

MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
TAM

DECEMBER 11, 2017
4:00 PM

TAM ROOM
900 FIFTH AVENUE
SAN RAFAEL, CALIFORNIA



MEETING MINUTES

Members Present: Stephanie Moulton-Peters, Mill Valley City Council, TAM Chair
Judy Arnold, Marin County Board of Supervisors, TAM Vice Chair
Alice Fredericks, Tiburon Town Council
Damon Connolly, Marin County Board of Supervisors
Dan Hillmer, Larkspur City Council
Dennis Rodoni, Marin County Board of Supervisors
Diane Furst, Corte Madera Town Council
Eric Lucan, Novato City Council
James Campbell, Belvedere City Council
John Reed, Fairfax Town Council
Kathrin Sears, Marin County Board of Supervisors
Katie Rice, Marin County Board of Supervisors
P. Beach Kuhl, Ross Town Council
Ray Wityh, Sausalito City Council
Tom McInerney, San Anselmo Town Council

Members Absent: Gary Phillips, San Rafael City Council

Staff Members Present Dianne Steinhauser, Executive Director
Bill Whitney, Deputy Executive Director
Dan Cherrier, Principal Project Delivery Manager
David Chan, Manager of Programming and Legislation
Derek McGill, Planning Manager
Li Zhang, Chief Financial Officer
Nick Nguyen, Principal Project Delivery Manager
Molly Graham, Public Outreach Coordinator
Scott McDonald, Senior Transportation Planner

Chair Moulton-Peters called the meeting to order at 4:10 p.m.

1. Chair's Report (Discussion)

Chair Moulton-Peters indicated there was no report.

2. Commissioner Matters Not on the Agenda (Discussion)

There were none.

3. Executive Director's Report (Discussion)

Executive Director (ED) Dianne Steinhauser discussed a map of the Marin Sonoma Narrows included at the dais to be used with Item 6a of the Consent Calendar. She noted the map displays the portions of the Narrows that have not been completed yet. She also discussed the status of the Almonte Shoreline pathway project which is expected to be completed by the end of this month.

a. Richmond – San Rafael Bridge Third Lane and Multi-Use Path Report

ED Steinhauser further updated the Board on the third lane on the Richmond – San Rafael Bridge eastbound which will likely be completed and opened in early 2018; what still needs to be done, the status of the approaches to the bridge, and the potential timeline for each project. She also updated the Commission on the work continuing on East Sir Francis Drake Boulevard, an approach to the Bridge with that work expected to be completed in coordination with the opening of the third lane. She finalized her comments by reporting that BATA and Caltrans have agreed to operate the third lane on the bridge on the weekends rather than just the weekdays.

There was no public comment on the Executive Director Report.

4. Commissioner Reports (Discussion)

a. Metropolitan Transportation Commission (MTC) Report

Commissioner Connolly reported that on Wednesday, December 20th, MTC will have a workshop on Regional Measure 3. He encouraged any who are interested to attend.

b. Marin Transit Report

Commissioner Rice said she had nothing new to report.

c. SMART

Commissioner Sears said there was nothing new for SMART either, unless Vice Chair Arnold had anything to say. Vice Chair Arnold commented on the recent holiday toy drive sponsored by SMART.

5. Open Time for Public Expression

Curt Johnson, San Anselmo Sustainability Commission, expressed his concern on the issue of climate change and directed the Commission to a chart that he brought to the meeting that was developed by the Marin Clean Energy Partnership that showed transportation as being a larger and larger contributor to the rise in greenhouse gas emissions (GGE). He asked what role TAM plans to take in the future in helping to address GGE, and he suggested that TAM make the issue of climate change an integral part of the Agency's mission.

Jeff Bickner also commented on the rise of greenhouse gas emissions and the contributing factors including transporting students to school. He asked that TAM consider purchasing low-emission electric school busses.

David Kunhardt echoed Mr. Johnson's and Mr. Bickner comments as to their concerns about climate change and the need to be proactive in making the needed changes in policy and politics related to it. He predicted that 2018 will be a banner year for initiatives to reduce GGE, and he encouraged TAM to be a part to affect the change.

