



Agenda Item No. (5)

BOARD OF DIRECTORS MEETING
FRIDAY, JULY 28, 2023

(5) CONSENT CALENDAR:

(A) Approve the Minutes of the following Meetings:

- (1) Building and Operating Committee of June 22, 2023;
- (2) Finance-Auditing Committee of June 22, 2023; and,
- (3) Board of Directors Meeting of June 23, 2023

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, June 2023

Resolution

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June 22, 2023



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

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:

The Building and Operating Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session at the Four Points by Sheraton, Marin Ballroom, 1010 Northgate Drive, San Rafael, CA, on Thursday, June 22, 2023, at 9:01 a.m., with Chair Garbarino presiding. A remote audio option for public participation was available.

- (1) **Call to Order:** 9:01 a.m.
- (2) **Roll Call:** Secretary of the District Amorette M. Ko-Wong. **[00:33 Minutes Mark on the Audio Recording]**

Committee Members Present (6): Chair Garbarino; Vice-Chair Mastin; Directors Cochran, Pahre and Rabbitt; President Thériault.

Committee Members Absent (2): Directors Conroy and Thier.

Other Directors Present (4): Directors Giudice, Hill, Rodoni and Snyder.

Committee of the Whole Members Present (10): Directors Garbarino, Giudice, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

Committee of the Whole Members Absent (9): Directors Conroy, Dorsey, Engardio, Grosboll, Hernández, Moulton-Peters, Safai, Stefani and Thier.

Staff Present: General Manager Denis Mulligan; Acting Auditor-Controller Jennifer Mennucci; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorneys Madeline Chun and Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Administration and Development Kellee

**BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE
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Hopper; Director of Planning Ron Downing; 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.

Chair Garbarino invited all Directors present to make comments at the meeting.

(3) Approve Actions Relative to Award of Contract No. 2022-F-014, Larkspur Ferry Terminal Fuel Tanks Rehabilitation, to Euro Style Management [01:21 Minutes Mark on the Audio Recording]

District Engineer Ewa Bauer-Furbush presented the staff report.

[Director Snyder arrived and the Committee became a Committee of the Whole.]

[08:23 Minutes Mark on the Audio Recording]

Chair Garbarino expressed appreciation for the staff report.

Director Mastin inquired about the District's options for recouping costs from the involved vendors.

Director Rabbitt inquired about the current condition of the fuel tanks.

Ms. Bauer-Furbush and Mr. Mulligan responded to the Directors' inquiries. Ms. Bauer-Furbush confirmed the involved vendors paid for the emergency project costs. Ms. Bauer-Furbush explained that the tanks have a concrete containment.

(a) Action by the Committee

Staff further recommended and the Committee concurred by motion made and seconded by **Directors RABBITT/MASTIN** 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 approve the following actions relative to Contract No. 2022-F-014, *Larkspur Ferry Terminal Fuel Tanks Rehabilitation*, as follows:

- (i) Approve award of Contract No. 2022-F-014 to Euro Style Management of Sacramento, CA, in the amount of \$1,213,400; and,
- (ii) Establish a construction contingency for Contract No. 2022-F-014 in the amount of \$182,010, equal to 15% of the contract award amount,

**BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE
JUNE 22, 2023/PAGE 3**

with the understanding that sufficient funds are available in the FY 22/23 Ferry Division Capital Budget for the Project #2141, *LFT Fuel System Rehabilitation Project* to finance these actions.

Action by the Board at its meeting of June 23, 2023 – Resolution

AYES (10): Directors Garbarino, Giudice, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.
NOES (0): None.
ABSENT (9): Directors Conroy, Dorsey, Engardio, Grosboll, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(4) Approve Actions Relative to Contract No. 2017-D-30, San Rafael Transportation Center Relocation Analysis, Environmental Clearance, and Preliminary Design, with Kimley-Horn and Associates [11:46 Minutes Mark on the Audio Recording]

Director of Planning Ron Downing presented the staff report. He reviewed the extensive community input into the project, and the project team's work with the City of San Rafael and the Community Design Advisory Group (CDAG), which is comprised of San Rafael residents. He also spoke about the LEED (Leadership in Energy and Environmental Design) certified design for the Customer Relations facility at the San Rafael Transit Center. These items along with the preliminary engineering will be funded through the transfer of funds that is included in the action.

[14:58 Minutes Mark on the Audio Recording]

Chair Garbarino thanked Mr. Downing for the report. She spoke about meetings with the City of San Rafael. She reported that Canal Alliance representatives are very pleased with the project process.

Director Mastin inquired about the definition of project stakeholders who were allowed to provide input.

Mr. Downing and Mr. Mulligan responded to the inquiries. Mr. Downing confirmed that local property owner stakeholders will be able to provide input in a future phase of the project. Mr. Mulligan said the project took longer than originally anticipated because the project team got extensive input from City of San Rafael representatives. He added that the CDAG has members who include Canal residents and bus riders.

(a) Action by the Committee

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

RECOMMENDATION

**BUILDING AND OPERATING COMMITTEE/COMMITTEE OF THE WHOLE
JUNE 22, 2023/PAGE 4**

The Building and Operating Committee/Committee of the Whole recommends that the Board of Directors approve the following actions relative to Contract No. 2017-D-30, *San Rafael Transportation Center Relocation Analysis, Environmental Clearance, and Preliminary Design* as follows:

- (i) Authorize execution of the Fourth Amendment to Contract No. 2017-D-30 with Kimley-Horn and Associates in an amount not to exceed \$272,421 for the total contract amount of \$4,174,310 for continuation of consulting services; and,
- (ii) Revise the contract contingency to \$47,579;

with the understanding that sufficient funds to finance the Fourth Amendment to the PSA and the contract contingency are available in the budget for the *San Rafael Transportation Center Relocation Analysis, Environmental Clearance, and Preliminary Design* (Project #1717).

