

TRANSPORTATION AUTHORITY OF MARIN
BOARD OF COMMISSIONERS MEETING

JANUARY 26, 2017

7:00 P.M.

MARIN COUNTY CIVIC CENTER, ROOM 330
3501 Civic Center Drive, San Rafael, California



AGENDA

900 Fifth Avenue
Suite 100
San Rafael
California 94901

Phone: 415/226-0815
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www.tam.ca.gov

Belvedere
James Campbell

Corte Madera
Diane Furst

Fairfax
John Reed

Larkspur
Dan Hillmer

Mill Valley
Stephanie Moulton-Peters

Novato
Eric Lucan

Ross
P. Beach Kuhl

San Anselmo
Tom McInerney

San Rafael
Gary Phillips

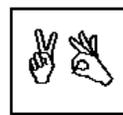
Sausalito
Ray Withy

Tiburon
Alice Fredericks

County of Marin
Damon Connolly
Katie Rice
Kathrin Sears
Dennis Rodoni
Judy Arnold

1. Chair's Report
 - a. Appointment to the TAM Finance & Policy Committee (Action) - **Attachment**
2. Commissioner Matters Not on the Agenda (Discussion)
3. Executive Director's Report (Discussion)
 - a. Richmond-San Rafael Bridge Third Lane and Multi-Use Path Report
4. Commissioner Reports (Discussion)
 - a. MTC Report – Commissioner Connolly
 - b. Marin Transit Report – Commissioner Sears
 - c. SMART – Vice-Chair Arnold
5. Open time for public expression, up to three minutes per speaker, on items not on the Board of Commissioners' Agenda. (While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda, and generally may only listen.)
6. CONSENT CALENDAR (Action) – **Attachment**
 - a. Approve Draft TAM Board Meeting Minutes of December 1, 2016

Continued Page 2



Late agenda material can be inspected in TAM's office between the hours of 8:00 a.m. and 5:00 p.m.
The TAM Office is located at 900 Fifth Avenue, Suite, 100, San Rafael.

The meeting facilities are accessible to persons with disabilities. Requests for special accommodations (assisted listening device, sign language interpreters, etc.) should be directed to Denise Merleno, 415-226-0820 or email: dmerleno@tam.ca.gov **no later than 5 days** before the meeting date.

The Marin County Civic Center is served by several bus lines including Marin Transit Routes 45, 45K, 49, 233, and 259. Route 45 provides service to the Civic Center Hall of Justice Arch until 8:43 PM. In the evening, Golden Gate Transit provides service until 11:24 PM with routes 70 and 80 along Highway 101 from the San Pedro Road bus pads, which are about a half mile away. To access the San Pedro bus pad NB, walk south down San Pedro Rd and take the footpath to the NB 101 onramp where the bus stop is located. To access the SB pad, walk down San Pedro Rd and under the freeway, turn right on Merrydale and then take the footpath near the SB onramp to the bus pad. For arrival and departure times, call 511 or visit www.marintransit.org, or www.goldengate.com

- b. Appoint TAM Board Member Gary Phillips to the Sonoma-Marin Area Rail Transit District (SMART) Board of Directors
 - c. Acceptance of the FY2016-17 Second Quarter Financial Report and Proposed Budget Amendments
 - d. Review and Acceptance of FY2015-16 Measure A Compliance Audit Results
 - e. Approve Creation of TAM Deputy Executive Director Position Including Salary Range
 - f. Approve Contract Amendment for the Brookdale Avenue Visual Mitigation Project
 - g. Bike/Ped Plan Update Contract Extension
 - h. Re-Authorize Funds for State Route 37 Planning Study as Local Match
7. Review and Accept the FY2015-16 Citizens' Oversight Committee Annual Report (Action) – **Attachment**
8. Adopt the 2017 Legislative Platform (Action) - **Attachment**
9. Strategic Vision Plan – Public Outreach Results (Discussion) - **Attachment**
10. Regional Measure Three (RM3) – Potential Bridge Toll Increase (Discussion) - **Attachment**
- a. San Rafael Bettini Transit Center
 - b. Marin-Sonoma Narrows Project
 - c. State Route (SR) 37 Highway
11. Caltrans Report (Discussion)



DATE: January 26, 2017
TO: Transportation Authority of Marin Board of Commissioners
FROM: Dianne Steinhauser, Executive Director
SUBJECT: Appointment of New Member to the TAM Executive Committees (Action) – Agenda Item 1a

RECOMMENDATION

The TAM Board approve the Chair’s recommendation to appoint Damon Connolly representing the Marin County Board of Supervisors - District 1 to the TAM Finance and Policy Executive Committee.

BACKGROUND

On February 27, 2014, the TAM Board approved the bifurcation of its Executive Committee into two separate committees for the purpose of engaging more TAM Board members in the Agency’s work. The split enabled staff to bring more items, in more detail, forward for discussion, to more effectively manage the TAM Board meetings, and to be able to bring a broader contextual framework to the decisions the TAM Board is asked to make. While the original single Executive Committee was comprised of seven board members, the membership of the two new committees consists of five board members each. As with the original committee, geographical equity was considered in the composition of each.

The TAM Board has seen a recent change in its membership due to Steve Kinsey leaving office at the end of a lengthy term on the Marin County Board of Supervisors. This has resulted in a vacancy on TAM’s Finance and Policy Executive Committee which the TAM Chair is recommending filling. Per TAM’s Administrative Code:

“Membership to each Committee shall be as recommended by the TAM Board Chair and approved by a majority of the full TAM Board.”

The Chair recommends appointing Supervisor Damon Connolly, the TAM Commissioner, who also serves on the Metropolitan Transportation Commission Board of Commissioners, to the Finance and Policy Executive Committee.

DISCUSSION/ANALYSIS

If the TAM Board approves the recommendation, the makeup of each Committee will consist of:

Programming and Projects

Diane Furst
Eric Lucan
Kate Sears
Katie Rice
Stephanie Moulton-Peters

Finance and Policy

Alice Fredericks
Damon Connolly
Gary Phillips
Judy Arnold

FISCAL CONSIDERATION None.

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MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
TAM

DECEMBER 1, 2016
7:00 PM

MARIN COUNTY CIVIC CENTER, ROOM 330
3501 CIVIC CENTER DRIVE
SAN RAFAEL, CALIFORNIA



MEETING MINUTES

Members Present:

Stephanie Moulton-Peters, City of Mill Valley, TAM Chair
Judy Arnold, Marin County Board of Supervisors, TAM Vice Chair
James Campbell, Belvedere City Council
Damon Connolly, Marin County Board of Supervisors
Alice Fredericks, Tiburon Town Council
Diane Furst, Corte Madera Town Council
Eric Lucan, Novato City Council
Dan Hillmer, Larkspur City Council
Steve Kinsey, Marin County Board of Supervisors
P. Beach Kuhl, Ross Town Council
Tom McInerney, San Anselmo
Gary Phillips, San Rafael City Council
John Reed, Fairfax Town Council
Katie Rice, Marin County Board of Supervisors

Members Absent:

Kathrin Sears, Marin County Board of Supervisors
Thomas Theodores, Sausalito City Council

Staff Members Present:

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

Convene in Open Session – 7:15 p.m.

Adjourn to Closed Session

1. Public Employee Performance Evaluation
Title: Executive Director
California Government Code section 54957(b)(1)

Reconvene in Open Session – 7:28 p.m.

Chair Moulton-Peters called the meeting to order at 7:28 p.m. with all members present as indicated. She reported out regarding the Closed Session noting that the performance evaluation of the executive director was conducted and the process was concluded tonight.

2. Chair's Report (Discussion)

Chair Moulton-Peters announced that Commissioner Steve Kinsey would be stepping down from the Board. She reviewed his many accomplishments in the transportation industry in Marin County and beyond. She read a proclamation in his honor. Commissioner Kinsey expressed appreciation for the recognition of his years of service. Vice Chair Arnold moved to approve the Resolution, and Commissioner Rice seconded the motion. The Board unanimously approved the Resolution and Proclamation.

Chair Moulton-Peters noted that Tom Theodores from Sausalito was also stepping down from his position with the Board.

3. Commissioner Matters not on the Agenda (Discussion)

No comments made.

4. Executive Director's Report (Discussion)

Executive Director (ED) Dianne Steinhauser said copies of her written report were at the dais for each Boardmember; as well as a new form staff plans to use to give updates on projects TAM is working on. She discussed information on self-help counties including the Self-Help Counties Coalition Annual Conference scheduled for next week; and efforts by Assemblyman Jim Frasier and Senator Jim Beall during the special session on transportation.

a. Richmond – San Rafael Bridge Third Lane & Multi-use Path Report

ED Steinhauser updated the Board on the progress on the Richmond-San Rafael Bridge, workshops and other public meetings on the project; and she reviewed job bids for the various components and progress on each.

b. Draft Survey Results – Strategic Vision Plan Outreach

ED Steinhauser commended staff for their work on the Vision Plan Outreach, and she thanked the Board for the efforts in getting the word out about the survey. She reviewed some of the survey results but indicated a full report will be made at the January Board meeting.

Lastly, ED Steinhauser discussed the upcoming process for Regional Measure 3 (RM3).

Chair Moulton-Peters commended staff for the work on the project fact sheets, which should be very helpful to know what is happening on each project.

There was no public comment on the Executive Director report.

5. Commissioner Reports (Discussion)

a. MTC Report

Commissioner Kinsey reported that MTC (Metropolitan Transportation Commission) and ABAG (Association of Bay Area Governments) recently approved a draft Plan Bay Area 2040, which provides a baseline structure for evaluation under the CEQA process, issues affecting Marin compared with other larger, more urbanized jurisdictions. He also discussed work on the Regional Trail Collaborative, to work together with agencies throughout the Bay Area to coordinate and be informed about the status of the different trails, bike/ped facilities and impacts on the users of those trails as well.

Commissioner Kinsey also noted that allocations for Regional Measure 2 projects for the Greenway are pending a vote on the MTC Commission later this month. He thanked all those who worked to find a resolution that works for everyone involved.

b. Marin Transit Report

Commissioner Rice commented on Marin Transit's recent purchase of two zero-emission battery electric buses, part of a pilot project; and she discussed partnering agencies and improvements to the technology. She also reported on the positive reactions from the public to increased service and the benefits to the public for the service changes being made by the Agency.

c. SMART

Vice Chair Arnold discussed SMART's plans for a holiday express train in conjunction with collection for the Toys for Tots program and free tours, scheduled for Saturday, December 10th. Chair Moulton-Peters said she thought it was an inspired idea from SMART.

6. Open Time for Public Expression

Allan Bortel, Citizens Oversight Committee member, pointed out that the Golden Gate Bridge will have been in service for 70 years this next May. He presented a watch to Commissioner Alice Fredericks, Tiburon representative who also sits on the Bridge District Board.

7. CONSENT CALENDAR (Action)

- a. Approval of TAM Draft Meeting Minutes of October 27, 2016
- b. Final Draft Report of the Bike/Ped Access Improvement Study at the East Blithedale/Tiburon Boulevard & Highway 101 Interchange and Allocate \$35,000 for a Traffic Relief Study
- c. Consideration of Compensation Increase for Executive Director and Adoption of Goals
- d. Lease of Staff Electric Vehicle and Installation of Charging Station in TAM Parking Lot
- e. North-South Greenway Gap Closure Project – Approve RM2 Funding Request and Authority to Distribute to SMART for Right-of-Way Impacts
- f. Approve Extension on State Legislative Contract
- g. Extension of Program/Project Management and Oversight Services Contract
- h. Extension of TAM's On-Call Modeling Services Contract with Kittleson & Associates
- i. Review and Acceptance of FY2015-16 Draft Financial Statements and Single Audit Report

Commissioner Campbell asked that Item 7b be pulled for discussion.

Vice Chair Arnold moved to approve Consent Calendar Items a and c-i. Commissioner Kinsey seconded the motion, noting that Item i, the Draft Financial Statement and Audit Report, represents commendable efforts from TAM staff (particularly Chief Financial Officer Li Zhang). He expressed appreciation for the work.

The motion carried unanimously.

7b. Final Draft Report of the Bike/Ped Access Improvement Study at the East Blithedale/Tiburon Boulevard & Highway 101 Interchange and Allocate \$35,000 for a Traffic Relief Study

ED Steinhauser briefly discussed background information on the item, purpose of the study and funding.

Commissioner Campbell explained he was part of the inter-agency working group. He indicated one item identified in their study was a simple fix of placing a signal at the north frontage road that is triggered when a vehicle is waiting to turn right. He added that fixing the problem is about \$140,000, and both cities with jurisdiction are being asked to contribute funds towards that end. He asked whether the \$35,000 could be applied toward fixing the problem. ED Steinhauser stated staff would be willing to take that action at the will of the Board.

Chair Moulton-Peters opened and closed public comment on the item with no speakers coming forward. As another member of the inter-agency working group, she indicated her support for Commissioner Campbell's request.

Commissioner Rice questioned whether it was the consensus of the working group for the allocation of the funds to be applied to the fix. Commissioner Campbell said it was.

Commissioner Fredericks asked whether sufficient analysis has been done to confirm that the proposed fix will work and whether the councils of the involved cities have been consulted and are in agreement as well. Commissioner Campbell stated that it is on the agenda for Belvedere's next Council meeting but didn't know if it had been placed on the Tiburon Council's agenda. Commissioner Fredericks said that it had not.

Commissioner Rice suggested framing the motion more broadly. Commissioner Fredericks recommended tabling the item until a later date, after the cities have heard and considered the options.

ED Steinhauser asked if the Board would proceed with acceptance of the report without allocating the funds.

Commissioner Rice moved to accept the Final Draft Report of the Bike/Ped Access Improvement Study at the East Blithedale/Tiburon Boulevard & Highway 101 Interchange. Commissioner Campbell seconded the motion, which carried unanimously.

8. **Caltrans Report (Discussion)**

ED Steinhauser introduced Dan McElhinney, Chief Deputy District Director of Caltrans District 4, for a quarterly report on Caltrans activities in the Bay Area as well as other actions that may affect Marin residents.

Mr. McElhinney reviewed portions of the written Caltrans report, highlighting past projects and joint efforts between TAM and Caltrans, including the Marin-Sonoma Narrows, the Orange neighborhood sound wall, the mobile median barrier on the Golden Gate Bridge, Richmond-San Rafael Bridge Third Lane and Bike/Ped projects,

traffic engineering studies for various locations in Marin to reduce congestion, and changes to Caltrans Design Standards to allow greater flexibility for bike/ped projects.

Mr. McElhinney continued his report with a discussion of future challenges and plans, such as the San Antonio Bridge Replacement project, North-South Greenway project, freeway performance enhancements, and the Lagunitas Creek Bridge. He concluded his report with a presentation to Commissioner Kinsey, in recognition of his leadership and public service in so many ways. This meeting was Commissioner Kinsey's last meeting with TAM.

