



December 11, 2020

BOARD OF DIRECTORS MEETING
FRIDAY, DECEMBER 18, 2020

(5) **CONSENT CALENDAR:**

(A) **Approve the Minutes of the following Meetings:**

- (1) Special Board of Directors of November 13, 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, November 2020

Resolution

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2020-11-1

GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

SPECIAL BOARD OF DIRECTORS MEETING

NOVEMBER 13, 2020

Executive Order N-25-20 and N-29-20, issued by the Governor of the State of California, in which portions of the Ralph M. Brown Act are suspended and allows, all Board members, staff and the public to participate by telephone.

These minutes are provided as a supplement to the audio recording that is posted online at: <https://www.goldengate.org/district/board-of-directors/meeting-documents/>

The Special Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) met in a special session via audio conference, on Friday, November 13, 2020, at 9:03 a.m., President Pahre presiding.

- (1) **CALL TO ORDER:** President Barbara L. Pahre.
- (2) **ROLL CALL:** Secretary of the District Amorette M. Ko-Wong.

Directors Present (16): Directors Arnold, Belforte, Fredericks, Garbarino, Grosboll, Hernández, Hill, Mastin, Moylan, Rabbitt, Sears, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

Directors Absent (0): None.

[Note: On this date, there were three 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; Attorneys Madeline Chun and 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; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

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

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Copies of all reports are available on the District's web site at <https://www.goldengate.org/district/board-of-directors/meeting-documents> or upon request from the Office of the District Secretary.

President Pahre spoke about the purpose of the meeting. She stated that General Manager Denis Mulligan would introduce the subject matter of the special Board meeting.

President Pahre said she would like to take all public comments at once. She requested the Board members' indulgence in extending the Public Comment period from 30 to 60 minutes. When no Board members objected, she requested that the speakers keep their comments to two minutes each. There was consensus on these points.

Mr. Mulligan provided a brief introduction and summary of the meeting subject matter. He said the District has seen a drop in demand for its services and has seen a decrease of \$2 million each week in toll revenue and even after cost cutting, the District has a deficit, which is projected to be \$48 million for this fiscal year. He said the lack of demand has reduced the requirement for current staffing levels. He also said the District has tough choices and either has to increase revenues or reduce costs. He briefly summarized Agenda Item Nos. 5A, 5B and 5C, which are more fully outlined in the staff reports.

(4) PUBLIC COMMENT: [10:11 Minutes Mark on the Audio Recording]

(A) Public Comment

The following individuals spoke under public comment:

- Shane Weinstein, Amalgamated Transit Union (ATU), Local 1575
- Art Aguilar, ATU, Local 1277
- Robert Estrada, Inlandboatmen's Union (IBU)
- Joe Martinelli, Teamsters Local 856
- Marina Secchitano, IBU
- Eric Turner, Lead Deckhand
- Michael Carnduff, Deckhand
- John Holden, Bus Operator
- Jordann Crawford, Bus Operator
- Jim Petersen, Bus Operator
- Anne Marie Ruiz, ATU Local 265 San Jose
- Frank McMurray, Lead Deckhand
- John Courtney, ATU Local 265
- Luis Licea, Bus Operator
- Steve Ongerth, Lead Deckhand
- David Herrera, Bus Operator
- Roger Marenco, Transport Workers Union (TWU) Local 250-A
- Jack Buckhorn, North Bay Labor Council
- Robert Barley, Vessel Master
- Pete Wilson, TWU Local 250-A
- Michael Cornelius, ATU Local 1756
- Bob Allen, Urban Habitat

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- Miguel Navarro Jr., ATU Local 1574
- Liliana Patton, Dispatcher
- Gha-Is Paige, Bus Operator
- Helen Moore, Former District Employee
- Lisa Reed, Bus Operator
- Letty Scott, Bus Operator
- Robert Humann, Vessel Master
- David Patton, Bus Operator
- Mary Newsom, Commuter
- Francis Gleason, Bus Operator
- Lorence Bradford, ATU Local 1756
- Robert Kaufman, Bus Operator
- David Pilpel, San Francisco County Resident

Secretary of the District Amorette Ko-Wong stated that as of this morning, the District had received 25 public comments about items on the agenda. She said they are available on the website at <https://www.goldengate.org/district/board-of-directors/meeting-documents>.