Action by the Board at its meeting of June 23, 2023 – Resolution

AYES (10): Directors Garbarino, Giudice, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (9): Directors Conroy, Dorsey, Engardio, Grosboll, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

**(5) Status Report from Board Appointee(s) on Sonoma-Marin Area Rail Transit Board
[18:54 Minutes Mark on the Audio Recording]**

Chair Garbarino provided a Sonoma-Marin Area Rail Transit (SMART) Board status report, which was for informational purposes only and no action was taken. Directors Pahre and Rabbitt added to her report.

[22:32 Minutes Mark on the Audio Recording]

Director Giudice commented and expressed appreciation for the shuttle that operates between the SMART Sonoma County Airport station and the airport.

President Thériault requested information about the route.

Director Hill commented that the Sonoma County Airport station shuttle is a positive development.

Director Mastin commented about the overnight parking at the SMART stations.

Director Snyder commented about parking at SMART stations, and asked about the cost.

Chair Garbarino and Director Pahre responded to the inquiries.

(6) Status Report on Engineering Projects [26:59 Minutes Mark on the Audio Recording]

District Engineer Ewa Bauer-Furbush presented a status report, which was for informational purposes only and no action was taken.

[27:33 Minutes Mark on the Audio Recording]

The following individual made public comments:

- David Pilpel, San Francisco Resident (remotely)

[29:24 Minutes Mark on the Audio Recording]

President Thériault inquired about the status of the elevator project.

Director Hill inquired about the location of the next Committee and Board meetings.

Ms. Bauer-Furbush responded to the inquiries. She stated that the elevator requires additional work and equipment and should be ready for inspection in August 2023.

Ms. Bauer-Furbush responded to the public comments. She pointed out the last page of the Engineer's Report, which includes additional information about project timelines.

(7) Public Comment

There were no public comments.

Director Hill expressed appreciation for Mr. Pilpel's public comments.

(8) Adjournment [32:47 Minutes Mark on the Audio Recording]

All business having been concluded, Directors RABBITT/SNYDER moved and seconded that the meeting be adjourned at 9:34 a.m.

Carried

Respectfully submitted,

Patricia Garbarino, Chair
Building and Operating Committee

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June 22, 2023

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

These minutes are supplemented by the audio recording that is posted online at:
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Honorable Board of Directors
Golden Gate Bridge, Highway
and Transportation District

Honorable Members:

The Finance-Auditing Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session at the Four Points by Sheraton, Marin Ballroom, 1010 Northgate Drive, San Rafael, CA, on Thursday, June 22, 2023, at 9:46 a.m., with Chair Rabbitt presiding. A remote audio option for public participation was available.

(1) Call to Order: 9:46 a.m.

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

Committee Members Present (7): Chair Rabbitt; Vice Chair Pahre; Directors Cochran, Giudice, Grosboll and Rodoni; President Thériault.

Committee Members Absent (1): Director Hernández.

Other Directors Present (4): Directors Garbarino, Hill, Mastin and Snyder.

Committee of the Whole Members Present (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

Committee of the Whole Members Absent (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

Staff Present: General Manager Denis Mulligan; Acting Auditor-Controller Jennifer Mennucci; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorneys Madeline Chun, Kimon Manolius and David Casarrubias; Deputy

General Manager/Bridge Division David Rivera; Deputy General Manager/Administration and Development Kellee Hopper; Chief Technology Director Fang Lu; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

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(3) Ratification of Previous Actions by the Auditor-Controller [01:12 Minutes Mark on the Audio Recording]

PFM Senior Managing Consultant Wale Kajopaiye presented the Investment Report.

[05:50 Minutes Mark on the Audio Recording]

Director Mastin inquired about Supercore in the Personal Consumption Expenditure Price Index on page 13 of the meeting packet.

Director Grosboll inquired about the District's Walmart Stores investment holdings on page 18 of the meeting packet.

Mr. Kajopaiye responded to the Directors' inquiries.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/THÉRIAULT** 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 approves the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of May 1, 2023, through May 31, 2023;
- (ii) Ratify investments made during the period May 9, 2023, through June 12, 2023;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between June 12, 2023, and July 17, 2023, as well as the investment of all other funds not required to cover expenditures that may become available; and,
- (iv) Accept the Investment Report for May 2023.

Action by the Board at its meeting of June 23, 2023 – Resolution
CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

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

(a) Authorize Budget Transfers and Adjustments to the FY 22/23 Operating Budget [08:32 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Jennifer Mennucci presented the staff report.

[10:00 Minutes Mark on the Audio Recording]

President Thériault inquired about the benefits cost savings.

Director Snyder inquired about the total fringe benefit savings and commented about the open positions that result in decreased Amalgamated Transit Union pension payments.

Director Grosboll inquired about the District's vacant positions.

Chair Rabbitt commented about the County of Sonoma's openings.

Ms. Mennucci and Mr. Mulligan responded to the inquiries.

(i) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors COCHRAN/GIUDICE** 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 authorize operating budget transfers of \$3,820,000, or 1.5%, of total FY 22/23 Operating Budget Expenses as detailed in Attachment A, and summarized below:

1. The Bridge Division will transfer \$600,000 between budget categories in the Bridge Division.
2. The Bus Transit Division will transfer \$2,300,000 between budget categories to the Ferry Division.
3. The Ferry Division will transfer \$420,000 between budget categories in the Ferry Division.
4. The District Division will transfer \$500,000 between budget categories in the District Division.

Action by the Board at its meeting of June 23, 2023 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(b) Budget Increase in the FY 22/23 District Division Capital Budget for Project #2212, Cyber Security Strategic Plan and Mitigations [14:15 Minutes Mark on the Audio Recording]

Chief Technology Director Fang Lu presented the staff report.