Commissioner Kinsey thanked Mr. McElhinney for the recognition. He also encouraged Mr. McElhinney and Caltrans to continue efforts related to traffic improvements in the vicinity of the Richmond Bay Bridge and Muir Woods access and parking. Mr. McElhinney indicated he would follow through on that.

Chair Moulton-Peters expressed her appreciation for Mr. McElhinney's willingness to come and participate in meetings with Mill Valley, Tiburon and Belvedere, as well as collaborating in planning for future transportation needs.

ED Steinhauser commented on the recent loss of the Caltrans NEPA (National Environmental Policy Act) delegation and the impacts on the CEQA (California Environmental Quality Act) requirements for future projects. She noted that the Self-Help Counties Association will be working to sponsor emergency legislation to restore it. Mr. McElhinney acknowledged the importance of the role the delegation has played, and he indicated the agency will continue to function in the role as long as they are needed and can do so. She thanked Mr. McElhinney for coming to the TAM meeting and invited him back in the future.

There was no public comment on the item.

9. Pursue State Legislation for Exemption on the 2% Sales Tax Rate in Marin County (Action)

ED Steinhauser introduced Gus Khouri, Khouri Consulting, who co-presented the presentation. She reviewed the question to the TAM Board whether or not the TAM Board should pursue State legislation in 2017 to provide an exemption to the 2% cap on the local transaction and use taxes to allow TAM to consider the pursuit of a new sales tax measure dedicated for transportation purposes and noted that the Finance and Policy Executive Committee had seen the presentation but decided not to take action at that time; there were several questions they wanted answered, which should be covered in this report.

She discussed the purpose of the recommended exemption, a comparison between sales tax rates throughout the county, questions to consider whether to pursue an increase, a potential timeline, and other specific purposes for which the governor has approved sales tax cap increases. She pointed out that the F&P Committee had asked about the possibility of an exemption for general purposes, but staff is not recommending that now as the governor would most likely not support it either. The governor has routinely approved cap exemptions for addressing transportation needs.

Commissioner Fredericks asked what options other jurisdictions would have if TAM decides to pursue a 0.5% increase exemption. ED Steinhauser explained it would vary according to whatever measures the other jurisdictions are considering. Mr. Khouri added that this proposal would allow each jurisdiction maximum flexibility for the individual jurisdictions.

In response to a further question from Commissioner Fredericks, ED Steinhauser confirmed that there are options for measures other than for transportation uses, but the .5% exemption TAM is asking would be designated for transportation uses only.

Vice Chair Arnold asked about time constraints, which Mr. Khouri discussed. Commissioner Rice asked, and Mr. Khouri confirmed that the earliest a measure could be before the voters would be 2018. The goal for the sales tax cap exemption would be 2017.

Commissioner Rice also asked what information has been discussed with the various City staffs regarding the options and timelines, and ED Steinhauser reviewed the process up to now and for the future, including questions and concerns raised thus far. Mr. Khouri pointed out that the County also has a stake in the funding as well.

Commissioner Rice asked and staff confirmed if TAM is granted the tax increment enough to cover a renewal of Measure A but decides not to increase the amount above what it is now, the funds cannot be used for something else. ED Steinhauser explained that any exemption granted by the governor could have limitation on its duration, and thus may need to be re-applied for at some future point.

Commissioner Lucan clarified the amount shown for Novato's sales tax is actually a quarter percent less than shown in the report. He asked whether the exemption request could be crafted in such a way that it is specific to TAM alone. Mr. Khouri said yes, it could be done.

Commissioner McInerney questioned whether it was advisable to proceed with applying for an exemption and getting the governor involved when TAM hasn't yet decided if it wants to go forward with an extension or increase of Measure A, especially since there has been no public outreach yet. ED Steinhauser noted that from all she has seen and learned about the process, having the exemption in place before considering the options, pros and cons associated with the renewal or extension allows for a cleaner process overall. Mr. Khouri mentioned that there have been some jurisdictions that were granted the extension but ultimately decided not to move forward with an increase. He noted that TAM would be the sponsor of the legislation, and he would serve as the director; other agencies could participate as well.

Commissioner Phillips said he liked the flexibility offered by this process, especially while ultimately leaving the final decision to the voters. He commented that he hears more and more from the community about traffic, road conditions and congestion; with less funding coming from the federal government for transportation. He thought the timing could be ideal to show the voters the need as well as the solution.

Vice Chair Arnold expressed her support for pursuing the exemption. She thought it important that all eleven cities in the county be in agreement on the issue.

Commissioner Kinsey indicated he was in favor of the exemption as well. He agreed with Vice Chair Arnold, and he suggested that each Board member has a responsibility to explain to his/her jurisdiction, Councils, staff and community members,) the benefit from seeking the exemption and even seeking letters of support from them before moving forward.

Commissioner Campbell asked what the cost is to pursue the exemption. ED Steinhauser explained that the cost is part of the terms of the contract that TAM has with Mr. Khouri. as its legislative advocate.

Commissioner Connolly commented on his attendance at the recent State Association of Counties, where this topic did come up for discussion. He noted the consensus is that anything submitted to the governor should be as specific as possible. Transportation funding is recognized as an issue of concern throughout the state and the governor is

well aware and is sympathetic to those issues. All in all, he agreed the time is right to move forward and pursue the exemption.

Chair Moulton-Peters opened public comment on the item.

David Schonbrunn stated that he will oppose any measure extending or increasing the sales tax unless TAM changes its policy direction, i.e., to change the focus from expediting single-occupancy vehicle travel and instead seeking to encourage alternative, cost-saving transit modes.

Seeing no further speakers, Chair Moulton-Peters closed public comment on the item.

Commissioner Kinsey responded that Mr. Schonbrunn's comments reflect the need to reach out to the broadest part of the population and develop an Expenditure Plan as was done with Measure A, with all aspects of the community having a voice in the process.

Commissioner Kinsey moved to authorize proceeding to pursue legislation increasing the sales tax cap by 0.5% specifically for transportation funding and confirm asking TAM's cities and towns to write letters in support of the same. Vice Chair Arnold seconded the motion.

Commissioner Lucan asked at what point the letters should be requested, and ED Steinhauser said staff would be reaching out as soon as possible to find out which jurisdictions need information, and efforts to reach out by Senator McGuire's deadline.

Mr. Khouri added that neither Senator McGuire nor any other of our California elected will sponsor this legislation if any jurisdiction does not support it.

Commissioner Hillmer said he wanted the voters of Larkspur to know that the Council will not ask for any more funds without fully demonstrating the need and how congestion is relieved. He wanted to be sure that Mr. Schonbrunn's concerns were adequately addressed. He did not think that recent efforts have shown much improvement overall.

Commissioner Fredericks asked, and staff confirmed that what is proposed is permission to raise the tax cap, not a decision on an expenditure plan. She also clarified that the Expenditure Plan process would determine what each jurisdiction wants/needs as well as allocation of the funds.

Commissioner Kinsey agreed with Commissioner Fredericks on the Expenditure Plan process that will settle details. He noted that the answer to "What's in it for me?" should be "There's nothing in it for anyone if we can't get the cap increased." ED Steinhauser acknowledged the importance of striking the right balance between current acute needs versus future long-term needs.

Chair Moulton-Peters asked whether cities that are close to the current cap would be most sensitive to this potential increase. ED Steinhauser explained that the hope is to establish a framework that will assure even cities that are close to the cap currently will still have resources to meet future needs, and she noted they will still have a say in how funds are administered.

Vice Chair Arnold called the question, and the motion to authorize proceeding to pursue legislation increasing the sales tax limit by 0.5% specifically for transportation funding and asking TAM's cities and towns to write letters in support of the same was unanimously approved.

10. TAM Junction Project – Award of Construction Contract (Action)

After a brief introduction, ED Steinhauser indicated Project Manager Dan Cherrier and consultant Al Cornwell of CSW Stuber-Stroeh Engineering would present the staff report.

Mr. Cornwall began with a summary of the work, primarily a bike improvement project. Mr. Cherrier added that this project is being done jointly with Caltrans doing the sidewalk portion and TAM working on the bicycle facilities. He explained that each part of the project has been designed with the other in mind to ensure compatibility.

Mr. Cherrier also summarized the history of the project since the last presentation to the Board, RFP, applications received, pending contractor selection, safety concerns for the students who will use the route, cost estimates, potential additional fund sources, and actions requested of the Board.

In response to a question from Commissioner Fredericks, ED Steinhauser clarified that the interest funds proposed to be used to make up the difference will not take away funding from any other projects needing those funds.

Commissioner Kinsey was in favor of moving the project forward before costs rise any more than they already have. He reviewed the three budget categories where TAM has discretionary funds available, debt reserve, 5% reserve set for operational protection, and the interest funds, and he questioned whether the interest account was the best one to use rather than the fair share portion of the 5% reserve account.

Chair Moulton-Peters asked whether he thought it was a better risk strategy to take it out of the 5% reserve account than the interest account, and Commissioner Kinsey expressed that he thought it would be better to leave funds in the more flexible account for future emergency needs that don't fit anywhere else. Commissioner Kinsey asked for ED Steinhauser's opinion.

ED Steinhauser said she would not want to use the debt reserve account because TAM has crafted a very careful consensus around those funds through the various public works departments and the Citizens' Oversight Committee. She acknowledged, however, that it was feasible to use interest, due to previous precedence, or to use reserve.

Commissioner Fredericks pointed out that another component to remember, which is how quickly or more easily the account used can backfill the funds used. She explained that although one account might have more funds than another, if the funds are more easily replaced in the other account, it might be the better choice.

ED Steinhauser discussed future demands and potential future economic indicators that need to be considered also. She reminded the Board that one purpose of the reserve is to protect against unexpected drops in the market to ensure that TAM's budget – its projects and programs- can be met even during a slow economy.

Commissioner Fredericks said she thought there would be less at risk if this project is funded through interest reserves.

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

At the request of the Chair, ED Steinhauser restated the staff recommendation: To use the Measure A interest account funds and allocate an additional \$190,000 to this project for construction, construction management and a contingency around PG&E right-of-way issues; and to authorize the Executive Director to award the contract. Commissioner Kinsey reiterated his earlier opinion that he thought that the interest funds were the not best option, in part because this is a local project so local funds would be ideal – the reserve is more appropriate in his opinion for a larger regional project. Having said that, however, he would support whatever the Board wanted to do.

ED Steinhauser summarized the second option, to assign a portion of the reserve funds that are part of the upcoming Board strategy to reduce reserve from \$5.38 million down to \$3.5 million. The funds would be the local infrastructure shares from Mill Valley and the County. This would reduce amounts to the County and Mill Valley from the reserve.

Commissioner Rice moved to authorize the second option, that the ED Steinhauser award a contract to Ghilotti Bros. Inc for the TAM Junction project; and to allocate \$190,000 from the 5% Reserve Fund, from the Local Infrastructure funds. Commissioner Furst seconded the motion, which carried unanimously.

11. Summary of Programming Measure A Debt Reserve, Interest and Reserve Funds (Action)

a. Program Measure A Debt Reserve Funds

ED Steinhauser presented the staff report, reviewing the three categories of funds, and background of the request for additional Local Street and Roads (LSR) funds.

In response to Chair Moulton-Peters, ED Steinhauser explained that the County requested \$7.5million of Debt Reserve for local roads maintenance, but after consideration of the legal opinion on allowable usage of the funds, staff could not recommend approval for local roads. Instead, she indicated staff is recommending funding for Major Roads Projects, which she noted might free up other funds that could help with the LSR project.

Commissioner Fredericks asked whether shutting down the debt reserve could result in qualified applications not having funding. ED Steinhauser explained that TAM staff met with all the sponsors of all the Major Road projects specified in the Expenditure Plan, got cost estimates for each one and confirmed that TAM's expected revenues should bring in enough to pay for each Major Road project as it progresses. She indicated staff is confident there will be enough funding to meet current and future project needs. She noted the debt reserve had originally been set up for Major Roads and Highway 101 needs, which can all be met.

Commissioner Furst asked whether some of the funding could go to LSR projects once all the Major Road projects have been covered. She also asked about jurisdictions that were not eligible for Major Roads funds could qualify now for some of the monies. ED Steinhauser clarified that she shouldn't have implied there would be funds remaining after the Major Road projects are finished; it is likely there will be a number of projects whose needs cannot be met even after assignment of the Debt Reserve. .

Commissioner Furst commented on equity issues in that some jurisdictions were not eligible for Major Road category funding of projects at all. ED Steinhauser acknowledged that there are 15 corridors in the sales tax Expenditure Plan, and only 7-8 would receive funds. She thought that alone should provide an impetus to the renewal or upgrade of Measure A.

Commissioner Hillmer commented that equity may not be the best term to use in describing how the funds are allocated. He explained that the roads are shared between jurisdictions; thus when improvements are made they will usually benefit more than one community.

In response to a question from Commissioner Fredericks, ED Steinhauser commented on the cost-savings and good management that helped contribute to the seeming surplus in some categories.

Commissioner Kinsey also pointed out the savings realized from not having to issue bonds. He noted, too, that it should be possible to prefer the jurisdictions in the renewal of the sales tax measure who were not in the first phase.

Commissioner Kinsey moved to approve the staff recommendation. Commissioner Lucan seconded the motion, which carried unanimously.

There was no public comment on the item.

b. Sales Tax Interest for Multi-Use Path Maintenance Eligibility List

ED Steinhauser introduced the item, summarizing the history, existing policy, updated inventory, examples of how the Measure A interest funds have been used, and staff's recommendation that the current policy remain in place. Project Manager Bill Whitney expressed that the list is a work in progress, being updated as new paths are added, but that significant recent additions, as shown on the attachment, merit confirmation from the TAM board regarding use of interest funds.

Commissioner Kinsey moved to approve the updated list and the additional \$1 million in maintenance funding. Vice Chair Arnold seconded the motion.

Commissioner Furst noted the maintenance for the North-South Greenway, southern segment was specified as Larkspur's responsibility. Since it crosses Corte Madera and an unincorporated area of the county, should they be added as well. Staff said yes and agreed to make the changes.

Commissioner Kinsey was agreeable to the change to the motion.

Commissioner Hillmer asked for confirmation that the information on the chart in the staff report matches what was presented to the Larkspur City Council. Mr. Whitney said it did.

The motion for approval carried unanimously.

c. Program and Allocate TAM Reserve to Marin Transit for cost overruns on the Redwood Grant Bus Facility in Novato

ED Steinhauser presented the staff report, discussing the project history, bid shortfall, policy history, sales tax history, reduction of the reserve based on recent economics and subsequent benefit to Marin Transit from reducing the reserve amount, and the staff recommendation.

Commissioner Rice asked what will happen to the funds that are freed up from the reserve. ED Steinhauser explained the share to Marin transit of \$1.12 million will address their project shortfall and the other freed up funds will be assigned according to Expenditure Plan formulas.

ED Steinhauser noted that the reserve would be restored to \$5 million as excess funds above the budgeted revenue amount are collected annually. This was part of the Board action.

Vice-Chair Arnold moved to approve the staff recommendation, and Commissioner Fredericks seconded the motion. It was unanimously approved.