6. CONSENT CALENDAR (Action)

- a. Caltrans Cooperative Agreement for the Design of the Highway 101 Marin Sonoma Narrows (MSN) B1-Phase 2 and A4 Contracts
- b. Acceptance of Revisions to the TAM Financial Management and Accounting Procedures
- c. Review and Acceptance of FY2016-17 Draft Financial Statements and Single Audit Report

Vice Chair Arnold moved to approve the Consent Calendar. Commissioner Lucan seconded the motion, which was approved unanimously.

7. Acceptance of the Recommended Medical Benefit Option Selection (Action)

Ed Steinhauser noted that Chief Financial Officer Li Zhang would be presenting a brief staff report which recommended that the TAM Board review and accept the selection of the CalPERS Healthcare Program (PEMHCA) as the medical benefit program offered to all TAM employees, and authorizes staff to finalize the selection of all ancillary benefits under the guidance of the Ad Hoc Committee by the end of December 2017. TAM will be officially separating from LGS on January 1st, 2018. ED Steinhauser commented on the process of handling employee retirement and health benefits, the last step in becoming financially independent to qualify as an approved CalPERS employer.

Ms. Zhang reviewed the actions requested of the Board, the anticipated effective date of January 1, 2018, the work of the HR Ad Hoc committee and their recommendation for approval, a comparison of the two options being considered -the ACA-Affordable Care Act and the Public Employees' Medical and Hospital Care Act (PEMHCA) in terms of health plan availability, ancillary benefits, and other minor factors, concluding with independent analysis by Bickmore Risk Management Consulting of potential liabilities, best and worst case scenarios, future benefit costs, and benefit concessions that were or will be offered by the employees.

Chair Moulton-Peters noted that the data Ms. Zhang was citing regarding Agency's funding liability to cover medical costs was included in the written report but asked if they were included in the table, and Ms. Zhang explained, using the PowerPoint slide, how to calculate the numbers she was reporting.

Commissioner Furst asked about the annualized liability costs to TAM, which Ms. Zhang reviewed. She stated that it is the number that the Agency will need to set aside to cover costs. Commissioner Furst questioned how the numbers were calculated, which Ms. Zhang stated was the total \$8753 and \$990 listed as "Normal Costs" as displayed in the PowerPoint slide.

Ms. Zhang concluded her report with a summary of the benefit concessions that staff were willing to agree to in order to become a member of the PEMHCA as well as the steps and process taken thus far.

Commissioner Furst asked for clarification on the option for equal match contribution compared to the unequal match for the employees, the option to move to PACE, the option for phasing of the minimum employee contribution (MEC) over time, the option for unequal match in employee contribution, and whether the Ad Hoc committee had discussed developing a long-term policy regarding OPEB funding in order to avoid a large unfunded liability in the future. Ms. Zhang explained that the “equal/unequal” MEC option and that the “unequal” option would be the least expensive and would allow the benefit cost to be phased in over a 20-year period. She also discussed how the phasing of the costs will not affect the potential liability that TAM could face.

Commissioner Furst commented on the potential risk to TAM or TAM employees if PERS (Public Employees System) changes its policies after the fact. Ms. Zhang noted that the contract with PERS will not take effect until it is presented to the Board for final review and acceptance.

Commissioner Lucan reviewed the best- and worst-case scenarios for TAM and its employees whereby TAM would owe \$43,000/year in the worst-case and \$10,000/year in the best-case scenario. In response to the Commissioner’s question regarding how many employees were eligible for the \$2500 annual contribution, Ms. Zhang stated that there are currently 11.

Commissioner Lucan also asked about the current annual employer contribution per employee, which Ms. Zhang reviewed and confirmed. She noted there are three levels: \$770 for employee only, approximately \$1,500 for employee and spouse, and approximately \$1800 for employee and family. Commissioner Lucan summarized that, using a worst-case scenario at a cost of \$16,000 to the agency, employees are offered a wider range of options for medical coverage. Ms. Zhang confirmed his calculations.