President Pahre thanked the people who made public comments.

(5) SPECIAL ORDER OF BUSINESS:

(A) Authorize Actions to Reduce Costs or Raise Revenues in Response to COVID-19 Financial Impacts, Including Consideration of Layoffs, Furloughs and Toll Surcharges [1:26:58 Hours Mark on the Audio Recording]

General Manager Denis Mulligan presented the staff report.

President Pahre and Director Sobel commented on the staff report.

Directors SOBEL/GARBARINO moved and seconded to staff recommendation option 1. to “Authorize the elimination of 205 positions (59 vacant and 146 filled as of October 23, 2020) from the Table of Organization...” with the lay-off effective as of January 4, 2021. He clarified that assuming the Board approves Agenda Item No. 5.C. this lay-off would include provision for severance pay for four weeks, and medical benefits for four months.

Director Theriault made a point of order and stated that he understands it is most appropriate for the speech to come after the motion. He requested the motion be rejected. Attorney Manolius commented that the Board could proceed.

Director Hernández requested clarification that Director Sobel’s motion was in order. Attorney Manolius clarified that the motion was in order and fit within the rubric of the staff report recommendation.

All Directors present made comments about the staff report. Directors Mastin, Rabbitt and Yee, and President Pahre also inquired about the staff report.

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Mr. Mulligan responded to the Directors' inquiries. He noted that an initiative to motivate employees to retire would cost more money and he said it would conflict with the goal to have the laid off workers return to work for the District in the future. He said the additional cost to delay the lay-off until January 4, 2021 is about \$2 million and he said staff would consider how to achieve this goal. He clarified that a lay-off on January 4, 2021 would mean the laid-off workers would have health benefits until May 31, 2021. He stated that if the unions provided an alternate proposal with the same financial savings as the lay-off, which would equate to about two and a half furlough days per week, the Board could reconvene, and take appropriate action. In addition, he noted that if Congress were to pass another Act to provide significant and sufficient funding for transit, the Board could reconvene, and take appropriate action. Furthermore, he stated that a COVID-19 Toll Surcharge could endanger the District's ability to obtain funding for the Seismic Retrofit project and also to raise tolls to fund transit in the future.

Directors SOBEL/GARBARINO [2:43:25 Hours Mark on the Audio Recording]

Resolution No. 2020-084 authorizes the elimination of 205 positions (59 vacant and 146 filled as of October 23, 2020) from the Table of Organization, effective January 4, 2021, and authorizes the General Manager to take necessary steps to implement the reduction-in-force; and, delegates authority to the General Manager to recall positions to meet operational demand; with the understanding that the General Manager will report such actions taken each month to the Board of Directors.

Adopted

AYES (11): Directors Arnold, Belforte, Fredericks, Garbarino, Mastin, Moylan, Rabbitt, Sears and Sobel; Second Vice President Cochran; President Pahre.
NOES (5) Directors Grosboll, Hernández, Hill and Yee; First Vice President Theriault;
ABSENT (0): None.

(B) Approve a Separation Package for Employees Laid Off Due to COVID-19 Financial Impacts [2:47:51 Hours Mark on the Audio Recording]

General Manager Denis Mulligan presented the staff report. He suggested that in light of the action just taken by the Board that the recommendation be modified to "...approve a Separation Package for any employees laid off during the next 90 days as follows...."

Director Fredericks expressed her appreciation for the Labor Advisory Committee and she made a motion to amend the recommendation for the next 90 days to "...approve a Separation Package for any employees laid off during the next 90 days as follows...."

Director Mastin and President Pahre inquired about the staff report. President Pahre expressed her appreciation to Director Belforte for her idea that the District offer a \$600 per week stipend for ten weeks or four weeks of severance pay.

Mr. Mulligan responded to the Directors' inquiries. He stated that laid off workers would maintain their seniority and would be called back based on seniority.