12. Transportation Demand Management Update, Lyft Partnership Pilot Program (Action)

Prior to the presentation of this item, Commissioner McInerney stated that he would recuse himself from voting on this item since Lyft is a client of his. ED Steinhauser introduced the item, noting that Cindy Winter had expressed

her enthusiastic support for the item that she asked staff to pass on to the Board. She added that strong support was also voiced at the recent Golden Gate Bridge District meeting, and staff there are excited about the possibilities as well.

Planning Manager Derek McGill presented the staff report, reviewing the background, first/last mile considerations, emerging best practices, consultation with county counsel to ensure compliance with applicable regulations, the partnership program framework proposed, program details, and staff's recommendation.

Commissioner Hillmer asked if there are physical standards that could come out through the pilot program, which Mr. McGill discussed.

Commissioner Lucan asked for clarification on the difference between a Lyft Line service and services from other providers. Mr. McGill acknowledged there would be an expectation of users to join a shared rides with up to two others, both with common destinations. Other services do not require this.

Chair Moulton-Peters opened public comment on the item.

David Schonbrunn cautioned the Board that not everyone's experience with Lyft has been beneficial to the existing transit system. He discussed problems in Livermore, and he expressed concern about the difference between public subsidies and private subsidies, especially for employee rides to work. He thought that employers should be required to subsidize the rides their employees take, acknowledging that they benefit from their employees contributing to the congestion in the vicinity.

Mr. McGill responded that there are differences between the way that Livermore is structuring its system – which is intended to replace an existing transit system rather than providing supplemental services, which is how TAM's pilot program is structured.

ED Steinhauser added that TAM has been in discussions with SMART since before the recession to determine how to handle the first/last mile services, including the potential use of shuttles. She indicated it is hoped that this pilot study will give important information that will help TAM and SMART tailor the station area rides appropriately and reduce congestion as a result.

Commissioner Lucan moved to authorize the Executive Director to enter into a pilot program with Lyft for first/last mile services. Commissioner Connolly seconded the motion, which carried unanimously.

The meeting was adjourned at 10:20 pm.

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

SUBJECT: Appoint TAM Board Member Gary Phillips to the Sonoma-Marín Area Rail Transit District (SMART) Board of Directors, (Action), Item 6b

RECOMMENDATION:

Appoint TAM Board member Gary Phillips to the Board of Directors of SMART to a four-year term expiring in January 2021.

BACKGROUND:

SMART was created by AB 2224 in 2002. Chapter 3, Article 1 of the bill describes a 12-member Board of Directors that includes, “The member of the City Council of the City of San Rafael who also serves on the Marin County Congestion Management Agency, appointed by the Marin County Congestion Management Agency or its successor.” Each SMART Board member serves a term of four years.

Commissioner Phillips has been serving on the TAM Board since 2012, and on the SMART Board, concurrently, in accordance with the SMART legislation cited above. He began a new four-year term as the TAM Commissioner representing the City of San Rafael in April 2016. His term on the SMART Board, however, does not expire until January 2017. As San Rafael Councilmember Gary Phillips is the San Rafael representative on the TAM Board, he, therefore, is recommended for appointment to serve another four-year term on the SMART Board. The term will expire on January 2021 or until such time as the San Rafael City Council appoints another of its members to TAM.

DISCUSSION/ANALYSIS:

Not needed for this item.

FISCAL CONSIDERATION:

Not applicable for this item.

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Li Zhang, Chief Financial Officer

SUBJECT: Acceptance of the FY2016-17 Second Quarter Financial Report and Proposed Budget Amendments (Action), Agenda Item No.6c

RECOMMENDATION:

The TAM Board reviews and accepts the FY2016-17 Second Quarter Financial Report and proposed budget amendments. The Finance and Policy Executive Committee reviewed the item at its January 9 meeting and voted unanimously to refer it to the full TAM Board for acceptance.

BACKGROUND:

This report, along with all accompanying attachments, provides a summary of the financial activities for the period ending December 31, 2016 and covers TAM's revenue and expenditure activities from July 1, 2016 to December 31, 2016. Revenues and expenditures are presented on a cash basis for the period covered.

DISCUSSION/ANALYSIS:

Revenue Highlights:

As of December 31, 2016, the total Measure A Half-cent Transportation Sales Tax cash disbursements received from the Board of Equalization (BOE) for the six-month period from July to December 2016 was \$12.94 million, which is almost the same level as the total Measure A disbursements for the same period of last year. The upward trend of sales tax revenue has continued since FY2010-11 but started to level out now, with a 4.96% annual increase in FY2011-12, 11.07% increase in FY2012-13, 1.98% increase in FY2013-14, 4.90% in FY2014-15, 1.73% in FY2015-16.

As of December 31, 2016, TAM has also received a total of \$1.26 million in Measure B \$10 vehicle registration fee cash disbursements from the Department of Motor Vehicle (DMV) for the months of July to December which is slightly higher than the revenue received for the same period of last year.

TAM received a total of \$559,000 in annual contributions from cities, towns, and the county for CMA planning, programming, and project delivery support services provided. The \$559,000 fee includes the \$430,000 base fee and \$129,000 temporary increase to support a few critical planning efforts. TAM also received \$240,716 in interest revenue from all its investments in CalTRUST for the first two quarters of FY2016-17.

Expenditure Highlights:

Total expenditure for the second quarter of the year is about \$7.75 million. Expenditures are on a cash basis and there are delays due to time needed by vendors to prepare and submit payment requests.

Budget Amendments:

The following budget amendments are proposed for this quarterly report:

1. Increase the budget amount for “Element 3.2 - Trans. Demand Management” under Measure B VRF Programs by \$70,000, from \$130,000 to \$200,000. This budget increase is to cover the anticipated costs of the discounted rides that will be provided to SMART riders through the TAM/Lyft Partnership that was approved by the TAM Board in December 2016.
2. Under Professional Services, add budget line “CMFC Onsite Re-Vegetation Mitigation Monitoring and Reporting”. Budget increase requested for this line item is \$22,000 and funding will be from the RM2 funds available for the CMFC project. This is to cover the Mitigation Monitoring and Reporting to regulatory agencies work required for the CMFC On-Site Re-vegetation of the disturbed salt marsh. Funding is programmed under the CMFC budget and approved by the TAM Board on October 22, 2015.

Investment with CalTRUST:

With separation from the County’s financial system, TAM also moved all its investment into various accounts under CalTRUST in May 2016. TAM currently has a total of \$42.72 million invested in various CalTRUST accounts, with \$2.81 million in General CMA fund, \$38.96 million in Measure A Transportation Sales Tax Fund, \$3.61 million in the Vehicle Registration Fee Fund, and \$1.34 million in the TFCA Fund. Attachment 6 of the staff report provides a detailed investment report for each of the funds invested with CalTRUST with the monthly interest earnings and unrealized gain/loss as of December 31, 2016.

FISCAL CONSIDERATION:

None

NEXT STEPS:

Third quarter financial report for FY2016-17 will be provided for review and acceptance in April.

ATTACHMENTS:

- Attachment 1 FY2016-17 Budget to Actual Comparison as of 12/31/16
- Attachment 2 Proposed FY2016-17 Budget Amendments as of 12/31/16
- Attachment 3 FY2016-17 Revenue and Expenditure Report as of 12/31/16– Measure A ½ Cent Sales Tax Detail
- Attachment 4 FY2015-16 and FY2016-17 Monthly Measure A Sales Tax Disbursement Comparison
- Attachment 5 FY2015-16 and FY2016-17 Monthly Measure B VRF Disbursement Comparison
- Attachment 6 CalTRUST Investment Monthly Interest Income Summary – 12/31/16
- Attachment 7 FY2016-17 Budget Revenue and Expenditure Overview
- Attachment 8 Transportation Acronyms

Attachment I: FY2016-17 Budget to Actual Comparison as of 12/31/16

| Budget Line Items | Annual Budget | Actual 12/31/16 | \$ Difference | Actual as % of Budget |
|---|-------------------|--------------------|---------------------|--------------------------|
| Measure A Sales Tax Revenue | 25,770,000 | 12,938,312 | (12,831,688) | 50.21% |
| Measure B VRF Revenue | 2,350,000 | 1,259,430 | (1,090,570) | 53.59% |
| Cities/Towns and County Contribution | 559,000 | 559,000 | - | 100.00% |
| Interest Revenue | 230,000 | 240,716 | 10,716 | 104.66% |
| MTC STP/CMAQ Planning Fund and OBAG Grants | 1,314,740 | 144,005 | (1,170,735) | 10.95% |
| PDA Planning Funds | 85,729 | - | (85,729) | 0.00% |
| MTC Regional Measure 2 Fund | 2,755,516 | - | (2,755,516) | 0.00% |
| Transportation For Clean Air Funding | 356,000 | - | (356,000) | 0.00% |
| State STIP PPM Fund | 49,986 | - | (49,986) | 0.00% |
| STIP/RTIP Funds | 1,262,306 | - | (1,262,306) | 0.00% |
| Federal Highway Bridge Program Fund | 247,691 | - | (247,691) | 0.00% |
| Nonmotorized Transportation Pilot Program Fund | 27,000 | - | (27,000) | 0.00% |
| MTC Climate Initiatives Program Grant/CMAQ | 125,000 | - | (125,000) | 0.00% |
| CMFC NTPP/CMAQ Pass-through | 4,500,000 | - | (4,500,000) | 0.00% |
| <i>Total Revenue Available</i> | 39,632,969 | 15,141,462 | (24,491,506) | 38.20% |
| EXPENDITURES | | | | |
| Administration | | | | |
| Salaries & Benefits - Note 1 | 2,203,266 | 1,206,522.79 | 996,743 | 54.76% |
| LGS Insurance and HR/Payroll Service Cost | 205,000 | 112,259.33 | 92,741 | 54.76% |
| Office Lease - Note 1 | 240,000 | 135,082 | 104,918 | 56.28% |
| Agencywide IT and Computer Equipment Upgrade | 10,000 | - | 10,000 | 0.00% |
| Equipment Purchase/Lease | 10,000 | 4,099 | 5,901 | 40.99% |
| Telephone/Internet/ Web Hosting Services | 25,000 | 7,957 | 17,043 | 31.83% |
| Office Supplies | 30,000 | 9,275 | 20,725 | 30.92% |
| Update/Improvement of TAM Website | 30,000 | 4,088 | 25,913 | 13.63% |
| Classification Study | 30,000 | - | 30,000 | 0.00% |
| Insurance | 15,000 | 5,863 | 9,137 | 39.09% |
| Financial Audit | 21,000 | 8,000 | 13,000 | 38.10% |
| Legal Services | 100,000 | 12,961 | 87,040 | 12.96% |
| Document Reproduction | 40,000 | 4,625 | 35,376 | 11.56% |
| Memberships | 25,000 | 5,944 | 19,056 | 23.78% |
| Travel/Meetings/Conferences | 25,000 | 9,727 | 15,273 | 38.91% |
| Carshare Membership | 3,000 | - | 3,000 | 0.00% |
| Electric Bike Purchase/Lease | 3,000 | - | 3,000 | 0.00% |
| Professional Development | 5,000 | 1,825 | 3,175 | 36.50% |
| Human Resources/Board Support | 70,000 | 12,270 | 57,730 | 17.53% |
| Information Technology/Web Support | 40,000 | 12,015 | 27,985 | 30.04% |
| Annual Support & Upgrade of Financial System | 15,000 | 3,994 | 11,006 | 26.63% |
| Misc. Expenses | 13,500 | 895 | 12,605 | 6.63% |
| <i>Subtotal, Administration</i> | 3,158,766 | 1,557,401 | 1,601,365 | 49.30% |

| Budget Line Items | Annual Budget | Actual 12/31/16 | \$ Difference | Actual as % of Budget |
|--|-------------------|--------------------|-------------------|--------------------------|
| Professional Services | | | | |
| CMP Update/Traffic Monitoring | 60,000 | - | 60,000 | 0.00% |
| Traffic Model Maintenance & Update | 200,000 | 42,576 | 157,424 | 21.29% |
| Trip Monitoring and Reporting | 85,000 | - | 85,000 | 0.00% |
| Countywide Bike/Pedestrian Plan Update | 19,000 | 9,746 | 9,254 | 51.29% |
| Project Management Oversight | 210,000 | - | 210,000 | 0.00% |
| MSN Redwood Landfill Interchange Design/Construction | 10,000 | - | 10,000 | 0.00% |
| MSN San Antonio Curve Correction Construction Support | 250,000 | 65,233 | 184,767 | 26.09% |
| MSN San Antonio Bridge Replacement Design | 200,000 | 14,805 | 185,195 | 7.40% |
| MSN Orange Ave Soundwall Mitigation Design/Construction | 35,000 | 9,904 | 25,096 | 28.30% |
| HOV Gap Closure Irwin Creek Mitigation Design | 60,000 | 103 | 59,897 | 0.17% |
| HOV Gap Closure Mitigation Irwin Creek Construction Management/Construction | 274,231 | 37,202 | 237,029 | 13.57% |
| State Legislative Assistance | 35,000 | 14,583 | 20,417 | 41.67% |
| Financial Advisor Services | 15,000 | 1,500 | 13,500 | 10.00% |
| North/South Greenway Gap Closure PA&ED / PS&E | 1,250,000 | 177,122 | 1,072,878 | 14.17% |
| TAM Junction CM & Construction | 420,000 | - | 420,000 | 0.00% |
| Public Outreach Service | 10,000 | 2,326 | 7,674 | 23.26% |
| Street Smart Program Implementation | 27,000 | - | 27,000 | 0.00% |
| Carshare Pilot Program Implementation | 140,000 | - | 140,000 | 0.00% |
| Highway 101 Ramp Metering Special Study | 50,000 | 2,413 | 47,588 | 4.83% |
| Countywide Transportation Strategic Plan Consulting Pool | 110,000 | 45,739 | 64,261 | 41.58% |
| 65,000 | 13,933 | 51,067 | 21.44% | |
| Subtotal, Professional Services | 3,525,231 | 437,184 | 3,088,047 | 12.40% |
| Measure A Sales Tax Programs/Projects | | | | |
| Measure A Compliance Audit | 20,000 | - | 20,000 | 0.00% |
| Bike/Ped Path Maintenance | 137,000 | - | 137,000 | 0.00% |
| Central Marin Ferry Connector - SMART Insurance Policy | 25,000 | - | 25,000 | 0.00% |
| <u>Strategy 1 - Transit</u> | <u>16,922,019</u> | <u>2,645,302</u> | <u>14,276,717</u> | <u>15.63%</u> |
| <i>Substrategy 1.1 - Local Bus Transit Service</i> | <i>10,000,000</i> | <i>2,056,132</i> | <i>7,943,868</i> | <i>20.56%</i> |
| <i>Substrategy 1.2 - Rural Bus Transit System</i> | <i>1,100,000</i> | <i>263,026</i> | <i>836,974</i> | <i>23.91%</i> |
| <i>Substrategy 1.3 - Special Needs Transit Services</i> | <i>2,572,019</i> | <i>190,644</i> | <i>2,381,375</i> | <i>7.41%</i> |
| <i>Substrategy 1.4 - Bus Transit Facilities</i> | <i>3,250,000</i> | <i>135,501</i> | <i>3,114,499</i> | <i>4.17%</i> |
| Strategy 2 - Hwy 101 Gap Closure | 250,000 | - | 250,000 | 0.00% |
| <i>TE/TLC/STP Swap Project</i> | <i>250,000</i> | <i>-</i> | <i>250,000</i> | <i>0.00%</i> |
| <u>Strategy 3 - Local Transportation Infrastructure</u> | <u>7,954,400</u> | <u>1,230,051</u> | <u>6,724,349</u> | <u>15.46%</u> |
| <i>Substrategy 3.1 - Major Roads</i> | <i>4,820,000</i> | <i>-</i> | <i>4,820,000</i> | <i>0.00%</i> |
| <i>Substrategy 3.2 - Local Roads</i> | <i>3,134,400</i> | <i>1,230,051</i> | <i>1,904,349</i> | <i>39.24%</i> |
| <u>Strategy 4 - Safer Access to Schools.</u> | <u>3,111,000</u> | <u>611,879</u> | <u>2,499,121</u> | <u>19.67%</u> |
| <i>Substrategy 4.1 - Safe Routes to Schools</i> | <i>885,000</i> | <i>257,949</i> | <i>627,051</i> | <i>29.15%</i> |