Commissioner Fredericks asked about the terms of the contract and whether they are set for the life of the contract or can they be changed. Ms. Zhang indicated that TAM could leave PEMHCA at any time. ED Steinhauser suggested that there may be a benefit to TAM to structure a 10- or 20-year contract and that staff will investigate the best option which would be discussed and decided by the Board when the actual contract is presented for final review.

Chair Moulton-Peters opened and closed public comment on the item with no speakers coming forward.

Chair Moulton-Peters briefly commented on the purpose of the Human Resources Ad Hoc Committee was to replace the benefits that LGS/ RGS provided to TAM staff in the most cost-effective manner as possible and that the PEMHCA recommendation is that option.

Commissioner Furst expressed appreciation to the Ad Hoc Committee for their work, and she agreed that the PEMHCA option was preferable. She encouraged the Ad Hoc, staff and the Board to consider developing long-term policies to ensure TAM can cover its liabilities.

Commissioner Furst moved to accept the staff recommendation- accept the selection of the CalPERS Healthcare Program (PEMHCA) as the medical benefit program offered to all TAM employees, and authorizes staff to finalize the selection of all ancillary benefits under the guidance of the Ad Hoc Committee by the end of December 2017. Commissioner Fredericks seconded the motion, which carried unanimously.

8. EPAC Presentation and Authorization for Next Steps (Action)

ED Steinhauser began the presentation which recommended that the TAM Board receive and accept the recommended draft expenditure plan report from the Transportation Sales Tax Expenditure Plan Advisory Committee (EPAC) and the EPAC recommendation to pursue a renewal of the ½-cent transportation sales tax

measure in November 2018 and authorize the Next Steps in the process. The next Steps include for staff to reach out to stakeholder groups, and cities and towns, briefing councils on the plan and authorize conducting a public opinion poll on the expenditure plan, to be conducted in the first quarter of 2018, and not to exceed \$35,000.

ED Steinhauser discussed the purpose, role, work, and membership of the Expenditure Plan Advisory Committee. She also introduced the chair of the Advisory Committee, V-Anne Chernock to comment on the process.

Ms. Chernock reminded those present of the differences the ½ cent transportation sales tax has made for Marin – the 101 carpool lanes, bus services, crossing guards, sidewalks, curb cuts, and street widenings. She reviewed the potential transportation needs for the next 30 years – continued crossing guard program, student transportation, easing of congested areas, addressing climate change impacts including mitigations of sea level rise, all without raising the current amount of taxation. She urged the Board to consider the information provided by the EPAC and act today to ensure that a measure to renew or increase the sales tax increment is on the next ballot so the needs can be met. At the conclusion of her report, she introduced the EPAC facilitator Bonnie Nelson, formerly of Nelson/ Nygaard to continue the presentation.

Ms. Nelson commented on the diverse, intelligent and capable group that formed the EPAC, and the unified support for the proposal that will be presented today. She reviewed the tasks that were set before the EPAC originally, steps in the process, EPAC recommendations and why, issues of concern, the four elements in the proposed new expenditure plan, highlights of the plan, next steps in the process and potential timeline, necessary actions if the measure is to make it on the next ballot, and an ongoing role for the EPAC.

Commissioner Furst thanked the EPAC for their excellent job. She reviewed how the current sales tax placed the Local and Major Road categories into two pots and the Local Roads money was allocated on a formulaic basis. She noted that certain jurisdictions have not received any funding out of the Major Roads category. She added that it was explained to her that Major Roads projects would be prioritized during a renewal process of the sales tax, and that eventually everyone's projects may be addressed. As a result, she would like to see an adjustment in the formula or a separate bucket of funding set aside to make whole those jurisdictions who did not receive funding from that category. She also asked that outreach for the renewal measure be sure to stress that this is not an increase in funding and that this renewal is to meet new priorities.

Vice Chair Arnold asked whether a renewal of Measure A might result in a few months overlap, with a cumulative 1-cent collected. Ms. Nelson said it would not, because the renewal would replace the existing measure, not add to or overlap it.

Commissioner Lucan asked when the new measure would take effect, if the voters approve it. Ms. Nelson confirmed it would be January 1, 2019 for, essentially, 24 years. The current measure does not expire until early 2025. Regarding the suggestion from Commissioner Furst regarding jurisdictions who may not have had their major road projects funded, Commissioner Lucan asked if it would be possible to poll the different jurisdictions to receive input in determining their priority projects now in case their priorities have changed. Ms. Nelson indicated that early conversations with the planning directors and public works directors are supportive of the idea of combining or collapsing the two categories and giving local jurisdictions more decision-making authority in the process but additional meetings with those directors must occur to revisit the idea.

ED Steinhauser confirmed there could be a policy in place for the Board to address the major road projects that did not get finished through the process thus far.

Commissioner McInerney asked for clarification as to the proposed length (30 years) for the measure. Ms. Nelson acknowledged there were political and practical consideration, which she reviewed. She noted that, practically, the proposed 30-year period would allow a long-enough time to collect the amount of money needed to address the programmatic spending commitments and still have enough money to address the capital projects included in the

measure. From a political standpoint, Ms. Nelson noted that the EPAC recommended a sunset date since voters prefer one when considering their vote for a tax. Additionally, included in the expenditure plan would be a required revisiting of priorities every 10 years by the Board.

Commissioner Sears asked if it were possible under the existing plan to extend the measure for another ten years and Ms. Nelson replied that changes and amendments can be made without voter approval by a supermajority vote of the Board followed by an affirmative vote by all the cities/county in Marin. Commissioner Sears questioned why that wouldn't be easier to do than a full renewal, and Ms. Nelson explained that while it's possible to rearrange priorities, there is only six years remaining in the current measure, thereby not allowing much time to collect funds for those new priorities. Ms. Nelson noted that by renewing the measure, a new expenditure plan will be developed, listing which projects and projects will receive tax revenue and how much, and how any amendment to that plan may be made.

Commissioner Connolly asked whether other funding programs, such as state funds, could be allocated to each locality for local streets and roads regardless of the outcome of this proposed renewal. Ms. Nelson said yes, RM3 money will be allocated to individual projects, but she noted that the projects will be prioritized and funding will be made available earlier provided that local funding has been allocated as well. Regarding SB1 funding, Ms. Nelson stated that, while a portion of SB1 money will be programmed, automatically, to local jurisdictions, a good portion of SB1 revenue is discretionary money which counties will compete for and Marin will fare better provided they have local match funds. ED Steinhauser acknowledged there will be SB1 funds available for capital projects such as the Marin Sonoma Narrows and RM3 money will be made available for the 580/101 Connector to the Richmond-San Rafael Bridge, but Marin may have to wait until we have qualifying matching local funds. Local funds are also necessary for adding local features into a major highway project and addressing the inevitable cost escalation that occurs in bids on projects. There was considerable discussion of how the programs will cover the needs equally and fairly, while retaining needed funding from other sources.

Commissioner Rodoni asked about the gap in funding that is facing the Crossing Guard program. He also commented on the unsettled times related to ballot measures and the number and type of ballot measures that could be competing, albeit indirectly, against each other in 2018.

Ms. Nelson noted that the EPAC had looked ahead several years, unsuccessfully, to find a "clean" ballot year where there would be less competition, and she believes there will always be competition particularly since voting ballots are moving to only being allowed in even-numbered years.

Commissioner Reed was also concerned about the impending need to cut guards in the Crossing Guard program. ED Steinhauser explained staff is looking for ways to continue the program at the current levels and there should be at least enough to handle the fall school semester.

Commissioner Reed noted that the yellow school bus service has great potential to take many cars off the local roads where they would be used to deliver children, otherwise, to school. He thought the limits of the Crossing Guard program might make the public more supportive of bus service.

Commissioner Hillmer requested staff to provide an overall illustration of the proposed sales tax renewal in conjunction with federal, state, regional, and local funding and how they work together.

Commissioner Kuhl asked about any current programs that could be cut and how that message will be conveyed. information would be reported to the public and how staff plans to handle those inquiries. ED Steinhauser reported that most of the programs in the current sales tax plan grow but the primary change that would occur would be to step away from funding a Major Roads category in order to create funding increases in other areas. Ms. Nelson added that while one may argue that the money DPW directors receive for the roads projects is decreasing, they

will receive a percentage of SB1 funding to make up for the loss. She finalized her comments by saying that staff will be mindful of how to present this information.

Chair Moulton-Peters opened public comment on the item.

Curt Johnson stated that the current plan is fatally flawed because it failed to take into account GGE reduction. Further, he suggested obtaining a carbon score on what is proposed for inclusion in the plan.

Norma Fragoso called for bold and urgent action to expand the greening of the bus and municipal fleets as well as electric vehicle infrastructure and she suggested that TAM consider collaborating with Marin Clean Energy on an EV bus pilot.

Brett Thurber of The New Wheel, stated that electric vehicles including electric bikes could change the world in the reduction of GGE. He said that the EPAC did not recognize electric bikes in the proposed plan and he suggested that the infrastructure needs to be developed.

Nancy Whelan, General Manager of Marin Transit, expressed appreciation to the EPAC for maintaining the funding level at 55 percent for local transit and was supportive of placing the focus on student transportation since 25 percent of their ridership is comprised of students.

Allan Bortel, a member of both the TAM Citizens' Oversight Committee and the Expenditure Plan Advisory Committee suggested increasing the funding for local transit from 55 percent to 60 percent with the additional money allocated to provide yellow school bus service.

Seeing no one else wanting to speak, Chair Moulton-Peters closed public comment on the item.

Commissioner Lucan moved to receive and accept recommended draft expenditure plan report from the Transportation Sales Tax Expenditure Plan Advisory Committee (EPAC) a report about the Transportation Sales Tax Expenditure Plan Advisory Committee (EPAC) process and the EPAC recommendation to pursue a renewal of the ½-cent transportation sales tax measure in November 2018 and authorize the Next Steps in the process, for staff to reach out to stakeholder groups, and cities and towns, briefing councils on the plan and authorize conducting a public opinion poll on the expenditure plan, to be conducted in the first quarter of 2018, and not to exceed \$35,000. It was seconded by Commissioner Fredericks.

Commissioner Reed stressed the important of including the reduction of GGE as part of the messaging of this proposal. He expressed, also, his support of considering electric bikes in this proposal, and his desire to see the Board be more forward-thinking when considering the components of the sales tax renewal.

Commissioner Sears agreed and added that there should be a focus on electrification as well. Commissioner Sears said she hoped the three members of the public who expressed support for this would come out in support of the measure when the time comes.

Commissioner Furst said adding the "greening" details to the measure does not need to change the body of the plan much because TAM is already working on bike/ped elements in its local roads planning process. She suggested clarifying language to support the concept rather than make wholesale changes. She expressed appreciation for the pie chart brought by Mr. Johnson and she encouraged him to do more to break out the transportation element.

Commissioner Fredericks, recognizing that people will continue to use cars, said she appreciated the concern shown as well by the public comments in thinking of ways to encourage people to go beyond single-occupancy vehicles and using alternative modes of transportation in an effort to reduce GGE.

Commissioner Hillmer said he understood the motion to be inclusive of the comments and suggestions made by Commissioners, as well as future ideas.

Commissioner Sears was appreciative of the excellent report but emphasized the importance of the polling process. She asked about the timing for that, which ED Steinhauser discussed. The executive director stated that staff will engage the services of Godbe & Associates immediately upon the Board approval of the recommended action this evening. Staff would make a presentation to all the councils and stakeholder groups with the polling results after providing the TAM Board with a preview. The Board will receive a recommendation on Next Steps at the TAM April board meeting.

The motion was unanimously approved.

Adjournment

Chair Moulton-Peters noted that this was the last meeting for Commissioner McInerney. She read a letter expressing his exemplary service to the Board and to staff. She presented him a plaque with a copy of the letter. Commissioner McInerney thanked the Board for the opportunity to serve and expressed appreciation to staff for their diligent work.

ED Steinhauser expressed appreciation to the members of the EPAC and gave certificates acknowledging their service. She invited everyone to stay for a brief time of refreshment.

The meeting was adjourned at 6:05 p.m.