[Director Sears departed]

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Directors FREDERICKS/BELFORTE [2:53:37 Hours Mark on the Audio Recording]
Resolution No. 2020-085 approves a Separation Package for any employees laid off during the next 90 days as follows:

1. Laid off employees will receive four months of District-paid medical benefits; and,
2. Laid off employees can choose either four weeks of severance pay, or a \$600 per week stipend for ten weeks.

Adopted

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

NOES (0) None.

ABSENT (1): Director Sears.

(C) Authorize a Temporary Furlough Program Equal to a Ten Percent Reduction In Pay for Mid-Managers, Deputy General Managers, District Officers and Board of Directors [2:55:30 Hours Mark on the Audio Recording]

General Manager Denis Mulligan presented the staff report. He noted the staff report had a typo and the 10% pay cut would commence November 16, 2020. He clarified that staff is not allowed to use paid time off to avoid having their pay reduced by 10% less pay.

Director Garbarino made a motion to approve the staff recommendation. Director Hill seconded it.

Director Mastin made a motion to amend the motion such that the staff pay cut would be 20% for staff until 75% of the laid off staff are reinstated, and Board member compensation would be eliminated. Director Grosboll seconded it. Mr. Mulligan clarified that if Director compensation is eliminated, the Directors would not be eligible for medical benefits. Director Mastin amended his motion to eliminate 90% of Board member compensation and Director Grosboll accepted his amendment.

Attorney Manolius observed the Board had a motion to amend and the underlying substance of that amendment. He stated that the President could take Directors comments on both of those items at the same time.

President Pahre asked for clarification. Attorney Manolius clarified that the Board would have to vote on whether or not to amend the original motion, and then, if that motion to amend passed, it would then vote on the substance of the amended motion. He noted that if the amendment was acceptable to Director Garbarino who made the original motion, the Board could vote on the substance of the amended motion.

Director Garbarino objected to the amendment to her motion and a 20% reduction in staff compensation. She expressed her view that the Board runs the risk of losing valuable staff if their compensation is reduced by 20%.

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Director Sobel asked for clarification. Attorney Manolius clarified that the Board would have to vote on whether or not to allow the amendment, and then vote on the substance of the amended motion.

Directors MASTIN/GROSBOLL approves considering Director Mastin’s amendment to the staff recommendation to approve a temporary furlough program equal to a twenty percent reduction in pay for Mid-Managers, Deputy General Managers, and Officers, and a ninety percent reduction in pay for the Board of Director members for a period of six months, effective November 16, 2020 and continuing through May 15, 2021.

AYES (7): Directors Belforte, Grosboll, Hernández, Hill, Mastin and Moylan; First Vice President Theriault.

NOES (8) Directors Arnold, Fredericks, Garbarino, Rabbitt, Sobel and Yee; Second Vice President Cochran; President Pahre.

ABSENT (1): Director Sears.

Failed

Directors GARBARINO/HILL

Resolution No. 2020-086 approves a temporary furlough program equal to a ten percent reduction in pay for Mid-Managers, Deputy General Managers, Officers and Board of Director members for a period of six months, effective November 16, 2020 and continuing through May 15, 2021.

Adopted

AYES (14): Directors Arnold, Belforte, Fredericks, Garbarino, Grosboll, Hernández, Hill, Moylan, Rabbitt, Sobel and Yee; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (1) Director Mastin.

ABSENT (1): Director Sears.

President Pahre thanked the Directors and staff for their contributions.

(6) ADJOURNMENT: [3:12:13 Hours Mark on the Audio Recording]

All business having been concluded, the meeting was adjourned at 12:16 p.m.

Carried

Respectfully submitted,

Amorette M. Ko-Wong
Secretary of the District

AMK:EIE:mjl

**AGENDA ITEM NO. 5.B.
RATIFICATION OF PREVIOUS ACTIONS BY THE AUDITOR-CONTROLLER
FINANCE-AUDITING COMMITTEE OF DECEMBER 17, 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 December 17, 2020. The staff report can be found on the District's web site at <https://www.goldengate.org/district/board-of-directors/meeting-documents>.

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