

February 25, 2021



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

**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 supplemented by the audio recording that is posted online at:  
<https://www.goldengate.org/district/board-of-directors/meeting-documents>.**

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 via audio conference, on Thursday, February 25, 2021, at 11:05 a.m., Chair Rabbitt presiding.

(1) **Call to Order:** 11:05 a.m.

(2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong.

**Committee Members Present (4):** Chair Rabbitt; Directors Cochran and Grosboll; President Pahre.

**Committee Members Absent (1):** Vice Chair Fredericks.

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

**Committee of the Whole Members Present (10):** Directors Garbarino, Grosboll, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

**Committee of the Whole Members Absent (4):** Directors Arnold, Fredericks, Rodoni and Stefani.

**[Note: On this date, there were five 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;

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Attorneys Madeline Chun and Kimon Manolius; Deputy General Manager/Administration and Development Kellee Hopper; Deputy General Manager/Bridge Division Steve Miller; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

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.

**[Director Grosboll arrived.]**

**(3) Ratification of Previous Actions by the Auditor-Controller [2:57 Minutes Mark on the Audio Recording]**

PFM Senior Managing Consultant Lesley Murphy presented the Investment Report.

Chair Rabbitt expressed his appreciation for Ms. Murphy's efforts working with the District.

**(a) Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors COCHRAN/THERIAULT** 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:

- (i) Ratifies commitments and/or expenditures totaling \$16,378.20 for the period of January 1, 2021 through January 31, 2021.
- (i) Ratifies investments made during the period January 12, 2021 through February 15, 2021.
- (ii) Authorizes the reinvestment, within the established policy of the Board, of any investments maturing between February 16, 2021 and March 15, 2021, as well as the investment of all other funds not required to cover expenditures which may become available.
- (iii) Accept the Investment Report for January 2021.

**Action by the Board at its meeting of February 26, 2021 – Resolution  
CONSENT CALENDAR**

**AYES (10):** Directors Garbarino, Grosboll, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

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**NOES (0):** None.

**ABSENT (4):** Directors Arnold, Fredericks, Rodoni and Stefani.

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

- (a) Budget Increase in the FY 20/21 Bridge Division Capital Budget for the Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)**  
**(Recommendation from the February 25, 2021 Meeting of the Building and Operating Committee) [13:31 Minutes Mark on the Audio Recording]**

District Engineer Ewa Bauer-Furbush presented the staff report.

**(i) Action by the Committee**

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

**RECOMMENDATION**

The Finance-Auditing Committee/Committee of the Whole recommends, in concurrence with the Building and Operating Committee at its meeting on February 25, 2021, that the Board of Directors authorize a budget increase in the amount of \$179,000 to the *Golden Gate Bridge Physical Suicide Deterrent System Project (Project #1526)*, to be financed with District reserves, to fund the continuation of the suicide deterrent net system fabrication inspection services through December 2021 relative to Professional Services Agreement (PSA) No. 2018-B-075, *Golden Gate Bridge Physical Suicide Deterrent Net System Fabrication Shop Inspection Services*, associated with construction Contract No. 2016-B-01, *Golden Gate Bridge Physical Suicide Deterrent System and Wind Retrofit*.

**Action by the Board at its meeting of February 26, 2021 – Resolution**  
**NON-CONSENT CALENDAR**

**AYES (10):** Directors Garbarino, Grosboll, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

**NOES (0):** None.

**ABSENT (4):** Directors Arnold, Fredericks, Rodoni and Stefani.

**(5) Authorize Actions Related to Grant Programs**

No actions required authorization.

**(6) Approve Renewal of the Marine Insurance Program [16:12 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report.

Chair Rabbitt commented and inquired about the staff report and expressed his

appreciation for staff's efforts on the renewal.

Mr. Wire responded to the Director's inquiries.

**(a) Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GARBARINO/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, 2021, with a renewal package totaling \$900,523, as follows:

1. Renew Protection & Indemnity coverage with the Steamship Mutual P&I Club for a one-year term, with a limit of \$1 billion for each occurrence/annual aggregate in excess of a per occurrence deductible of \$50,000 and annual aggregate deductible of \$350,000 for a total premium of \$486,875;
2. Bind Hull & Machinery coverage including Terrorism and Risk Insurance Act (TRIA) coverage with Travelers and The Hartford for a one-year term, with insured hull limits per attached addendum in excess of a \$200,000 deductible for a total premium of \$256,246;
3. Renew Vessel Pollution Liability coverage with Great American for a one-year term, with a limit of \$5 million for a total premium of \$7,052;
4. Renew Marine General Liability coverage with Liberty Mutual for a one-year term, with a limit of \$1 million occurrence and \$2M aggregate, in excess of a per occurrence deductible of \$10,000 for a total premium of \$17,850;
5. Bind Excess Marine General Liability Insurance program with Aegis, Beazley, Convex, CNA Hardy, Canopus, Axis, AIG, Markel, and Antares, for a one-year term with a liability limit of \$50 million for each occurrence/annual aggregate in excess of a \$10,000 self-insured retention (SIR) for a total premium of \$132,500;

with the understanding, those requisite funds in the amount of \$900,523 are available in the FY 20/21 Ferry Division Operating Budget and that requisite funds will be budgeted in the FY 21/22 Ferry Division Operating Budget.

**Action by the Board at its meeting of February 26, 2021 – Resolution**  
**NON-CONSENT CALENDAR**

**AYES (9):** Directors Garbarino, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.  
ABSTENTIONS (1): Director Grosboll.  
ABSENT (4): Directors Arnold, Fredericks, Rodoni and Stefani.

- (7) **Authorize Execution of a Professional Services Agreement Relative to Contract No. 2020-MD-051, Operations and Maintenance of Ventek Ticket Vending Machines, with Ventek Transit [22:37 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report.

Chair Rabbitt commented about the staff report.

(b) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors THERIAULT/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 relative to the Ticket Vending Machine Replacement Project, as follows:

1. Approve award of sole source Contract No. 2020-MD-051, *Operations and Maintenance of VenTek Ticket Vending Machines*, to VenTek Transit of Petaluma, CA, in the amount of \$3,110,436 for a base term of five years, with two additional one-year option terms to be exercised at the Golden Gate Bridge, Highway and Transportation District's (District) sole discretion; and,
2. Establish a contract contingency in the amount of \$311,044 to make programming adjustments based on actual service needs or to address any additional unexpected items that may be encountered.

**Action by the Board at its meeting of February 26, 2021 – Resolution  
NON-CONSENT CALENDAR**

AYES (10): Directors Garbarino, Grosboll, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

NOES (0): None.  
ABSENT (4): Directors Arnold, Fredericks, Rodoni and Stefani.

- (8) **Receive the Independent Auditor's Single Audit Report for the Year Ending June 30, 2020, as Submitted by Eide Bailly, LLP [28:08 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report and introduced Nathan Edelman of Eide Bailly who continued the presentation.

Chair Rabbitt commented about the staff report.

(c) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GARBARINO/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 receive the Independent Auditor's Single Audit Report for the year ending June 30, 2020, as submitted by Eide Bailly, LLP.

**Action by the Board at its meeting of February 26, 2021 – Resolution**  
**NON-CONSENT CALENDAR**

**AYES (10):** Directors Garbarino, Grosboll, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

**NOES (0):** None.

**ABSENT (4):** Directors Arnold, Fredericks, Rodoni and Stefani.

(9) **Approve Actions Relative to the Annual Review of Rule XI, Investment Policy, of the Rules of The Board** [35:18 Minutes Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report.

(d) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors SNYDER/GARBARINO** 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 relative to the annual review of RULE XI, **INVESTMENT POLICY**, of the *Rules of the Board*:

1. Renew the annual delegation of investment management authority to the Auditor-Controller for FY 21/22 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.
2. Approve an amendment to RULE XI, **INVESTMENT POLICY**, of the *Rules of the Board*, as detailed in the staff report.

**Action by the Board at its meeting of February 26, 2021 – Resolution**  
**NON-CONSENT CALENDAR**

**AYES (10):** Directors Garbarino, Grosboll, Hernández, Hill, Mastin, Rabbitt and Snyder; Second Vice President Cochran; First Vice President Theriault; President Pahre.

**NOES (0):** None.

**ABSENT (4):** Directors Arnold, Fredericks, Rodoni and Stefani.

**(10) Status Report on the FY 20/21 Budget [39:11 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken. The FY 2020/2021 Adopted Budget is available on the District's website at: <https://www.goldengate.org/documents>.

Chair Rabbitt commented on the staff report and expressed his appreciation to staff for their efforts obtaining additional funding for the District.

**(11) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Seven Months Ending January, 2021) [46:00 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken.

**(12) Monthly Review of Financial Statements (for Seven Months Ending January, 2021)**

**(a) Statement of Revenue and Expenses [48:45 Minutes Mark on the Audio Recording]**

**(b) Statement of Capital Programs and Expenditures [51:10 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff reports, which were for informational purposes only and no action was taken.

Chair Rabbitt commented on the staff report.

**(13) Closed Session [52:41 Minutes Mark on the Audio Recording]**

Attorney Madeline Chun at the request of Chair Rabbitt, 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 Nos 13.a and 13.b:

**(a) Conference with Legal Counsel – Existing Litigation**

Pursuant to Government Code Section 54956.9(a)

**Report of Hanson Bridgett, LLP**

**(i) Dyra Candell v. Golden Gate Bridge, Highway and Transportation District, San Francisco Superior Court; Case Number CGC-19-579533.**

**(b) Conference with Legal Counsel – Existing Litigation**

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Pursuant to Government Code Section 54956.9(a)

Report of Athens Administrators, Inc.

- (i) Albert Muscat v. Golden Gate Bridge, Highway and Transportation District.
- (ii) Richard Sadler v. Golden Gate Bridge, Highway and Transportation District.

**[53:49 Minutes Mark on the Audio Recording]**

After Closed Session, Chair Rabbitt called the meeting to order in Open Session with a quorum present. Attorney Chun 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. For Agenda Item No. 13.b., she reported that the Committee gave appropriate guidance to its attorney. For Agenda Item No. 13.a, she stated that the District received a settlement offer from Ms. Candell in the amount of \$85,000, and the Committee approved acceptance of this offer.

**(14) Public Comment**

There were no public comments.

**(15) Adjournment [55:17 Minutes Mark on the Audio Recording]**

All business having been concluded, Directors GARBARINO/COCHRAN moved and seconded that the meeting be adjourned at 12:23 p.m.

Respectfully submitted,



David A. Rabbitt, Chair  
Finance-Auditing Committee

DAR:AMK:EIE:mjl