| Budget Line Items | Annual Budget | Actual 12/31/16 | \$ Difference | Actual as % of Budget |
|---|-------------------|--------------------|-------------------|--------------------------|
| <i>Substrategy 4.2 - Crossing Guards</i> | 1,126,000 | 299,968 | 826,032 | 26.64% |
| <i>Substrategy 4.3 - Safe Pathways to School</i> | | | | |
| <i>Safe Pathways Plan Development</i> | 100,000 | 45,600 | 54,400 | 45.60% |
| <i>Safe Pathway Capital Projects</i> | 1,000,000 | 8,361 | 991,639 | 0.84% |
| <i>Subtotal, Measure A Programs</i> | 28,419,419 | 4,487,232 | 23,932,187 | 15.79% |
| Measure B VRF Programs | | | | |
| <i>Element 1 - Maintain Local Streets & Pathways</i> | 2,617,897 | 953,818 | 1,664,079 | 36.43% |
| <i>Element 1.1 - Local Streets</i> | 2,507,049 | 953,818 | 1,553,231 | 0.00% |
| <i>Element 1.2 - Bike/Ped Pathways Maintenance</i> | 110,848 | - | 110,848 | 0.00% |
| <i>Element 2 - Seniors & Disabled Mobility</i> | 937,386 | 134,924 | 802,462 | 14.39% |
| <i>Element 2.1 - Mobility Management Programs</i> | 137,578 | 25,880 | 111,698 | 18.81% |
| <i>Element 2.2 - Paratransit & Low Income Scholarships</i> | 243,000 | 39,254 | 203,746 | 16.15% |
| <i>Element 2.3 - Paratransit Plus</i> | 300,000 | 40,005 | 259,995 | 13.34% |
| <i>Element 2.4 - Volunteer Drive & Gap Grant</i> | 256,808 | 29,785 | 227,023 | 11.60% |
| <i>Element 3 - Reduce Congestion & Pollution</i> | 644,000 | 108,991 | 535,009 | 16.92% |
| <i>Element 3.1 - Safe Routes to School</i> | 274,000 | 49,563 | 224,438 | 18.09% |
| <i>Element 3.2 - Trans. Demand Management</i> | 130,000 | 46,855 | 83,145 | 36.04% |
| <i>Element 3.3 - Discretionary Fuel (EV) Programs</i> | 240,000 | 12,574 | 227,426 | 5.24% |
| <i>Subtotal, Measure B Programs</i> | 4,199,283 | 1,197,733 | 3,001,550 | 28.52% |
| Interagency Agreements | | | | |
| CMFC - County Agreement RM2 | 250,000 | - | 250,000 | 0.00% |
| CMFC - County Construction Agreement NTPP/CMAQ | 4,500,000 | - | 4,500,000 | 0.00% |
| CMFC - County Parks Mitigation and Monitoring Agreement | 400,000 | - | 400,000 | 0.00% |
| Highway 101 Ramp Metering Local Support | 50,000 | - | 50,000 | 9.25% |
| San Rafael Transit Needs and Relocation Study Funding Agreement | 5,000 | - | 5,000 | 118.88% |
| San Rafael Downtown Parking and Wayfinding Study | 30,000 | 60,102 | (30,102) | 1202.03% |
| North-South Greenway (Southern Segment) County Project Management | 750,000 | - | 750,000 | 0.00% |
| HOV Gap Closure Offsite Landscaping Mitigation Funding Agreement | 490,000 | 1,256 | 488,744 | 0.26% |
| <i>Subtotal, Interagency Agreements</i> | 6,475,000 | 61,358 | 6,413,642 | 0.95% |
| Other Project/Program Expenditures | | | | |
| TFCA - TDM Projects/Vanpool Incentive | 16,000 | 9,661 | 6,339 | 60.38% |
| TFCA - Reimbursement of Various Capital Projects | 414,000 | 5,100 | 408,900 | 1.23% |
| <i>Subtotal, Other Capital Expenditures</i> | 430,000 | 14,761 | 415,239 | 3.43% |
| <i>Total Expenditures</i> | 46,207,700 | 7,755,667 | 38,452,032 | 16.78% |

Note 1: Actuals for those budget lines includes costs for January 2017.

Attachment 2: Summary of FY2016-17 Budget Amendments as of 12/31/16

| Budget Line Items | Annual Budget | Proposed Amendments | Revised Budget |
|--|-------------------|---------------------|-------------------|
| Measure A Sales Tax Revenue | 25,770,000 | - | 25,770,000 |
| Measure B VRF Revenue | 2,350,000 | - | 2,350,000 |
| Cities/Towns and County Contribution | 559,000 | - | 559,000 |
| Interest Revenue | 230,000 | - | 230,000 |
| MTC STP/CMAQ Planning Fund and OBAG Grants | 1,314,740 | - | 1,314,740 |
| PDA Planning Funds | 85,729 | - | 85,729 |
| MTC Regional Measure 2 Fund | 2,755,516 | - | 2,755,516 |
| Transportation For Clean Air Funding | 356,000 | - | 356,000 |
| State STIP PPM Fund | 49,986 | - | 49,986 |
| STIP/RTIP Funds | 1,262,306 | - | 1,262,306 |
| Federal Highway Bridge Program Fund | 247,691 | - | 247,691 |
| Nonmotorized Transportation Pilot Program Fund | 27,000 | - | 27,000 |
| MTC Climate Initiatives Program Grant/CMAQ | 125,000 | - | 125,000 |
| CMFC NTPP/CMAQ Pass-through | 4,500,000 | - | 4,500,000 |
| <i>Total Revenue Available</i> | 39,632,969 | - | 39,632,968 |
| EXPENDITURES | | | |
| Administration | | | |
| Salaries & Benefits | 2,203,266 | - | 2,203,266 |
| LGS Insurance and HR/Payroll Service Cost | 205,000 | - | 205,000 |
| Office Lease | 240,000 | - | 240,000 |
| Agencywide IT and Computer Equipment Upgrade | 10,000 | - | 10,000 |
| Equipment Purchase/Lease | 10,000 | - | 10,000 |
| Telephone/Internet/ Web Hosting Services | 25,000 | - | 25,000 |
| Office Supplies | 30,000 | - | 30,000 |
| Update/Improvement of TAM Website | 30,000 | - | 30,000 |
| Classification Study | 30,000 | - | 30,000 |
| Insurance | 15,000 | - | 15,000 |
| Financial Audit | 21,000 | - | 21,000 |
| Legal Services | 100,000 | - | 100,000 |
| Document Reproduction | 40,000 | - | 40,000 |
| Memberships | 25,000 | - | 25,000 |
| Travel/Meetings/Conferences | 25,000 | - | 25,000 |
| Carshare Membership | 3,000 | - | 3,000 |
| Electric Bike Purchase/Lease | 3,000 | - | 3,000 |
| Professional Development | 5,000 | - | 5,000 |
| Human Resources/Board Support | 70,000 | - | 70,000 |
| Information Technology/Web Support | 40,000 | - | 40,000 |
| Annual Support & Upgrade of Financial System | 15,000 | - | 15,000 |
| Misc. Expenses | 13,500 | - | 13,500 |
| <i>Subtotal, Administration</i> | 3,158,766 | - | 3,158,766 |

| Budget Line Items | Annual Budget | Proposed Amendments | Revised Budget |
|---|----------------------|----------------------------|-----------------------|
| Professional Services | | | |
| Approaches to the Richmond-San Rafael Bridge Project | 950,000 | - | 950,000 |
| CMP Update/Traffic Monitoring | 60,000 | - | 60,000 |
| Traffic Model Maintenance & Update | 200,000 | - | 200,000 |
| Trip Monitoring and Reporting | 85,000 | - | 85,000 |
| Countywide Bike/Pedestrian Plan Update | 19,000 | - | 19,000 |
| Project Management Oversight | 210,000 | - | 210,000 |
| MSN Redwood Landfill Interchange Design/Construction | 10,000 | - | 10,000 |
| MSN San Antonio Curve Correction Construction Support | 250,000 | - | 250,000 |
| MSN San Antonio Bridge Replacement Design | 200,000 | - | 200,000 |
| MSN Orange Ave Soundwall Mitigation Design/Construction | 35,000 | - | 35,000 |
| HOV Gap Closure Irwin Creek Mitigation Design | 60,000 | - | 60,000 |
| HOV Gap Closure Mitigation Irwin Creek Construction Management/Construction | 274,231 | - | 274,231 |
| State Legislative Assistance | 35,000 | - | 35,000 |
| Financial Advisor Services | 15,000 | - | 15,000 |
| North/South Greenway Gap Closure PA&ED / PS&E | 1,250,000 | - | 1,250,000 |
| TAM Junction CM & Construction | 420,000 | - | 420,000 |
| Public Outreach Service | 10,000 | - | 10,000 |
| Street Smart Program Implementation | 27,000 | - | 27,000 |
| Carshare Pilot Program Implementation | 140,000 | - | 140,000 |
| Highway 101 Ramp Metering Special Study | 50,000 | - | 50,000 |
| Countywide Transportation Strategic Plan | 110,000 | - | 110,000 |
| CMFC Onsite Re-Vegetation Mitigation Monitoring and Reporting | - | 22,000 | 22,000 |
| Consulting Pool | 65,000 | - | 65,000 |
| Subtotal, Professional Services | 4,475,231 | 22,000 | 4,497,231 |
| Measure A Sales Tax Programs/Projects | | | |
| Measure A Compliance Audit | 20,000 | - | 20,000 |
| Bike/Ped Path Maintenance | 137,000 | - | 137,000 |
| GGT Ferry Shuttle Service Contribution through MT | 85,000 | - | 85,000 |
| Central Marin Ferry Connector - SMART Insurance Policy | 25,000 | - | 25,000 |
| Strategy 1 - Transit | 16,922,019 | - | 16,922,019 |
| <i>Substrategy 1.1 - Local Bus Transit Service</i> | <i>10,000,000</i> | <i>-</i> | <i>10,000,000</i> |
| <i>Substrategy 1.2 - Rural Bus Transit System</i> | <i>1,100,000</i> | <i>-</i> | <i>1,100,000</i> |
| <i>Substrategy 1.3 - Special Needs Transit Services</i> | <i>2,572,019</i> | <i>-</i> | <i>2,572,019</i> |
| <i>Substrategy 1.4 - Bus Transit Facilities</i> | <i>3,250,000</i> | <i>-</i> | <i>3,250,000</i> |
| Strategy 2 - Hwy 101 Gap Closure | 250,000 | - | 250,000 |
| TE/TLC/STP Swap Project | 250,000 | - | 250,000 |

| Budget Line Items | Annual Budget | Proposed Amendments | Revised Budget |
|---|----------------------|----------------------------|-----------------------|
| <u>Strategy 3 - Local Transportation</u> | | | |
| <u>Infrastructure</u> | 7,954,400 | - | 7,954,400 |
| <i>Substrategy 3.1 - Major Roads</i> | 4,820,000 | - | 4,820,000 |
| <i>Substrategy 3.2 - Local Roads</i> | 3,134,400 | - | 3,134,400 |
| <u>Strategy 4 - Safer Access to Schools.</u> | 3,159,000 | - | 3,159,000 |
| <i>Substrategy 4.1 - Safe Routes to Schools</i> | 885,000 | - | 885,000 |
| <i>Substrategy 4.2 - Crossing Guards</i> | 1,174,000 | - | 1,174,000 |
| <i>Substrategy 4.3 - Safe Pathways to School</i> | | | |
| <i>Safe Pathways Plan Development</i> | 100,000 | - | 100,000 |
| <i>Safe Pathway Capital Projects</i> | 1,000,000 | - | 1,000,000 |
| Subtotal, Measure A Programs | 28,552,419 | - | 28,552,419 |
| Measure B VRF Programs | | | |
| <u>Element 1 - Maintain Local Streets & Pathways</u> | 2,617,897 | - | 2,617,897 |
| <i>Element 1.1 - Local Streets</i> | 2,507,049 | - | 2,507,049 |
| <i>Element 1.2 - Bike/Ped Pathways Maintenance</i> | 110,848 | - | 110,848 |
| <u>Element 2 - Seniors & Disabled Mobility</u> | 937,386 | - | 937,386 |
| <i>Element 2.1 - Mobility Management Programs</i> | 137,578 | - | 137,578 |
| <i>Element 2.2 - Paratransit & Low Income Scholarships</i> | 243,000 | - | 243,000 |
| <i>Element 2.3 - Paratransit Plus</i> | 300,000 | - | 300,000 |
| <i>Element 2.4 - Volunteer Drive & Gap Grant</i> | 256,808 | - | 256,808 |
| <u>Element 3 - Reduce Congestion & Pollution</u> | 644,000 | 70,000 | 714,000 |
| <i>Element 3.1 - Safe Routes to School</i> | 274,000 | - | 274,000 |
| <i>Element 3.2 - Trans. Demand Management</i> | 130,000 | 70,000 | 200,000 |
| <i>Element 3.3 - Discretionary Fuel (EV) Programs</i> | 240,000 | - | 240,000 |
| Subtotal, Measure B Programs | 4,199,283 | 70,000 | 4,269,283 |
| Interagency Agreements | | | |
| CMFC - County Agreement RM2 | 250,000 | | 250,000 |
| CMFC - County Construction Agreement NTPP/CMAQ | 4,500,000 | - | 4,500,000 |
| CMFC - County Parks Mitigation and Monitoring Agreement | 400,000 | - | 400,000 |
| Highway 101 Ramp Metering Local Support | 50,000 | - | 50,000 |
| San Rafael Transit Needs and Relocation Study Funding Agreement | 5,000 | - | 5,000 |
| San Rafael Downtown Parking and Wayfinding Study | 30,000 | - | 30,000 |
| North-South Greenway (Southern Segment) County Project Management | 750,000 | - | 750,000 |
| HOV Gap Closure Offsite Landscaping Mitigation Funding Agreement | 490,000 | - | 490,000 |
| Subtotal, Interagency Agreements | 6,475,000 | - | 6,475,000 |

| Budget Line Items | Annual Budget | Proposed Amendments | Revised Budget |
|--|--------------------------|----------------------------|--------------------------|
| Other Project/Program Expenditures | | | |
| TFCA - TDM Projects/Vanpool Incentive | 16,000 | - | 16,000 |
| TFCA - Reimbursement of Various Capital Projects | 414,000 | - | 414,000 |
| <i>Subtotal, Other Capital Expenditures</i> | <i>430,000</i> | <i>-</i> | <i>430,000</i> |
| <i>Total Expenditures</i> | <i>47,290,700</i> | <i>92,000</i> | <i>47,382,700</i> |

Attachment 3: FY2016-17 Revenue and Expenditure Report as of 12/31/16 – Measure A 1/2 Cent Sales Tax Detail

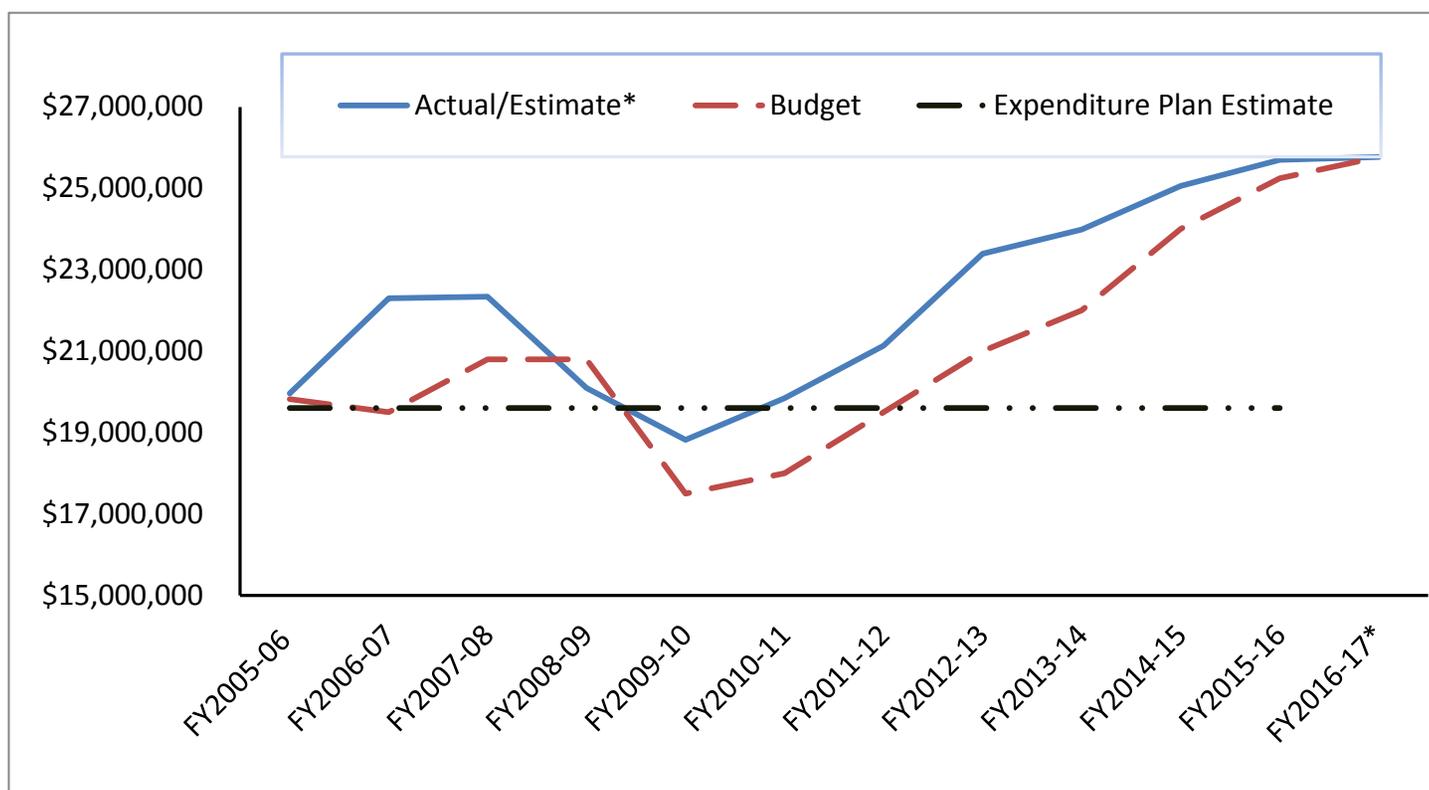
| Budget Line | Interest | 5% Reserve | 1% Admin | 4% Program | Strategy PM | S - 1.1 Local Bus | S - 1.2 Rural Bus | S - 1.3 Para. | S - 1.4 Cap. Imp. | S - 2 Gap Closure | S - 3.1 Major Roads | S - 3.2 Local Roads | S - 4.1 SR2S | S - 4.2 C. Guards | S - 4.3 Pathways | Total |
|--|-----------|------------|----------|------------|-------------|-------------------|-------------------|---------------|-------------------|-------------------|---------------------|---------------------|--------------|-------------------|------------------|------------|
| REVENUE | | | | | | | | | | | | | | | | |
| FY2016 Accrual Balance * | 3,387,549 | 5,382,896 | 77,256 | 988,726 | - | 6,418,203 | 1,058,190 | 405,633 | 4,303,215 | (731,013) | 13,807,319 | 3,309,565 | 1,064,669 | 995,358 | 1,574,870 | 42,042,435 |
| FY2017 Revenue | - | - | 88,533 | 354,132 | 158,333 | 3,028,501 | 245,554 | 736,662 | 491,108 | 783,333 | 1,050,894 | 1,092,561 | 247,110 | 314,503 | 262,086 | 8,853,312 |
| EXPENSES | | | | | | | | | | | | | | | | |
| Agencywide IT and Computer Upgrade | | | | | | | | | | | | | | | | - |
| Annual Support & Upgrade of Financial System | | | | 3,994 | | | | | | | | | | | | 3,994 |
| Bike/Ped Path Maintenance | | | | | | | | | | | | | | | | - |
| Carshare Membership | | | | | | | | | | | | | | | | - |
| Central Marin Ferry Connector SMART Insurance Policy | | | | | | | | | | | | | | | | - |
| Classification Study | | | | | | | | | | | | | | | | - |
| Consulting Pool | | | | 5,129 | | | | | | | | | | | | 5,129 |
| Countywide Transportation Strategic Plan | | | | 18,359 | | | | | | | | | | | | 18,359 |
| Document Reproduction | | | | 1,382 | | | | | | | | | | | | 1,382 |
| Electric Bike Purchase/Lease | | | | | | | | | | | | | | | | - |
| Equipment Lease/Purchase | | | | 4,099 | | | | | | | | | | | | 4,099 |
| Financial Advisor Services | | | | 1,500 | | | | | | | | | | | | 1,500 |
| Financial Audit | | | | 8,000 | | | | | | | | | | | | 8,000 |
| HR/Board Support | | | | 12,270 | | | | | | | | | | | | 12,270 |
| Insurance | | | | 5,863 | | | | | | | | | | | | 5,863 |
| IT Support | | | | 12,015 | | | | | | | | | | | | 12,015 |
| Legal Services | | | | 6,032 | | | | | | | | | | | | 6,032 |
| LGS Insurance and HR/Payroll Service Cost | | | | | | | | | | | | | | | | - |
| Measure A Compliance Audits | | | | | | | | | | | | | | | | - |
| Memberships | | | | 3,264 | | | | | | | | | | | | 3,264 |
| Misc. Expense | | | | | | | | | | | | | | | | - |
| Office Lease | | | | 135,082 | | | | | | | | | | | | 135,082 |
| Office Supplies | | | | 9,256 | | | | | | | | | | | | 9,256 |
| Professional Development | | | | 1,825 | | | | | | | | | | | | 1,825 |
| Program Management Oversight | | | | | | | | | | | | | | | | - |
| Public Outreach Service | | | | 780 | | | | | | | | | | | | 780 |
| Salaries & Benefits | | | 106,054 | 302,489 | | 1,587,4625 | 1,587,4625 | 1,587,4625 | 1,587,4625 | | 13,090 | 13,090 | 18,532 | 18,532 | 18,532 | 496,669 |
| Strategy 1 - Transit | | | | | | 2,056,132 | 263,026 | 190,644 | 135,501 | | | | | | | 2,645,302 |
| Strategy 2 - Gap Closure | | | | | | | | | | | | | | | | - |
| Strategy 3 - Streets & Roads | | | | | | | | | | | | 1,230,051 | | | | 1,230,051 |
| Strategy 4- Safe Routes | | | | | | | | | | | | | 257,949 | 270,554 | 53,962 | 582,465 |
| Telephone/Internet/Web Hosting Services | | | | 7,611 | | | | | | | | | | | | 7,611 |
| Travel/Meetings/Conferences | | | | 7,599 | | | | | | | | | | | | 7,599 |
| Update/Improvement of TAM Website | | | | 4,088 | | | | | | | | | | | | 4,088 |
| Total Expenses | - | - | 106,054 | 550,637 | - | 2,057,719 | 264,613 | 192,231 | 137,088 | - | 13,090 | 1,243,141 | 276,481 | 289,087 | 72,494 | 5,202,635 |
| BALANCE | 3,387,549 | 5,382,896 | 59,735 | 792,222 | 158,333 | 7,388,984 | 1,039,131 | 950,064 | 4,657,235 | 52,320 | 14,845,124 | 3,158,985 | 1,035,297 | 1,020,774 | 1,764,462 | 45,693,112 |

Attachment 4.1: Monthly Measure A 1/2 Sales Tax Disbursement Comparison

(Cash Disbursement from July to June)

| | | FY2016 | FY2017 | \$ Difference | % Difference |
|-----------------------------|----------------------|-------------------|-------------------|----------------------|---------------------|
| Actuals | July | 1,748,900 | 1,750,700 | 1,800 | 0.10% |
| | August | 2,331,800 | 2,334,300 | 2,500 | 0.11% |
| | September | 2,365,949 | 2,359,141 | (6,808) | -0.29% |
| | October | 1,787,000 | 1,784,300 | (2,700) | -0.15% |
| | November | 2,382,600 | 2,379,100 | (3,500) | -0.15% |
| | December | 2,417,020 | 2,330,771 | (86,250) | -3.57% |
| Actual / Budget | January | 1,913,400 | | (1,913,400) | -100.00% |
| | February | 2,551,200 | | (2,551,200) | -100.00% |
| | March | 2,146,480 | | (2,146,480) | -100.00% |
| | April | 1,550,600 | | (1,550,600) | -100.00% |
| | May | 2,067,400 | | (2,067,400) | -100.00% |
| | June | 2,436,287 | | (2,436,287) | -100.00% |
| | July-December | 13,033,270 | 12,938,312 | (94,958) | -0.73% |
| Annual Disbursement | 25,698,637 | | | | |
| FY2017 Annual Budget | | 25,770,000 | | | |

Attachment 4.2 Measure A 1/2 Sales Tax Actual Vs. Budget Comparison



Attachment 5: FY2016 and FY2017 Monthly Measure B VRF Disbursement Comparison

(Cash Disbursement from July to June)

| | | FY2016 | FY2017 | \$ Difference | % Difference |
|-----------------------------|----------------------------|------------------|------------------|----------------------|---------------------|
| Actual | July | 190,806 | 218,249 | 27,443 | 14.38% |
| | August | 203,634 | 215,745 | 12,111 | 5.95% |
| | September | 212,095 | 200,622 | (11,473) | -5.41% |
| | October | 196,616 | 222,554 | 25,938 | 13.19% |
| | November | 199,596 | 211,515 | 11,919 | 5.97% |
| | December | 189,291 | 190,745 | 1,454 | 0.77% |
| Actual / Budget | January | 179,405 | - | (179,405) | -100.00% |
| | February | 190,845 | - | (190,845) | -100.00% |
| | March | 179,863 | - | (179,863) | -100.00% |
| | April | 187,782 | - | (187,782) | -100.00% |
| | May | 201,954 | - | (201,954) | -100.00% |
| | June | 205,052 | - | (205,052) | -100.00% |
| | July-December | <u>1,192,037</u> | <u>1,259,430</u> | <u>67,393</u> | <u>5.65%</u> |
| | Annual Disbursement | <u>2,336,937</u> | | | |
| FY2017 Annual Budget | | <u>2,350,000</u> | | | |

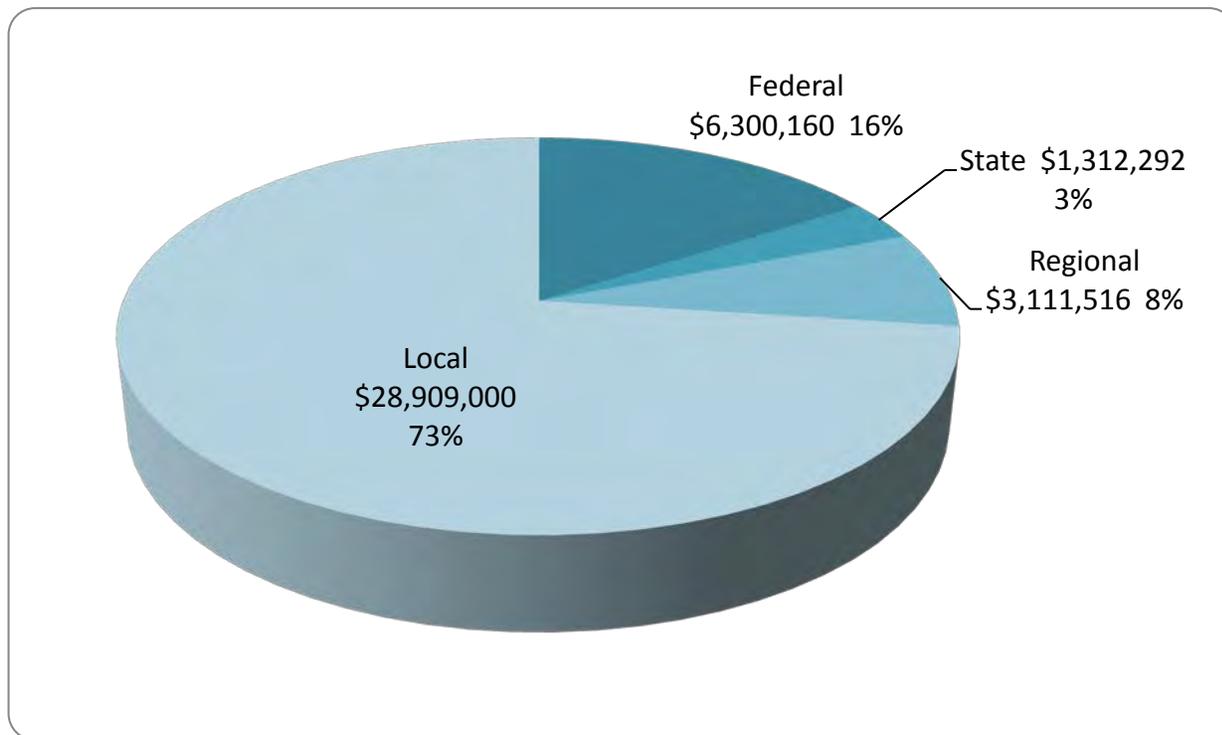
Attachment 6: CalTRUST Investment Monthly Interest Income by Account
(July - December 2016)

| | General CMA | | Mea. A Sales Tax | Mea. B VRF | | TFCA | | Total |
|--|-------------|--------------|------------------|------------|--------------|------------|-------------|---------------|
| | Short Term | Medium Term | Medium Term | Short Term | Medium Term | Short Term | Medium Term | CalTRUST |
| Principal Investment | \$ 808,530 | \$ 2,000,000 | \$ 38,393,102 | \$ 500,000 | \$ 3,072,287 | \$ 500,000 | \$ 831,950 | \$ 46,105,869 |
| Prior Reinvested Interest Revenue | \$ 629 | \$ 2,142 | \$ 528,331 | \$ 6,572 | \$ 24,474 | \$ 6,572 | \$ 891 | \$ 569,612 |
| | | | | | | | | |
| FY2017 Monthly Interest Income | | | | | | | | |
| <i>July-16</i> | \$ 504 | \$ 1,709 | \$ 33,246 | \$ 316 | \$ 2,645 | \$ 316 | \$ 711 | \$ 39,448 |
| <i>August-16</i> | \$ 523 | \$ 1,703 | \$ 33,127 | \$ 327 | \$ 2,635 | \$ 327 | \$ 708 | \$ 39,350 |
| <i>September-16</i> | \$ 532 | \$ 1,668 | \$ 32,449 | \$ 333 | \$ 2,581 | \$ 333 | \$ 694 | \$ 38,591 |
| <i>October-16</i> | \$ 589 | \$ 1,751 | \$ 34,050 | \$ 369 | \$ 2,708 | \$ 369 | \$ 728 | \$ 40,564 |
| <i>November-16</i> | \$ 580 | \$ 1,757 | \$ 34,169 | \$ 363 | \$ 2,718 | \$ 363 | \$ 731 | \$ 40,681 |
| <i>December-16</i> | \$ 603 | \$ 1,817 | \$ 35,341 | \$ 377 | \$ 2,811 | \$ 377 | \$ 756 | \$ 42,082 |
| Total for the 1st and 2nd Quarter | \$ 3,332 | \$ 10,405 | \$ 202,382 | \$ 2,086 | \$ 16,099 | \$ 2,086 | \$ 4,328 | \$ 240,716 |
| | | | | | | | | |
| Unrealized Gain/(Loss) - 12/31/2016 | \$ (3) | \$ (8,012) | \$ (132,991) | \$ (4) | \$ (11,403) | \$ (4) | \$ (3,333) | \$ (155,749) |
| Market Value - 12/31/2016 | \$ 811,885 | \$ 2,002,718 | \$ 38,955,484 | \$ 508,277 | \$ 3,098,645 | \$ 508,277 | \$ 833,080 | \$ 46,718,365 |

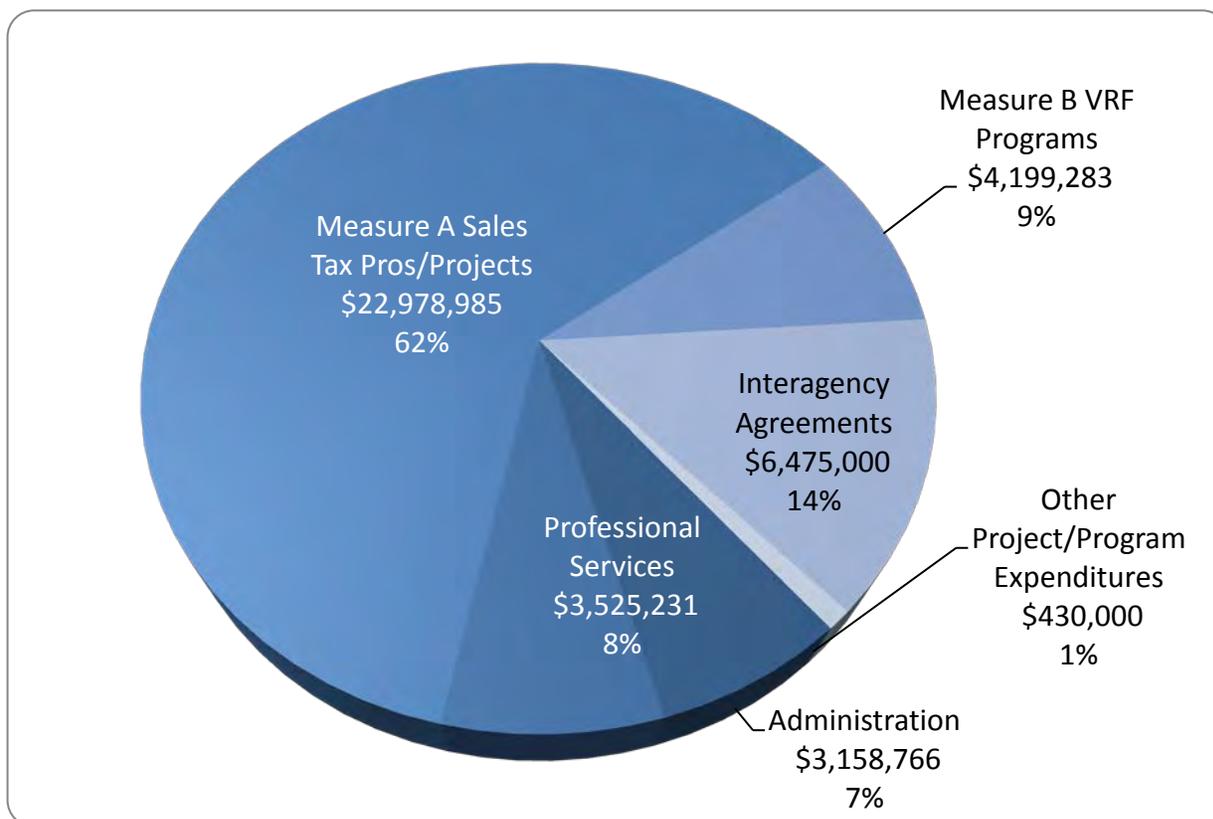
Note: \$25 million of TAM's fund balance was invested in CalTRUST as of 10/1/2013, and additional \$21.1 million was moved from the Marin County Investment Pool to CalTRUST on 5/1/2016.

Now TAM has all its investments in CalTRUST in various funds.

Attachment 7.1: FY2016-17 Budget Revenue Overview by Funding Source



Attachment 7.2: FY2016-17 Budget Expenditure Overview by Category



Note: Administration category includes all TAM's staff costs at \$2.22 million. Please note that the majority of the staff costs are for direct project and program management.

Attachment 8 - Transportation Acronyms

| Acronym | Full Term |
|----------|--|
| ABAG | Association of Bay Area Governments |
| ADA | Americans with Disabilities Act |
| BAAQMD | Bay Area Air Quality Management District |
| BART | Bay Area Rapid Transit |
| BCDC | Bay Conservation and Development Commission |
| BPAC | Bicycle / Pedestrian Advisory Committee |
| BRT | Bus Rapid Transit |
| BTA | Bicycle Transportation Account |
| Caltrans | California Department of Transportation |
| CEQA | California Environmental Quality Act |
| CIP | Capital Investment Program |
| CMA | Congestion Management Agency |
| CMAQ | Congestion Mitigation and Air Quality |
| CMFC | Central Marin Ferry Connection |
| CMP | Congestion Management Program |
| CO-OP | Cooperative Agreement |
| CTC | California Transportation Commission |
| DPW | Department of Public Works |
| EIR | Environmental Impact Report |
| EV | Electric Vehicle |
| FHWA | Federal Highway Administration |
| FTA | Federal Transit Administration |
| FY | Fiscal Year |
| GGT | Golden Gate Transit |
| GGBHTD | Golden Gate Bridge Highway and Transportation District |
| HOT Lane | High Occupancy Toll Lane |
| HOV Lane | High Occupancy Vehicle Lane |
| ITIP | Interregional Transportation Improvement Program |
| ITS | Intelligent Transportation Systems |
| JARC | Job Access and Reverse Commute |
| LATIP | Local Area Transportation Improvement Program |
| LOS | Level of Service |
| MCBC | Marin County Bicycle Coalition |
| MPO | Metropolitan Planning Organization |
| MPWA | Marin Public Works Association |
| MT | Marin Transit |
| MTC | Metropolitan Transportation Commission |

Attachment 8 - Transportation Acronyms

| Acronym | Full Term |
|-----------|--|
| MTS | Metropolitan Transportation System |
| Neg Dec | Negative Declaration |
| NEPA | National Environmental Policy Act |
| NOP | Notice of Preparation |
| NTPP | Non-motorized Transportation Pilot Program |
| OBAG | One Bay Area Grant |
| PAED | Project Approval and Environmental Document |
| PCI | Pavement Condition Index |
| PS&E | Plans, Specifications and Engineers Estimate |
| PSR | Project Study Report |
| RHNA | Regional Housing Needs Allocation |
| RM2 | Regional Measure 2 (Bridge Toll) |
| RTIP | Regional Transportation Improvement Program |
| RTP | Regional Transportation Plan |
| SCS | Sustainable Communities Strategy |
| SLPP | State-Local Partnership Program |
| SMART | Sonoma Marin Area Rail Transit |
| SR | State Route |
| SR2S/SRTS | Safe Routes to Schools |
| STA | State Transit Assistance |
| STIP | State Transportation Improvement Program |
| STP | Federal Surface Transportation Program |
| TCM | Transportation Control Measures |
| TCRP | Transportation Congestion Relief Program |
| TDA | Transportation Development Act |
| TDM | Transportation Demand Management |
| TFCA | Transportation Fund for Clean Air |
| TIP | Federal Transportation Improvement Program |
| TLC | Transportation for Livable Communities |
| TMP | Traffic Management Plan |
| TMS | Transportation Management System |
| TOD | Transit-Oriented Development |
| TOS | Transportation Operations Systems |
| VRF | Vehicle Registration Fee |



DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Li Zhang, Chief Financial Officer

SUBJECT: Review and Acceptance of FY2015-16 Measure A Compliance Audit Results (Action) - Agenda Item No.6d

RECOMMENDATION:

The TAM Board reviews and accepts the FY2015-16 Measure A compliance audit results. The Finance and Policy Executive Committee reviewed the item at its January 9 meeting. Members of the Executive Committee were pleased with the audit result and voted unanimously to refer the item to the TAM Board for acceptance.

BACKGROUND:

TAM has a fiduciary responsibility to the voters of Marin County to ensure that Measure A transportation sales tax funds are spent appropriately and has carried out this responsibility diligently since the inception of Measure A Transportation sales Tax in 2005. The Measure A Expenditure Plan provided TAM with the authority to audit all Measure A fund recipients for their use of the sales tax proceeds. An independent compliance audit is explicitly permitted under the terms and conditions of TAM's funding agreement/contract with all Measure A funding recipients. The COC played a critical role in the development of the Measure A Compliance Audit Policy and the final Policy was adopted by the TAM Board at its October 28, 2010 Board meeting. The implementation of the Policy started with the FY2011-12 and prior Measure A funding activities.

The TAM Board approved the five Measure A Transportation Sales Tax fund recipients that were selected for the six round of compliance audits in June 2016, as shown in the table below. This audit cycle covers Measure A revenue and expenditure activities occurred in or prior to FY2015-16.

Measure A Fund Recipients Selected for the 2016 Compliance Audit Cycle

| No. | Fund Recipient | Measure A Funding Strategy |
|---|------------------------------|--|
| Interest Revenue Funding Usage | | |
| 1 | County of Marin | Usage of Multi-Use Path Maintenance Funds |
| Strategy 1 Local Bus Transit System | | |
| 2 | Marin Transit | Local Transit, for all Measure A funds received for its FY2015-16 transit operation and capital needs |
| Strategy 2 Highway 101 Gap Closure | | |
| | None | |
| Strategy 3 Local Transportation Infrastructure | | |
| 3 | City of Belvedere | Strategy 3.2, Local Roads, for its usage of the Measure A Local Roads funds in or prior to FY2015-16 |
| Strategy 4 School Related Congestion and Safer Access to Schools | | |
| 4 | All City Management Services | Strategy 4.2, Crossing Guards for usage of funds in FY2015-16 |
| 5 | Town of Tiburon | Strategy 4.3, Safe Pathways to School, for Measure A funds received for the Ned Way/Tiburon Rectangular Rapid Flashing Beacons Project |

DISCUSSION/ANALYSIS:

Measure A Compliance Audit Process:

A Measure A Compliance Audit Workshop was conducted on August 31, 2016 to go over the requirements of the Measure A Expenditure Plan, the compliance audit policy adopted, and the process and timeline. Representatives from nine different fund recipients attended the workshop and provided staff with valuable questions and feedback.

The audit team, along with TAM staff, started the initial pre-audit meetings with the fund recipients selected in September, field visits were completed by the end of November, and draft audit results were presented to TAM staff for review in December. Staff is very pleased to report that there is no non-compliance findings discovered during this round of compliance audit.

Measure A Compliance Audit Results By Fund Recipients:

The main purpose of the compliance audit is to verify all Measure A Transportation Sales Tax funds were spent according to the requirements of the Measure A Transportation Sales Tax Expenditure Plan/Strategic Plan and the funding agreements/contracts. Results from the audits can also help TAM staff to continue improving the fund programming and allocation process.

Compliance audit results for the five fund recipients selected for this round of audit effort are presented below for your review.

Interest Revenue: County of Marin, Usage of Multi-Use Path Maintenance Funds

Measure A Expenditure Audited:

Compliance audit for County of Marin covers all Measure A expenditures occurred in FY2015-16.

| Measure A Allocation | | | | |
|-------------------------------|--------------------------------|--------------------------------|----------------|------------------|
| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
| FY 15/16 | 2015-014 | Interest Revenue Funding Usage | 9/22/2015 | \$ 45,000 |
| Measure A Expenditures | | | | |
| Project Name | Measure A Strategy | Amount | | |
| Cal Park Hill | Interest Revenue Funding Usage | \$ 40,301 | | |

Result:

The results of the auditor’s procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between County of Marin and TAM.

Follow-up Meeting and/or Action:

Not needed.

Strategy 1: Marin Transit, Measure A Funds for Local Transit

Measure A Expenditure Audited:

Compliance audit for Marin Transit covers all Measure A expenditures that occurred in FY2015-16.

| Measure A Allocation | | | | |
|-------------------------------|--------------------|----------------------|----------------|------------------|
| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
| FY 15/16 | 2015-018 | 1 | 7/15/2015 | \$ 13,903,546 |
| Measure A Expenditures | | | | |
| Project Name | Measure A Strategy | Amount | | |
| Local Bus Transit | 1.1 | \$ 7,575,766 | | |
| Local Bus Transit Service | 1.2 | 888,950 | | |
| Rural Bus Transit System | 1.3 | 2,203,546 | | |
| Capital Improvements | 1.4 | 934,159 | | |
| Total Project Cost | | <u>\$ 11,602,421</u> | | |

Result:

The results of the auditor’s procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between Marin Transit and TAM.

Follow-up Meeting and/or Action:

Not needed.

Strategy 2 – Highway 101 Gap Closure - No Audit Conducted

Strategy 3.2 – City of Belvedere, Local Roads: Lower Golden Gate Avenue Pavement Repair Project

Measure A Expenditure Audited:

Compliance audit for City of Belvedere covers Measure A expenditures under the Strategy 3.2 Local Streets and Roads allocation, which was spent in FY2015-16.

| Measure A Allocation | | | | |
|---|-----------------------------|--------------------|----------------|------------------|
| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
| FY 15/16 | 2014-005 Amendment No. 1 | 3.2 | 9/16/2015 | \$ 29,911 |
| Measure A Expenditures | | | | |
| Project Name | Measure A Strategy | Amount | | |
| Lower Golden Gate Avenue Pavement Repair | 3.2 | \$ 29,111 | | |

Result:

The results of the auditor’s procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between City of Belvedere and TAM.

Follow-up Meeting and/or Action:

Not needed.

Strategy 4.2 – All City Management Services, Crossing Guard Services

Measure A Expenditure Audited:

Compliance audit for All City Management Services covers Measure A expenditures under the Strategy 4.2 Crossing Guards allocation, which was spent in FY2015-16.

| Measure A Allocation | | | | |
|-------------------------------|--------------------|--------------------|--|------------------|
| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
| FY 15/16 | C-FY15/16-01 | 4.2 | 7/31/15 with a 1st addendum on 12/31/15. | \$ 919,249 |
| Measure A Expenditures | | | | |
| Project Name | Measure A Strategy | Amount | | |
| Crossing Guard Services | 4.2 | \$ 919,249 | | |

Result:

The results of the auditor’s procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between All City Management Services and TAM.

Follow-up Meeting and/or Action:

Not needed.

Strategy 4.3 – Town of Tiburon, Safe Pathways to School Fund, Ned Way/Tiburon Blvd Project

Measure A Expenditure Audited:

Compliance audit for Town of Tiburon covers Measure A expenditures under the Strategy 4.3 Safe Pathways to School allocations, which was spent in FY2015-16.

| Measure A Allocation | | | | |
|--|--------------------|--------------------|----------------|------------------|
| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
| FY 15/16 | 2015-011 | 4.3 | 3/26/2015 | \$ 25,000 |
| Measure A Expenditures | | | | |
| Project Name | Measure A Strategy | Amount | | |
| Ned Way/Tiburon Blvd Crosswalk Rectangular Rapid Flashing Beacon Project | 4.3 | \$ 23,189 | | |

Result:

The results of the auditor’s procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between Town of Tiburon and TAM.

Follow-up Meeting and/or Action:

Not needed.

FISCAL CONSIDERATION:

The Measure A compliance audit was conducted within budget and on schedule.

NEXT STEPS:

The seventh Measure A compliance audit cycle will start in May 2017.

ATTACHMENTS:

- Attachment 1 Measure A Compliance Audit Report – County of Marin
- Attachment 2 Measure A Compliance Audit Report – Marin Transit
- Attachment 3 Measure A Compliance Audit Report – City of Belvedere
- Attachment 4 Measure A Compliance Audit Report – All City Management Services
- Attachment 5 Measure A Compliance Audit Report – Town of Tiburon



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of
Transportation Authority of Marin
San Rafael, California

Compliance

We have audited the County of Marin's (County) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the County's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of management of the County.

Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the County's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

Opinion

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that are applicable to the County's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the County. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine Day & Co., LLP
_____, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The County receives funding under the Measure A Expenditure Plan.

Basis of Accounting

The County utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The County considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 - MEASURE A SALES TAX

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
 - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
 - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis and tested for the following attributes:
 - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
 - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to

justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
 - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
 - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
 - c. Bid Award – Reviewed City/Town Council or County’s Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town or County’s Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any

construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
 - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
 - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

Measure A Allocation

| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
|-------------------|------------------|--------------------------------|----------------|------------------|
| FY 15/16 | 2015-014 | Interest Revenue Funding Usage | 9/22/2015 | \$ 45,000 |

Measure A Expenditures

| Project Name | Measure A Strategy | Amount |
|---------------|--------------------------------|-----------|
| Cal Park Hill | Interest Revenue Funding Usage | \$ 40,301 |



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of
Transportation Authority of Marin
San Rafael, California

Compliance

We have audited Marin Transit's (Agency) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the Agency's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of management of the Agency.

Auditor's Responsibility

Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Agency's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Agency's compliance with those requirements.

Opinion

In our opinion, the Agency complied, in all material respects, with the compliance requirements referred to above that are applicable to the Agency's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Agency's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and Management of the Agency. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine Day & Co., LLP
_____, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Marin Transit is an agency formed by vote by the people of Marin County that provides local transit services within Marin County.

Basis of Accounting

The Agency utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

NOTE 2 - MEASURE A SALES TAX

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
 - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
 - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
 - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
 - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
 - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
 - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
 - c. Bid Award – Reviewed City/Town Council or Transit agency’s Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town or Transit agency’s Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
 - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
 - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

Measure A Allocation

| <u>Allocation Period</u> | <u>Agreement Number</u> | <u>Measure A Strategy</u> | <u>Agreement Date</u> | <u>Available Amount</u> |
|--------------------------|-------------------------|---------------------------|-----------------------|-------------------------|
| FY 15/16 | 2015-018 | 1 | 7/15/2015 | \$ 13,903,546 |

Measure A Expenditures

| <u>Project Name</u> | <u>Measure A Strategy</u> | <u>Amount</u> |
|---------------------------|---------------------------|----------------------|
| Local Bus Transit | 1.1 | \$ 7,575,766 |
| Local Bus Transit Service | 1.2 | 888,950 |
| Rural Bus Transit System | 1.3 | 2,203,546 |
| Capital Improvements | 1.4 | 934,159 |
| Total Project Cost | | <u>\$ 11,602,421</u> |



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Board of Commissioners of
Transportation Authority of Marin
San Rafael, California

Compliance

We have audited the City of Belvedere's (City) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the City's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of management of the City.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the City's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that are applicable to the City's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the City. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co., LLP
_____, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City is an incorporated City that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

Basis of Accounting

The City utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The City considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 - MEASURE A SALES TAX

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
 - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
 - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
 - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
 - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
 - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
 - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
 - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town or Transit’s Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
 - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
 - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

Measure A Allocation

| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
|-------------------|-----------------------------|--------------------|----------------|------------------|
| FY 15/16 | 2014-005 Amendment No. 1 | 3.2 | 9/16/2015 | \$ 29,911 |

Measure A Expenditures

| Project Name | Measure A Strategy | Amount |
|---|--------------------|-----------|
| Lower Golden Gate Avenue Pavement Repair | 3.2 | \$ 29,111 |



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of
Transportation Authority of Marin
San Rafael, California

Compliance

We have audited All City Management Services, Inc. (Corporation) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the Corporation's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of management of the Corporation.

Auditor's Responsibility

Our responsibility is to express an opinion on the Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Corporation and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Corporation and the Authority require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Corporation's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Corporation's compliance with those requirements.

Opinion

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that are applicable to the Corporation's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Internal Control Over Compliance

Management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Corporation's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. *A material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Corporation and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the Corporation. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine Day & Co., LLP
_____, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

All City Management Services, Inc. is a corporation based in California that provides school crossing guard services.

Basis of Accounting

The Corporation utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

NOTE 2 - MEASURE A SALES TAX

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide additional pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
 - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
 - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
 - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.

- b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
 - c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
 - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
 - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
 - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.
14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
 - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
 - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

Measure A Allocation

| <u>Allocation Period</u> | <u>Agreement Number</u> | <u>Measure A Strategy</u> | <u>Agreement Date</u> | <u>Available Amount</u> |
|--------------------------|-------------------------|---------------------------|--|-------------------------|
| FY 15/16 | C-FY15/16-01 | 4.2 | 7/31/15 with a 1st addendum on 12/31/15. | \$ 919,249 |

Measure A Expenditures

| <u>Project Name</u> | <u>Measure A Strategy</u> | <u>Amount</u> |
|-------------------------|---------------------------|---------------|
| Crossing Guard Services | 4.2 | \$ 919,249 |



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of
Transportation Authority of Marin
San Rafael, California

Compliance

We have audited the Town of Tiburon (Town) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the Town's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of management of the Town.

Auditor's Responsibility

Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Town and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Town and the Authority require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Town's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

Opinion

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that are applicable to the Town's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Town's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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Vavrinek, Trine Day & Co., LLP
_____, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town is an incorporated town that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

Basis of Accounting

The Town utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The Town considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

NOTE 2 - MEASURE A SALES TAX

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

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 - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
 - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
 - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
 - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

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 - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

Measure A Allocation

| Allocation Period | Agreement Number | Measure A Strategy | Agreement Date | Available Amount |
|-------------------|------------------|--------------------|----------------|------------------|
| FY 15/16 | 2015-011 | 4.3 | 3/26/2015 | \$ 25,000 |

Measure A Expenditures

| Project Name | Measure A Strategy | Amount |
|--|--------------------|-----------|
| Ned Way/Tiburon Blvd Crosswalk Rectangular Rapid Flashing Beacon Project | 4.3 | \$ 23,189 |



DATE: January 26, 2017

TO: Transportation Authority of Marin Finance and Policy Executive Committee

FROM: Dianne Steinhauser, Executive Director.

SUBJECT: Approve Creation of TAM Deputy Executive Director Position Including Salary Range, (Action), Agenda Item 6e

RECOMMENDATION:

Recommend to the full TAM Board to create the position and salary of TAM Deputy Executive Director.

This request was heard by the TAM Executive Committee for Finance and Policy at their meeting of January 9th. The Committee voted 4-1 to accept the recommendation, after discussion. Mayor Phillips of San Rafael dissented, in favor of a more traditional approach of placing an external or internal candidate permanently into the position. Note the permanent option is available to the TAM Board after the initial period of 30 months, if sufficient funds exist to do so.

BACKGROUND:

The position of Executive Director at TAM comes with a set of responsibilities that has grown over time. While hired to manage the 2004 Measure A Transportation Sales Tax, and CMA responsibilities as well as Regional Measure 2 Toll program management in Marin, the responsibilities of the position have increased substantially. The position expanded significantly in 2010 with the \$10 Vehicle Registration Fee, and the addition of a number of programs managed directly by TAM. In 2011, the State's Bond program brought several additional new projects to TAM. Between 2011 and 2012, the need for expedited project delivery in the Marin Sonoma Narrows Corridor added increased demands to the position and further expansion of the position's duties occurred in 2015-16 with the development of TAM's first Strategic Vision Plan. In addition, TAM has engaged in developing access options for SMART and TAM staff have responded to numerous funding needs from multiple agencies, a role that continues to increase as well.

An independent evaluation in 2016 by the Board's consultant for the Executive Director performance review revealed the span of responsibilities exceeded the capacity of one executive individual. The Board agreed and adopted as a goal for the Executive Director that she bring executive staff support options forward.

The Executive Director brought options forward for consideration by the TAM Human Resources Ad Hoc on how to move forward. The Ad Hoc engaged in discussions from September 2016 through December 2016. TAM's Executive Director elicited options from Sherry Lund Associates, who conducted the ED performance review, from organizational consultants Deborah Muchmore and Jim Delia, and from Regional Government Services, the organization serving and meeting TAM's current human resources (HR) needs. These were presented over the 4-month period to the HR Ad Hoc, which consisted of TAM Commissioners Alice Fredericks, Beach Kuhl, and Steve Kinsey, and Chair Stephanie Moulton-Peters.

Options considered:

The Executive Director and HR Ad Hoc considered a number of options for the Deputy Executive Director position:

- Hire a new Deputy Executive Director through an open external recruitment
- Promote an internal manager to Deputy Executive Director
- Temporarily promote an internal manager, while conducting an open recruiting both externally and internally for a permanent appointment
- Promote two internal managers to share duties (two in the box)

Each of these options was screened given the criteria that TAM must operate under. These criteria reflect TAM's current financial capacity and plans for TAM to engage in a sales tax renewal effort over the next two years. Criteria include:

- Limited funds. Funds exist for a limited term only. If the transportation sales tax is not extended in 2018, funds are likely not to be available for a continuation of the position. As well, TAM must consider the pay-down of unfunded pension liability, which will be brought forward to the Board in Spring of 2017.
- Limited term. Note that a Limited Term of 30 months will likely reduce the qualified and desirable pool of applicants and discourage some qualified external candidates from applying.
- Immediacy of need. With work increasing rapidly regarding the transportation sales tax renewal, the need for support is immediate.
- Training of an external candidate. With the Executive Director and team engaged with current workload, the need to identify time for training, especially for training by the Executive Director, will be challenging. Given the detailed nature of TAM's work, especially as related to funding sources and the importance of partner relations, there will be a substantial learning curve for a new external candidate for the position.

The Human Resources Ad Hoc considered limited funding and the expedient use of internal candidates for the limited term position and chose the option of utilizing internal candidates. The Ad Hoc recognized the training and personal growth opportunities that would be afforded an internal candidate and the benefit to TAM of having cross-trained leadership. This depth of ability will serve the agency well.

The Executive Director confirms the recommendation of the HR Ad Hoc to approve a temporary promotion of an internal candidate to the position of Deputy Executive Director of TAM from the interested and eligible pool of existing TAM Managers. If multiple candidates are deemed eligible, one person at a time will fill the position, and their existing position will be held for them to return to. Any support brought onboard as a backfill will be temporary, unbenefited and part-time. Temporary part-time support does not require a new position be created or allocated.

DISCUSSION/ANALYSIS:

Per direction from the TAM Board, the proposal is to redistribute some of the Executive Director responsibilities to a Deputy Executive Director who will:

- provide an increased level of executive support to TAM staff,
- improve communication with Commissioners and stakeholders,

- manage (relieve) portions of the Executive Director's substantive work during the upcoming two-year period of significantly increased workload and public outreach in conjunction with the upcoming sales tax renewal initiative.

The HR Ad Hoc and Staff request the TAM Board move to create a Deputy Executive Director position in the organization to support the Executive Director. General duties are as shown on Attachment A. This is a limited-duration position for 30 months only. The position will be filled temporarily, internally by one or more existing eligible managers serving in an acting capacity. The pay for the temporary acting assignment will be 5% above the current salary level of the assigned manager, for the term of their assignment.

Overall objectives of the addition of this position is to provide greater support for the Executive Director and to optimize the functioning of the entire TAM organization. This is a developmental opportunity for the Deputy Director and Staff. The Executive Director will engage RGS Human Resources to provide the Deputy Director with management support, best practices and coaching. RGS will assist in the transition and will support the effort with regular check-ins with the Executive Director, Deputy Director and HR Ad Hoc.

It is envisioned that the assignment of Acting Deputy Executive Directors would span 30 months. The promotion would include a 5% increase in current salary. No formal recruitment process is required for this opportunity; however, a review committee including the Executive Director and an RGS HR representative would immediately interview interested staff managers. The TAM ED and affected unit would bring in temporary part-time assistance as needed to help the promoted employee remain current on other day-to-day assignments.

The placement of an existing manager of TAM into the Acting Deputy Executive Director position will be accompanied by HR support from TAM's existing HR service- RGS, or Regional Government Services, or a future HR team. This support will include managerial support for a variety of needs, such as communication skills, coordination tools, the acquiring of any needed technical competencies, or policy development skills. Again, RGS will assist in the transition and will support the effort with regular check-ins with the Executive Director, Deputy Director and HR Ad Hoc.

This plan utilizes strengths already within the organization, while minimizing costs to the organization. This plan allows the temporarily promoted candidates an opportunity to acquire experience in the position providing them with expanded capabilities for future recruitments or in the marketplace and makes them a more valuable and capable employee for TAM in the future.

Costs for the plan are expected to be approximately \$150,000 to \$200,000 total over the 30-month period after all salaries, benefits, and temporary assistance expenditures. This assumes temporary acting assignments at a 5% increase in salary during the acting assignment period and either admin, project, or clerical assistance for the full 30 months. The salary range for the new position has been set internally at 10% below the Executive Director salary.

This plan will allow the consideration of rotational assignments of more than one candidate into the position. This allows multiple internal candidates to grow into an expanded role and gain valuable career experience. This plan could place an internal candidate in place through temporary promotion within 3 weeks.

Depending on the candidate selected and the necessary re-assignment of workload, work balancing could occur either internally or externally. If assistance is brought in externally, that temporary assistance in support of this effort is limited term, unbenefitted, and part time.

NEXT STEPS / FISCAL CONSIDERATION:

Based on the upcoming increased workload associated with the sales tax renewal initiative and the need to dedicate funds to both the sales tax measure efforts and to paydown the unfunded pension liability of TAM, and the burden an external employee at the Deputy level will place on the current Executive Director, creation of a Deputy Executive Director position accompanied by the assignment of an Acting Deputy Executive Director from existing internal candidates is recommended. A 5% salary increase will accompany the position during the period of assignment. General duties are as shown on the attached, and may vary in accordance with the needs of TAM.

Duties of the position and a salary structure are attached.

ATTACHMENTS:

- A: Job Description and Duties
- B: Salary Range

TRANSPORTATION AUTHORITY OF MARIN**Deputy Executive Director****DEFINITION**

Under the direction of the Executive Director, the Deputy Executive Director is responsible to plan, direct, and manage the day-to-day operations of the Authority.

The Deputy Executive Director utilizes significant working knowledge of the Transportation Authority of Marin (TAM), and how it conducts its business. The position oversees the staff management, systems management, technical management, and funding and financial management for the Authority. The position is responsible for the timely coordination of responses to public inquiries, and coordination with sister agencies in Marin and around the Bay Area region for all TAM activities, programs, and projects. Using highly honed verbal and written communication skills the position will exercise a variety of executive and administrative level duties, including the support of program, fiscal, and administrative managers; support for the Executive Director with significant public outreach in conjunction with the sales tax renewal and potential future funding and financing initiatives; and serve as the Executive Director in her absence.

SUPERVISION RECEIVED AND EXERCISED

Receives direction from the Executive Director.

The Deputy Executive Director may exercise supervision over assigned staff in conjunction with the Executive Director, and provides leadership and direction to fellow management, employees, and consultants.

EXAMPLES OF DUTIES

Duties may include, but are not limited to, the following:

- Provide executive level support to the Executive Director in communications with fellow agency leads in Marin and around the Bay Area
- Provide executive-level support to TAM Managers in their communications with public works and planning directors at the local jurisdictions.
- Interact with partner transit agencies as appropriate on technical matters.
- Interact with special interests, advocates and non-profit and community organizations on technical and other matters not related to sales tax initiative, involving the Executive Director as necessary.
- Support the work of the Executive Director in sales tax and other revenue and financing initiatives.
- Interact with regional agencies- MTC, ABAG, Caltrans - serve/attend regional committees as appropriate, (e.g., Partnership).
- Review a variety of technical materials and provide summaries and risk assessment and related action plans as needed.

- Meet with TAM technical team members in accordance to their needs, develop resolutions to issues, and provide summary information and progress reports to TAM Executive Director, .
- Confer with financial and administrative team members as needed.
- Oversee the sourcing, acquisition, and administration of grant funds.
- Oversee the development/negotiation of grant conditions.
- Respond to media inquiries conferring with the Executive Director regularly for input and approval on all sensitive issues.
- Manage Public Record Act requests and all other inquiries and requests for information, coordinating with the Executive Director regularly for input and approval on sensitive issues.
- Direct, review, and manage the Board Committee packets and agenda setting process, coordinating final review and approval from the Executive Director.
- Manage Board Ad hoc Committee packets and agenda setting, confer with the Executive Director as necessary.

Ability to:

- Define problems, collect, analyze, interpret and evaluate data, define alternatives and decision consequences.
- Manage numerous simultaneous projects /programs in a timely manner, with limited supervision.
- Prepare clear, concise and accurate reports and correspondence.
- Summarize and present data and prepare written reports and recommendations.
- Exercise tact and courtesy in working with members of the general public and local agencies.
- Deal effectively with Authority Board members, other government officials, professional and technical colleagues and staff.
- Understand and explain technical processes to non-technical personnel and interpret, explain and apply laws, rules, regulations, policies, and procedures.
- Prepare and make presentations to a wide variety of audiences.

Experience and Training:

Any combination of experience and training that would provide the required knowledge and abilities is qualifying. A typical way to obtain the required knowledge and abilities would be:

Experience:

Six years of professional experience in a public agency or consultant firm managing complex transportation systems, funding and implementation of transportation projects, with at least three years of responsible charge experience.

Training:

Equivalent to a bachelor's degree from an accredited college or university with major coursework in planning, transportation studies, engineering, and public or business administration.

License or Certificate:

Possession of a valid California driver's license may be required at the time of appointment. Individuals who do not meet this requirement due to a physical disability will be considered on a case-by-case basis.

Physical Demands and Working Conditions

The physical demands and working conditions described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Work is usually performed in a typical office setting with moderate noise and may require evening and weekend work. Travel is required to meetings and other jurisdictions. The noise level in the work environment is usually quiet. Hand-eye coordination is necessary to operate computers and various pieces of office equipment. While performing the duties of this job, the employee is occasionally required to stand; walk; use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is occasionally required to sit; climb or balance; stoop, kneel, crouch, or crawl; talk or hear; and smell. The employee must occasionally lift and/or move up to 25 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

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Salary Level for TAM Deputy Executive Director

Deputy Director

| steps | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---------|------------|------------|------------|------------|-------------------|------------|------------|------------|------------|
| hourly | 69.39 | 71.56 | 73.73 | 75.9 | 78.07 | 80.24 | 82.41 | 84.57 | 86.74 |
| monthly | 12,028.33 | 12,404.22 | 12,780.10 | 13,155.99 | 13,531.88 | 13,907.76 | 14,283.65 | 14,659.53 | 15,035.42 |
| yearly | 144,340.00 | 148,850.63 | 153,361.25 | 157,871.88 | 162,382.50 | 166,893.13 | 171,403.75 | 175,914.38 | 180,425.00 |

NOTE: RGS has recently conducted a salary survey at the Executive Director level, RGS would recommend setting the salary for the Deputy Director internally at 10% below the ED and **between 8% and 14%** above the **top salaries of TAM** executive managers.

NOTE: Temporary **"acting"** assignment of internal manager candidates to the position is accompanied by a 5% increase over the existing salary level of the manager. The resultant salary may fall between the salary steps as shown above.

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Bill Whitney, Principal Project Delivery Manager

SUBJECT: Approve Contract Amendment for the Brookdale Avenue Visual Mitigation Project – (Action), Agenda Item No. 6f

RECOMMENDATION:

Authorize the Executive Director to execute a contract amendment with Questa Engineering for the Brookdale Avenue Visual Mitigation Project. This amendment is necessary to extend the term of contract to provide additional time for project close-out activities. No adjustment to funding is required.

BACKGROUND:

TAM entered into a contract with Questa Engineering on February 3, 2015 to prepare construction bid documents for the Brookdale Avenue / Irwin Creek Mitigation Project. TAM agreed to accept the lead role to complete mitigation commitments for the US101 HOV Gap Closure Project and Caltrans agreed to fully fund the design, construction, and construction administration phases.

The scope of the project was ultimately reduced to include landscape improvements along Brookdale Avenue in San Rafael. A construction contract was awarded in September and the planting plan has been completed in the field.

For further information on the Boards actions the staff reports can be found using the following links.

- <http://www.tam.ca.gov/Modules/ShowDocument.aspx?documentid=8138>
- <http://www.tam.ca.gov/Modules/ShowDocument.aspx?documentid=9567>
- <http://www.tam.ca.gov/Modules/ShowDocument.aspx?documentid=10075>

DISCUSSION/ANALYSIS:

Construction administration duties remain, that include final payment to the contractor, preparation of “As-Built” drawings, finalizing the five-year plant establishment period work-plan, and execution of a maintenance agreement between Caltrans and the City of San Rafael. San Rafael agreed to accept maintenance responsibilities of the project following the five-year maintenance period pursuant to the negotiations with Caltrans to exclude a perimeter chain link fence. Caltrans required a perimeter fence if their forces were to perform maintenance activities in the future.

FISCAL CONSIDERATION: None

NEXT STEPS: Execute contract amendment for time extension

ATTACHMENTS: None

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Scott McDonald, Senior Transportation Planner

SUBJECT: Bike/Ped Plan Update Contract Extension (Action), Agenda Item 6g

RECOMMENDATION

Authorize the TAM Executive Director to extend the Contract for the Update to Bicycle/Pedestrian Plans in Marin with Alta Planning + Design. This amendment would increase the not to exceed amount by \$17,000 and provide up to one additional year for jurisdictions still participating in the coordinated update to adopt local plans. The total not to exceed amount for completing all nine plans would increase from \$219,000 to \$236,000, with \$200,000 in TDA Article 3 funding and the additional \$36,000 in funding from TAM's CMA dues. Additional support due to extensive public input and outreach will be provided with the extension.

BACKGROUND

In November 2012, the TAM Board approved \$200,000 in Transportation Development Act (TDA) Article 3 funding from FY 2013/14 revenues for local bicycle/pedestrian plan updates. Based on a procurement process and TAM Board authorization in January 2014, staff contracted with Alta Planning + Design for work associated with updating nine plans to support eight cities and towns along with the County of Marin. The initial contract was approved for a three-year period in the amount of \$170,000 with a remaining \$30,000 set aside by staff for outreach and contingency funding. In April 2016, it was determined that an increase would be needed to accomplish increased work associated with extensive review of public input and additional meetings, leading to an increase of \$19,000 in funding with CMA dues.

This subsequent recommendation to extend and increase the contract is based on additional estimated time and review of public input needed to complete the following three plans: County of Marin Unincorporated Bike & Pedestrian Plan, Mill Valley Bike & Pedestrian Plan, and Sausalito Bike & Pedestrian Plan. In all three jurisdictions there has been a consistent high level of outreach and community engagement and often iterative nature of committee review and comment periods. The additional work results in draft plans ready for adoption in 2017.

Following is a list of jurisdictions that have participated in the coordinated update of local bicycle and pedestrian plans, and their status. The list reflects the three jurisdictions needing additional support as mentioned above:

Corte Madera (Adopted in May 2016)
County of Marin (Plan to be completed in 2017)
Larkspur (Adopted in January 2017)
Mill Valley (Plan to be completed in 2017)
Novato (Adopted in spring 2015)
Sausalito (Plan to be completed in late 2017)
Fairfax (Adopted in November 2016)
San Anselmo (Adopted in November 2016)
Tiburon (Adopted in July 2016)

Note: Belvedere, Ross, and San Rafael chose not to participate in this coordinated update process (Ross and San Rafael had recently updated their bicycle and pedestrian plans and are updating plans through a separate process). The City of San Rafael and Town of Ross are managing plan updates directly, with Ross recently receiving a \$15,000 grant from TAM under OBAG 2 to update their current Bike/Ped Plan starting at a later date.

DISCUSSION/ANALYSIS

The Marin bicycle & pedestrian plans are being updated as part of a TAM-funded and coordinated effort. The plans have been locally implemented through a local process which varies but often involves advisory committees, city/town councils, along with the public – with greater public input than the previous update process (completed in 2008). In many cases, substantial changes to 2008 plans have been required either due to requests for expanded policies and revised lists of proposed projects, or in other cases given the fact that previous plans were bicycle-focused and jurisdictions are expanding plans to focus on bicycle and pedestrian needs and opportunities. The plan development process has been extensive, in some cases more iterative due to several committees offering input, with more meetings with staff needed to review public input and make plan revisions.

This process, in which TAM has provided contract administration through a coordinated effort, has alleviated the need for each participating local jurisdiction to procure and administer individual contracts with bicycle and pedestrian planning consultants. The effort also included a technical advisory committee managed by TAM, where staff from multiple jurisdictions explored best practices for policies and programs to support shared goals. Additionally, coordination has provided opportunities to review connections between jurisdictions with workshops where representatives from neighboring jurisdictions were in attendance to answer questions about facilities in their respective jurisdictions.

All of the nine plan updates are now anticipated to be completed by the end of 2017; with this contract extension recommended through February 2018, in case more time needed by local staff to bring updated plans forward for adoption. The initial work plan established by TAM in conjunction with the consultant was designed to complete all nine plan updates by mid-June 2016. However, given requests for additional meetings from local jurisdictions and public involvement, the schedule has been revised with this contract increase being recommended to complete all nine plans.

FISCAL CONSIDERATION:

Staff is recommending a contract increase of \$17,000 from CMA dues to provide additional support to local jurisdictions.

ATTACHMENTS

N/A

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Nicholas Nguyen, Principal Project Delivery Manager

SUBJECT: Re-authorize Funds For State Route 37 Planning Study as Local Match (Action), Agenda Item No. 6h

RECOMMENDATION:

Move to re-authorize previously approved funds as local match for an in-depth State Route 37 planning study to be conducted by the Metropolitan Transportation Commission.

BACKGROUND AND PAST ACTIONS:

Highway 37 is a key transportation corridor linking several counties together- Marin, Sonoma, