annual funding to \$90 million, which is a small amount for the federal budget.
- (3) Dredging the Larkspur Channel – As of 2007, the Army Corp of Engineers (ACE) was required to do a feasibility study for assuming dredging in the Larkspur Channel. The District wants ACE to renew and update the 2007 study. The updated study would be the first step to assuming the dredging.
- (4) Drones – The District is seeking a number of additions to the drone rules including:
 - (i) Require drones to have remote identification;
 - (ii) Prohibit drones from flying over areas closed to the public;
 - (iii) Require drone pilots to be licensed to fly above roadways; and
 - (iv) Have stand-off distance requirements for security and safety.
- (5) Suicide Deterrent System – Provided the meeting participants with a status update.

Director Cochran reported that the District's contingent met with several committees and legislators including:

- (1) Congresswoman Jackie Spiers, Congressman Jared Huffman, Congressman Mike Thompson and Senator Dianne Feinstein;
- (2) Chief of Staff for Speaker of the United States House of Representatives Nancy Pelosi;
- (3) The minority and majority staff of the House Committee on Transportation and Infrastructure, Subcommittee on Highways and Transit, Subcommittee on Housing, Transportation and Community;
- (4) The minority and majority staff of the Senate Banking Committee, Subcommittee on Housing, Transportation, and Community Development; and, Committee on Environment and Public Works;
- (5) Department of Transportation (DOT) Executive Director.

Director Theriault said the contingent was pleased that the Republican leadership with whom they met had a receptive attitude towards the District.

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 12**

He further suggested this could be a good sign and might mean they plan to get something done related to infrastructure in the election year.

Director Grosboll commented that the District was advocating for the Federal Aviation Administration (FAA) to have regulatory power over drones about four to five years ago. Senator Feinstein and Mr. Mulligan co-authored a well-received editorial for the *San Francisco Chronicle*. Mr. Mulligan commented that drones are a huge concern at District facilities for two reasons. The first reason is hobbyist drone flyers do not always demonstrate common sense or have the skill to navigate safely. There have been incidents of drones crashing on to the Bridge roadways creating serious risks for vehicles. The second reason is operators fly drones over secure restricted areas in which the public is not allowed. He noted the District will be submitting comments on the current FAA drone regulation later this afternoon. Unlike before, the FAA has authority to regulate drones. He said staff, attorneys and the District's extended team are hopeful the new FAA rules will be in alignment with protecting what the Board and staff value at the Bridge.

Director Sobel commented that the District's lobbyist in DC, Paul Schlesinger, is invaluable and has relationships established with everyone on the Hill.

Director Cochran concurred with Director Sobel's comments adding that Mr. Schlesinger does a good job setting up meetings with key congressional and federal leadership who are sensitive to the District's needs.

Director Fredericks asked if she could see the District's comments on the proposed FAA rules regarding drones. Mr. Mulligan responded he would send her a copy. He noted that once the District posts it on the Federal Register, the comments becomes a public document.

Mr. Mulligan thanked Director Yee for providing a letter of support for the District's INFRA grant. He noted Director Yee is the current President of the San Francisco Board of Supervisors, and his letter assists the District in seeking grant funding for projects.

(11) UNFINISHED BUSINESS:

(A) Closed Session

Attorney Kimon Manolius, at the request of President Pahre, stated that the Board would convene in Closed Session, as permitted by the Brown Act, to discuss the matters listed on the Board Agenda as Closed Session, Item Nos. 6.B.2.a.

(B) Open Session

After Closed Session, President Pahre called the meeting to order in Open Session with a quorum present. Attorney Manolius reported that the Board had met in Closed Session, as permitted by the Brown Act, regarding the items listed as Closed Session outlined above. He reported that the Board was briefed by counsel and gave appropriate guidance.

**BOARD OF DIRECTORS MEETING
FEBRUARY 28, 2020/PAGE 13**

(12) NEW BUSINESS:

President Pahre requested that Mr. Mulligan give a brief update on recent incidents involving a photographer who trespassed in a secured area at the Bridge.

Mr. Mulligan reported that there was a gentlemen in the press who is selling a picture of a “blood red” moon that was taken inside a secured area of the Bridge. The photographer was stopped about a month and a half ago and detained for trespassing. He has been stopped and detained several times and eventually cited. He noted the photographer is considered a serial trespasser. Staff is working through legal channels to address the situation appropriately. Attorney Manolius added that the photographer has been sent a Cease and Desist Letter, and the District’s next step would be to file a lawsuit.

(13) COMMUNICATIONS:

A copy of Board Agenda Item No. 13, “Communications”, is available on the District’s web site or upon request from the Office of the District Secretary.

Director Mastin pointed out the District’s former Public Affairs Director Priya Clemens hosts the first episode of KQED’s Newsroom that evening.

(14) ADJOURNMENT:

All business having been concluded, the meeting was adjourned at 11:28 a.m. in honor of Jackson Fung, Helen Chun, Gi Young Lee, Sally Jane Amoroso, and John Michael Dunne.

Respectfully submitted,

Amorette M. Ko-Wong
Secretary of the District

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AGENDA ITEM NO. 5.B.

**RATIFICATION OF PREVIOUS ACTIONS BY THE AUDITOR-CONTROLLER
FINANCE-AUDITING COMMITTEE OF MARCH 27, 2020**

(B) Ratification of Previous Actions by the Auditor-Controller:

(1) Staff Report

The previous actions by the Auditor-Controller were presented to the Finance-Auditing Committee for approval at the meeting of March 27, 2020. Both are posted to the web site, as follows:

<https://www.goldengate.org/assets/1/25/2020-0327-financecomm-no3-ratofaction.pdf>

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