[16:22 Minutes Mark on the Audio Recording]

Director Mastin inquired about the pre-qualified consultants bench referenced on page 32 of the meeting packet.

Director Giudice inquired about grant funding opportunities for the project.

Chair Rabbitt commented about the increased protection and expressed appreciation for the effort.

Ms. Lu and Mr. Mulligan responded to the inquiries.

(i) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/RODONI** 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 authorize an increase in the FY 22/23 District Division Capital Budget, in the amount of \$300,000, for Project #2212, *Cyber Security Strategic Plan and Mitigations*.

Action by the Board at its meeting of June 23, 2023 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(5) Authorize Actions Related to Grant Programs

(a) Approve Actions Relative to the State of Good Repair (SGR) Program [18:56 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Jennifer Mennucci presented the staff report.

[19:57 Minutes Mark on the Audio Recording]

Chair Rabbitt stated that he spoke to Mr. Mulligan and learned this funding source will likely not be affected by the FY 23/24 State budget.

Director Mastin commented about the use of acronyms in the report.

(i) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/THÉRIAULT** 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 actions necessary to secure FY 23/24 State of Good Repair (SGR) program funds to support transit projects that maintain the public transit system in a state of good repair for the Golden Gate Bridge, Highway and Transportation District (District):

1. Authorize the General Manager or his designee to execute for and on behalf of the District any documents necessary relative to the FY 23/24 SGR program; and,
2. Approve submission of the Ferry Division Capital Projects #2141 *Larkspur Ferry Terminal Fuel System Rehabilitation*, #2443 *SFFT Outer Berth Rehabilitation*, and #2444 *SFFT Inner Berth Hydraulics Rehabilitation*, for the FY 23/24 proposed project list to the Metropolitan Transportation Commission.

Action by the Board at its meeting of June 23, 2023 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(6) **Approve Renewal of the Liability and Property Insurance Programs** [21:24 Minutes
Mark on the Audio Recording]

Deputy General Manager/Administration and Development Kellee Hopper presented the staff report.

[27:31 Minutes Mark on the Audio Recording]

Chair Rabbitt commented about the insurance increase.

Director Hill commented about the insurance marketplace in California and inquired about the District's ability to negotiate good rates in the marketplace.

Director Garbarino expressed appreciation for the staff report and the insurance program. She inquired about the District's experience modifier.

Directors Grosboll and Mastin expressed appreciation for staff's efforts to resolve workers' compensation claims. They commented that claim resolution benefits both parties.

Director Grosboll inquired about staff's efforts to compare rates.

Mr. Mulligan and Ms. Hopper responded to the Directors inquiries. Mr. Mulligan commented that Ms. Vitale is very knowledgeable about the District's experience modifier. Ms. Hopper confirmed that the District's broker is very knowledgeable about the District as well as other agencies. She indicated that Auditor-Controller Joe Wire is satisfied with the District's insurance coverage from a financial perspective, and staff believes the coverage is as robust and cost effective as possible. Mr. Mulligan stated that the District's biggest liability exposure is the bus transit service.

(a) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/MASTIN** 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 Liability Insurance Program, effective July 1, 2023, as follows:

- (i) Delegate to the General Manager the authority to purchase the Excess General and Automobile Liability Insurance including Public Officials and Employment Practices Liability with Terrorism Risk Insurance Act (TRIA) coverage, for a not to exceed amount of \$3,769,158 for a one-year term. The Golden Gate Bridge, Highway and Transportation District's (District) insurance brokers are continuing negotiations with various potential insurers (some of which currently provide

coverage to the District) including Allied Public Risk, Safety National, Inigo, MAP, AWAC, Westchester, Westfield, Hiscox, Canopus, Convex, Hamilton Re, Aspen, Sompo, Apollo, Liberty, Munich Re, and others.

The expiring program has a \$85 million limit and a self-insured retention of \$5 million for Auto Liability and \$3 million for General Liability, including legal defense costs within the self-insured retention. The District is looking at a higher self-insured retention of \$7.5 million on Auto Liability for a premium savings. While that's a significant increase in self-insured retention from \$5 million to \$7.5 million for Auto Liability losses, the premium savings is about \$700,000 between the two options.

The insurance broker will be working through the first weeks of June to negotiate the best possible insurance program for the District at this higher Self-Insured Retention amount. This extra time will enable the broker to obtain more favorable offers in a difficult market. The delegation authorizes the General Manager to purchase insurance consistent with the terms described above for the not-to-exceed premium amount of \$3,769,158.

- (ii) Renew the Excess Workers' Compensation and Employers' Liability Insurance Program with Safety National, for a one-year term, in excess of a Self-Insured Retention of \$1,250,000 for each accident, with a \$25 million limit, for an annual premium of \$390,504.
- (iii) Renew the Public Officials'/Employment Practices Liability Insurance Program with Ironshore, for a one-year term, with a liability limit of \$2 million for each occurrence/annual aggregate. The program has a Self-Insured Retention of \$250,000 for each Directors and Officers claim, and \$250,000 for Employment Practices Liability claims – the only exception being a \$1,000,000 self-insured retention for claims concerning Class Actions or Layoffs. The annual premium for this policy is \$186,401.
- (iv) Renew the Fiduciary Liability Insurance Program for the Other Public Employee Benefits (OPEB) Trust Board with Chubb Insurance Company for a one-year term, with a \$5 million limit for each occurrence, and a \$25,000 deductible, for an annual premium of \$15,105;
- (v) Renew the Crime Insurance Program with F&D/Zurich Insurance Company, for the second year of a three-year term with a \$25,000 deductible and \$1 million limit for an annual premium of \$3,597; and,
- (vi) Renew the Cyber Liability Program with Resilience for a one-year-term. The program has a \$5 million limit and \$250,000 for Social Engineering Fraud. The coverage has a \$100,000 Self-Insured Retention for a premium of \$79,449.

The Finance-Auditing Committee/Committee of the Whole also recommends that the Board of Directors approve the Property Insurance Program, effective July 1, 2023, as follows:

- (i) Renew the property insurance program with AIG for buildings and facilities with a \$250,000 deductible for a premium of \$855,907, and the excess earthquake and flood insurance program for a premium of \$192,792.
- (ii) Delegate to the General Manager the authority to purchase the Marin Transit Bus Property Damage Program with actual cash value basis and a deductible of \$50,000 with Markel for a premium of not more than \$44,210. The quotation was not available at the time of this report, but we have provided this amount as a conservative estimate; and,
- (iii) Continue to allocate monies to the Restricted Contingency Reserve, for FY 23/24, in the amount of \$1.3 million, as self-insurance for costs associated with Bridge Physical Damage and Loss of Revenue.

These recommendations are made with the understanding that the requisite funds are available in the approved FY 23/24 Operating Budget for the Bridge, Bus, Ferry, and District divisions.

Action by the Board at its meeting of June 23, 2023 – Resolution
NON-CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(7) Approval of Changes to Tolling Policies to Comply with AB 2594 [32:39 Minutes Mark on the Audio Recording]

Acting Auditor-Controller Jennifer Mennucci presented the staff report.

[38:59 Minutes Mark on the Audio Recording]

Director Snyder inquired about outstanding tolls and penalties, and the staff supporting the FasTrak Customer Service Center (CSC).

Director Hill inquired about using a Fastrak transponder in someone else's vehicle, and information available to help people pay their tolls.

Director Mastin inquired about the Violations 'Second Notice' on page 52 and requested more information about how the District reports on toll and penalties.

Director Pahre commented and inquired about the reduced penalty revenue.

Chair Rabbitt commented that the Bay Area Toll Authority (BATA) has discussed this topic in depth over many meetings. He expressed appreciation for the District's approach to the toll penalties. He commented about tolls and the economy. He requested clarification about how the District budgets for penalties and handles excess revenue. He inquired about the possibility that organizations might systematically fail to pay tolls. He commented about Plan Bay Area 2050.

Director Garbarino spoke about the class action lawsuit against the District and the convenience of the centralized Fastrak CSC.

Director Grosboll commented that in the past, the Board did support waiving toll penalties. He expressed appreciation for Ms. Mennucci's efforts with All Electronic Tolling, Hanson Bridgett's defense of the District in the class action lawsuit, and the District's approach to the toll penalties.

Ms. Mennucci and Mr. Mulligan responded to the inquiries. Ms. Mennucci stated that the District collects toll penalties of about \$10 million per year. Mr. Mulligan added that when the penalty policies were approved, the Board members articulated that their intent was to collect penalties to offset the District's toll losses. Ms. Mennucci provided background about the Fastrak CSC and BATA. Mr. Mulligan reviewed what happens when a transponder is in someone else's vehicle and confirmed drivers can remain anonymous. He clarified that penalties generally exceed the lost tolls, and the goal is for people to pay their tolls. He added that the bill was designed to assist low-income individuals who might otherwise pay exorbitant fines. With the new policy, the District will continue to attempt to recoup lost tolls.

[59:32 Minutes Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel, San Francisco Resident (remotely)

Mr. Mulligan and Ms. Mennucci responded to the public comment.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors PAHRE/MASTIN** 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 authorize the execution of the following revisions to the District's Master Ordinance to comply with the passage of Assembly Bill 2594:

- (i) Decrease the maximum penalty per toll violation to \$50 starting on July 1, 2024:
 1. First Notice: Toll amount plus twenty-five dollars (\$25.00) penalty
 2. Second Notice: twenty-five dollar additional (\$25.00) penalty
- (ii) Decrease the toll tag deposit from \$20.00 to \$5.00 for FasTrak accounts funded with cash and decrease the fee for a replacement tag from \$20.00 to \$5.00.

Action by the Board at its meeting of June 23, 2023 – Ordinance
NON-CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(8) Approve Proposed FY 23/24 Operating and Capital Budget [1:04:46 Hour Mark on the Audio Recording]

Acting Auditor-Controller Jennifer Mennucci presented the staff report. She stated that the report and proposed budget are part of the Finance-Auditing Committee meeting packet for June 22, 2023 and are available at: <https://www.goldengate.org/district/board-of-directors/meeting-documents>. She highlighted references to the Amalgamated Transit Union settlement.

[1:08:29 Hour Mark on the Audio Recording]

Director Grosboll inquired about the timing of the Board taking action on the budget, the remaining balance of federal relief funding and the Toll Gantry project timeline.

Mr. Mulligan, Ms. Mennucci and Ms. Bauer-Furbush responded to the inquiries. Mr. Mulligan stated that the budget is based on the possibility that the District could add back more transit service than what is currently being operated, and as a result, the District will likely not spend as much as budgeted. He said the District is spending federal relief funding on transit and putting surplus toll revenue into District reserves. Ms. Mennucci added that the District is unlikely to spend all of the federal relief money by the end of next year. Ms. Bauer-Furbush reviewed the Toll Gantry project timeline and stated that staff would likely issue an invitation to bid on the construction project towards the end of 2024.

[1:11:59 Hour Mark on the Audio Recording]

The following individual spoke under public comment:

- David Pilpel, San Francisco Resident (remotely)

Chair Rabbitt asked Mr. Mulligan to comment on the vacancy rate.

Mr. Mulligan responded to the public comments and stated the District has about 100 vacant Bus Operator positions and about 50 vacant positions in other parts of the District.

Chair Rabbitt expressed appreciation for the budget presentation, clarity and transparency.

(a) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors SNYDER/GIUDICE** 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 Fiscal Year 2023/2024 (FY 23/24) Proposed Operating and Capital Budget, as follows:

- (i) Authorize the following items as contained in the budget:
 - 1. District Goals, Projects, and Accomplishments;
 - 2. Changes to the Reserve Structure;
 - 3. Changes to the Table of Organization;
- (ii) Include salary increases for the Coalition and Non-Represented employees. Salary increases for ATU-represented employees will be included in the FY 23/24 Adopted Budget;
- (iii) Include a Capital Contribution amount of \$21 million;
- (iv) Authorize budget increases for five Capital Projects by a total of \$785,000 to be funded with 100% District Reserves; and,
- (v) Authorize the following items not currently included in the Proposed Budget but will be included in the Adopted Budget:
 - 1. Any Board approved actions through June 30, 2023 that have a fiscal impact to the FY 23/24 Capital and/or Operating Budget;
 - 2. Carryover any incomplete projects in the FY 22/23 Capital Budget to FY 23/24 as authorized by the General Manager;
 - 3. Move any capital projects from the FY 24/25 list to the FY 23/24 budget, authorized by the General Manager, as staff resources become available in FY 23/24; and,
 - 4. Include final FY 22/23 budget transfers needed to comply with the Board's budget policy that will be implemented in the FY 23/24 Adopted Budget Book.

Action by the Board at its meeting of June 23, 2023 – Resolution

NON-CONSENT CALENDAR

AYES (11): Directors Garbarino, Giudice, Grosboll, Mastin, Pahre, Rabbitt, Rodoni and Snyder; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (8): Directors Conroy, Dorsey, Engardio, Hernández, Moulton-Peters, Safaí, Stefani and Thier.

(9) Status Report on the FY 22/23 Budget [1:16:46 Hour Mark on the Audio Recording]

Acting Auditor-Controller Jennifer Mennucci presented the staff report, which was for informational purposes only and no action was taken. She stated a summary of the One-Time Federal Funding is in the FY 23/24 Proposed Budget on page 35.

(10) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Ten and Eleven Months Ending April 2023 and May 2023) [1:18:24 Hour Mark on the Audio Recording]

Acting Auditor-Controller Jennifer Mennucci presented the staff report, which was for informational purposes only and no action was taken.

[Director Snyder departed.]

(11) Monthly Review of Financial Statements (for Ten and Eleven Months Ending April 2023 and May 2023) [1:19:07 Hour Mark on the Audio Recording]

(a) Statement of Revenue and Expenses

(b) Statement of Capital Programs and Expenditures

Acting Auditor-Controller Jennifer Mennucci presented the staff report, which were for informational purposes only and no actions were taken.

Chair Rabbitt stated that he would like to take Public Comment before Closed Session.

(12) Public Comment

There were no public comments.

(13) Closed Session [1:20:44 Hour Mark on the Audio Recording]

Attorney Kimon Manolius, 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 matters listed on the Agenda as Item Nos. 12(a) and 12(b):

(a) Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code Section 54956.9(a)

Report of Athens Administrators, Inc.

(i) *Jay Seaman v. Golden Gate Bridge, Highway and Transportation District.*

(b) Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code Section 54956.9(a)

Report of Hanson Bridgett, LLP

(i) *Cody Brewster v. Golden Gate Bridge, Highway and Transportation District.*

[1:21:37 Hour Mark on the Closing Audio Recording]

After Closed Session, Chair Rabbitt called the meeting to order in Open Session with a quorum present. Attorney Kimon Manolius stated that the Committee had met in Closed Session, as permitted by the Brown Act, to discuss the above listed matters. He reported that the Committee gave guidance to legal counsel about how to proceed with both matters.

(14) **Adjournment** **[1:22:05 Hour Mark on the Audio Recording]**

All business having been concluded Directors GIUDICE/HILL moved and seconded that the meeting be adjourned at 11:28 a.m.

Carried

Respectfully submitted,

David A. Rabbitt, Chair
Finance-Auditing Committee

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GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT

MEMORANDUM OF MINUTES

BOARD OF DIRECTORS MEETING

JUNE 23, 2023

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

The Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session at the Four Points by Sheraton, Marin Ballroom, 1010 Northgate Drive, San Rafael, CA, on Friday, June 23, 2023, at 10:01 a.m., with President Thériault presiding. A remote audio option for public participation was available.

- (1) **CALL TO ORDER:** President Michael Thériault.
- (2) **ROLL CALL:** Secretary of the District Amorette M. Ko-Wong. **[00:16 Minutes Mark on the Audio Recording]**

Directors Present (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

Directors Absent (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

Staff Present: General Manager Denis Mulligan; Acting Auditor-Controller Jennifer Mennucci; District Engineer Ewa Bauer-Furbush; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Bus Transit Division Mona Babauta; Deputy General Manager/Administration and Development Kellee Hoper; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

- (3) **PLEDGE OF ALLEGIANCE:** Director Stephanie Moulton-Peters **[01:28 Minutes Mark on the Audio Recording]**

**BOARD OF DIRECTORS MEETING
JUNE 23, 2023/PAGE 2**

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.

(4) PUBLIC COMMENT: [02:10 Minutes Mark on the Audio Recording]

Secretary of the District Amorette Ko-Wong said a number of people are present to make public comments including one person in the room and others on the telephone.

The following individuals spoke under Public Comment: **[02:26 Minutes Mark on the Audio Recording]**

- Manuel Gamboa, Sacramento County Resident (in person)
- Dave Rhody, The Climate Reality Project (remotely)
- David Pilpel, San Francisco Resident (remotely)
- David Seltzer, Marin County Resident and Bicyclist (remotely)
- Dave Troup, Marin County Resident (remotely)
- Warren Wells, Marin County Bicycle Coalition (remotely)
- Parker Day, San Francisco Resident and Bicyclist (remotely)

[19:48 Minutes Mark on the Audio Recording]

President Thériault and General Manager Denis Mulligan thanked the speakers for their comments. Mr. Mulligan responded to the public comments. He spoke about the District's short- and long-term plans to improve safety on Alexander Avenue, and stated that the more extensive changes will require an environmental and community outreach process, which will be conducted over a number of years. He said additional information is available in his General Manager Report.

(5) CONSENT CALENDAR: [25:37 Minutes Mark on the Audio Recording]

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

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

(A) Approve the Minutes of the following Meetings:

- (1) Building and Operating Committee of April 27, 2023;
- (2) Finance-Auditing Committee of April 27, 2023;
- (3) Board of Directors of April 28, 2023;
- (4) Rules, Policy and Industrial Relations Committee of May 18, 2023;
- (5) Finance-Auditing Committee of May 18, 2023; and,
- (6) Board of Directors of May 19, 2023.

Carried

- (B) **Ratification of Previous Actions by the Auditor-Controller**
Resolution No. 2023-041 (as detailed in the June 22, 2023, Finance-Auditing Committee meeting)
- (1) Ratifies Commitments and/or Expenditures
 - (2) Ratifies Previous Investments
 - (3) Authorizes Reinvestments
 - (4) Accepts Investment Report for May 2023
- Adopted**

President Thériault commented about the flexible design of the Toll Gantry.

(6) **REPORTS OF OFFICERS:**

(A) **General Manager** [26:43 Minutes Mark on the Audio Recording]

- (1) **Ratify the Emergency Action of the General Manager to Approve an Emergency Contract Amendment with Moffatt & Nichol Related to the San Francisco Ferry Terminal Ramp Repair**

Directors PAHRE/COCHRAN

Resolution No. 2023-042 ratifies the action of the General Manager to approve an emergency fourth contract amendment with Moffatt & Nichol, in the total amount of \$356,140, to provide design plans and specifications for repairs to the hydraulic gangplank system at the inner berth, and to provide design plans and specifications for structural and hydraulic system repairs to the outer berth at the San Francisco Ferry Terminal.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (1) **General Manager Report** [28:09 Minutes Mark on the Audio Recording]

Mr. Mulligan presented the General Manager Report. He highlighted that the *M.V. Del Norte* ferry crew rescued a kite surfer who was in distress.

He reviewed Bridge traffic, and bus and ferry ridership and said traffic and transit ridership is trending upwards.

Mr. Mulligan recognized Elizabeth Gomez, Jesser Gonzalez and Charles Reckmeyer, Jr. for their District service.

[32:24 Minutes Mark on the Audio Recording]

Director Pahre spoke about the importance of the Dominican University Leadership Academy and requested staff highlight the employees who graduate from the Academy.

**BOARD OF DIRECTORS MEETING
JUNE 23, 2023/PAGE 4**

President Thériault referenced the public comments about a comprehensive approach to Alexander Avenue safety improvements. He acknowledged staff's approach to undertake shorter- and longer-term projects for Alexander Avenue safety improvements.

Director Hill commented about his commitment and appreciation for efforts to improve Alexander Avenue.

(B) Attorney [35:34 Minutes Mark on the Audio Recording]

Attorney Kimon Manolius presented the Attorney Report, which was for informational purposes only and no action was required.

(C) District Engineer [35:50 Minutes Mark on the Audio Recording]

District Engineer Ewa Bauer-Furbush presented the District Engineer Report, which was for informational purposes only and no action was taken. She highlighted key developments of the Suicide Deterrent System (SDS) project and said that staff is optimistic the project will be completed by the end of the year. She also spoke about the Seismic Retrofit project and the District's use of the Construction Management General Contractor (CMGC) procurement method. In addition, she spoke about the Golden Gate Bridge projects for the Toll Plaza Administration Building Elevator, Sound Mitigation and Rope Inspections.

[43:11 and 49:06 Minutes Mark on the Audio Recording]

Director Grosboll inquired about the Seismic Retrofit project timeline.

Director Moulton-Peters inquired about the District's use of CMGC procurement method and asked if the Sonoma Marin Area Rail Transit (SMART) had used the same approach.

Director Rabbitt responded that he understands that SMART did use a CMGC procurement method for part of its construction projects.

Director Pahre said that she appreciates the visual images of the Bridge rope inspections.

Ms. Bauer-Furbush responded to the Directors' comments and inquiries. She said that the Seismic Retrofit project timeline includes award of the pre-construction contract by January 2024 and completion of the work by 2029. She added that the District has gone through a long process and should be able to use the CMGC procurement approach more readily in the future. She confirmed that the District usually documents and films the conclusion of projects like the SDS and Rope Inspection projects.

(7) OTHER REPORTS:

There were no Other Reports to discuss.

(8) REPORT OF COMMITTEES: [50:13 Minutes Mark on the Audio Recording]

BOARD OF DIRECTORS MEETING
JUNE 23, 2023/PAGE 5

President Thériault stated that the Building and Operating Committee met and had considerable discussion the day before.

- (A) **Building and Operating Committee/Committee of the Whole [50:39 Minutes Mark on the Audio Recording]**
June 22, 2023
Vice Chair Mastin

- (1) **Approve Actions Relative to Award of Contract No. 2022-F-014, Larkspur Ferry Terminal Fuel Tanks Rehabilitation, to Euro Style Management [50:42 Minutes Mark on the Audio Recording]**

Directors MASTIN/SNYDER

Resolution No. 2023-043 approves the following actions relative to Contract No. 2022-F-014, *Larkspur Ferry Terminal Fuel Tanks Rehabilitation*, as follows:

- (a) Approves award of Contract No. 2022-F-014 to Euro Style Management of Sacramento, CA, in the amount of \$1,213,400; and,
- (b) Establishes a construction contingency for Contract No. 2022-F-014 in the amount of \$182,010, equal to 15% of the contract award amount,

with the understanding that sufficient funds are available in the FY 22/23 Ferry Division Capital Budget for the Project #2141, *LFT Fuel System Rehabilitation Project* to finance these actions.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (2) **Approve Actions Relative to Contract No. 2017-D-30, San Rafael Transportation Center Relocation Analysis, Environmental Clearance, and Preliminary Design, with Kimley-Horn and Associates [52:18 Minutes Mark on the Audio Recording]**

Directors MASTIN/SNYDER

Resolution No. 2023-044 approves the following actions relative to Contract No. 2017-D-30, *San Rafael Transportation Center Relocation Analysis, Environmental Clearance, and Preliminary Design* as follows:

- (a) Authorizes execution of the Fourth Amendment to Contract No. 2017-D-30, with Kimley-Horn and Associates in an amount not to exceed \$272,421

for the total contract amount of \$4,174,310 for continuation of consulting services; and,

- (b) Revises the contract contingency to \$47,579;

with the understanding that sufficient funds to finance the Fourth Amendment to the PSA and the contract contingency are available in the budget for the *San Rafael Transportation Center Relocation Analysis, Environmental Clearance, and Preliminary Design* (Project #1717).

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

(B) Meeting of the Finance-Auditing Committee/Committee of the Whole [53:44 Minutes Mark on the Audio Recording]
June 22, 2023
Chair David Rabbitt

President Thériault stated that committee met and had considerable discussion the day before.

(1) Authorize Budget Transfers and Adjustments to the FY 22/23 Operating Budget [53:57 Minutes Mark on the Audio Recording]

Directors RABBITT/GIUDICE

Resolution No. 2023-045 authorizes operating budget transfers of \$3,820,000, or 1.5%, of total FY 22/23 Operating Budget Expenses as detailed in Attachment A, and summarized below:

- (a) The Bridge Division will transfer \$600,000 between budget categories in the Bridge Division.
- (b) The Bus Transit Division will transfer \$2,300,000 between budget categories to the Ferry Division.
- (c) The Ferry Division will transfer \$420,000 between budget categories in the Ferry Division.
- (d) The District Division will transfer \$500,000 between budget categories in the District Division.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (2) **Budget Increase in the FY 22/23 District Division Capital Budget for Project #2212, Cyber Security Strategic Plan and Mitigations** [55:02 Minutes Mark on the Audio Recording]

Directors RABBITT/COCHRAN

Resolution No. 2023-046 authorizes an increase in the FY 22/23 District Division Capital Budget, in the amount of \$300,000, for Project #2212, *Cyber Security Strategic Plan and Mitigations*.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (3) **Approve Actions Relative to the State of Good Repair (SGR) Program** [56:06 Minutes Mark on the Audio Recording]

Directors RABBITT/SNYDER

Resolution No. 2023-047 approves actions necessary to secure FY 23/24 State of Good Repair (SGR) program funds to support transit projects that maintain the public transit system in a state of good repair for the Golden Gate Bridge, Highway and Transportation District (District):

- (a) Authorizes the General Manager or his designee to execute for and on behalf of the District any documents necessary relative to the FY 23/24 SGR program; and,
- (b) Approves submission of the Ferry Division Capital Projects #2141 *Larkspur Ferry Terminal Fuel System Rehabilitation*, #2443 *SFFT Outer Berth Rehabilitation*, and #2444 *SFFT Inner Berth Hydraulics Rehabilitation*, for the FY 23/24 proposed project list to the Metropolitan Transportation Commission.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (4) **Approve Renewal of the Liability and Property Insurance Programs** [57:36 Minutes Mark on the Audio Recording]

Directors RABBITT/COCHRAN

Resolution No. 2023-048 approves the Liability Insurance Program, effective July 1, 2023, as follows:

- (a) Delegates to the General Manager the authority to purchase the Excess General and Automobile Liability Insurance including Public Officials and Employment Practices Liability with Terrorism Risk Insurance Act (TRIA) coverage, for a not to exceed amount of \$3,769,158 for a one-year term. The Golden Gate Bridge, Highway and Transportation District's (District) insurance brokers are continuing negotiations with various potential insurers (some of which currently provide coverage to the District) including Allied Public Risk, Safety National, Inigo, MAP, AWAC, Westchester, Westfield, Hiscox, Canopus, Convex, Hamilton Re, Aspen, Sompco, Apollo, Liberty, Munich Re, and others.

The expiring program has an \$85 million limit and a self-insured retention of \$5 million for Auto Liability and \$3 million for General Liability, including legal defense costs within the self-insured retention. The District is looking at a higher self-insured retention of \$7.5 million on Auto Liability for a premium savings. While that's a significant increase in self-insured retention from \$5 million to \$7.5 million for Auto Liability losses, the premium savings is about \$700,000 between the two options.

The insurance broker will be working through the first weeks of June to negotiate the best possible insurance program for the District at this higher Self-Insured Retention amount. This extra time will enable the broker to obtain more favorable offers in a difficult market. The delegation authorizes the General Manager to purchase insurance consistent with the terms described above for the not-to-exceed premium amount of \$3,769,158;

- (b) Renews the Excess Workers' Compensation and Employers' Liability Insurance Program with Safety National, for a one-year term, in excess of a Self-Insured Retention of \$1,250,000 for each accident, with a \$25 million limit, for an annual premium of \$390,504;
- (c) Renews the Public Officials'/Employment Practices Liability Insurance Program with Ironshore, for a one-year term, with a liability limit of \$2 million for each occurrence/annual aggregate. The program has a Self-Insured Retention of \$250,000 for each Directors and Officers claim, and \$250,000 for Employment Practices Liability claims – the only exception being a \$1,000,000 self-insured retention for claims concerning Class Actions or Layoffs. The annual premium for this policy is \$186,401;
- (d) Renews the Fiduciary Liability Insurance Program for the Other Public Employee Benefits (OPEB) Trust Board with Chubb Insurance Company for a one-year term, with a \$5 million limit for each occurrence, and a \$25,000 deductible, for an annual premium of \$15,105;

**BOARD OF DIRECTORS MEETING
JUNE 23, 2023/PAGE 9**

- (e) Renews the Crime Insurance Program with F&D/Zurich Insurance Company, for the second year of a three-year term with a \$25,000 deductible and \$1 million limit for an annual premium of \$3,597, and,
- (f) Renews the Cyber Liability Program with Resilience for a one-year-term. The program has a \$5 million limit and \$250,000 for Social Engineering Fraud. The coverage has a \$100,000 Self-Insured Retention for a premium of \$79,449.

Also, approves the Property Insurance Program, effective July 1, 2023, as follows:

- (a) Renews the property insurance program with AIG for buildings and facilities with a \$250,000 deductible for a premium of \$855,907, and the excess earthquake and flood insurance program for a premium of \$192,792;
- (b) Delegates to the General Manager the authority to purchase the Marin Transit Bus Property Damage Program with actual cash value basis and a deductible of \$50,000 with Markel for a premium of not more than \$44,210. The quotation was not available at the time of this report, but we have provided this amount as a conservative estimate; and,
- (c) Continues to allocate monies to the Restricted Contingency Reserve, for FY 23/24, in the amount of \$1.3 million, as self-insurance for costs associated with Bridge Physical Damage and Loss of Revenue.

These recommendations are made with the understanding that the requisite funds are available in the approved FY 23/24 Operating Budget for the Bridge, Bus, Ferry, and District divisions.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (5) **Approval of Changes to Tolling Policies to Comply with AB 2594**
[1:00:37 Hour Mark on the Audio Recording]

Directors RABBITT/PAHRE

Ordinance No. 2023-002 authorizes the execution of the following revisions to the District's Master Ordinance to comply with the passage of Assembly Bill 2594:

- (a) Decreases the maximum penalty per toll violation to \$50 starting on July 1, 2024:
 - (i) First Notice: Toll amount plus twenty-five dollars (\$25.00) penalty
 - (ii) Second Notice: twenty-five dollar additional (\$25.00) penalty; and

**BOARD OF DIRECTORS MEETING
JUNE 23, 2023/PAGE 10**

- (b) Decreases the toll tag deposit from \$20.00 to \$5.00 for FasTrak accounts funded with cash and decrease the fee for a replacement tag from \$20.00 to \$5.00.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

- (6) **Approve Proposed FY 23/24 Operating and Capital Budget** [1:02:09
Hour Mark on the Audio Recording]

Chair Rabbitt expressed appreciation to those who worked on the budget and acknowledged the leadership of Auditor-Controller Joe Wire and Budget and Electronic Revenue Director Jennifer Mennucci.

Directors RABBITT/MASTIN

Resolution No. 2023-049 approves the Fiscal Year 2023/2024 (FY 23/24) Proposed Operating and Capital Budget, as follows:

- (a) Authorizes the following items as contained in the budget:
 - (i) District Goals, Projects, and Accomplishments;
 - (ii) The Reserve Structure;
 - (iii) Changes to the Table of Organization;
- (b) Includes salary increases for the Coalition and Non-Represented employees. Salary increases for ATU-represented employees will be included in the FY 23/24 Adopted Budget;
- (c) Includes a Capital Contribution amount of \$21 million;
- (d) Authorizes budget increases for five Capital Projects by a total of \$785,000 to be funded with 100% District Reserves; and,
- (e) Authorizes the following items not currently included in the Proposed Budget but will be included in the Adopted Budget:
 - (i) Any Board approved actions through June 30, 2023 that have a fiscal impact to the FY 23/24 Capital and/or Operating Budget;
 - (ii) Carryovers any incomplete projects in the FY 22/23 Capital Budget to FY 23/24 as authorized by the General Manager;
 - (iii) Moves any capital projects from the FY 24/25 list to the FY 23/24 budget, authorized by the General Manager, as staff resources become available in FY 23/24; and,

**BOARD OF DIRECTORS MEETING
JUNE 23, 2023/PAGE 11**

- (iv) Includes final FY 22/23 budget transfers needed to comply with the Board's budget policy that will be implemented in the FY 23/24 Adopted Budget Book.

Adopted

AYES (13): Directors Dorsey, Giudice, Grosboll, Mastin, Moulton-Peters, Pahre, Rabbitt, Rodoni, Snyder and Stefani; Second Vice President Hill; First Vice President Cochran; President Thériault.

NOES (0): None.

ABSENT (6): Directors Conroy, Engardio, Garbarino, Hernández, Safaí and Thier.

(9) ADDRESSES TO BOARD:

There were no Addresses to Board.

(10) SPECIAL ORDER OF BUSINESS:

There was no Special Order of Business.

(11) UNFINISHED BUSINESS:

There was no Unfinished Business.

(12) NEW BUSINESS:

There was no New Business.

(13) COMMUNICATIONS:

Copies of Communications are available in the District Secretary's Office.

(14) ADJOURNMENT: [1:04:15 Hour Mark on the Audio Recording]

All business having been concluded **Directors HILL/GIUDICE** moved and seconded that the meeting be adjourned in honor of Patrocinio Irlandez Bough and Jessie Belle Butler at 11:06 a.m.

Carried

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 JULY 27, 2023**

(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 July 27, 2023. 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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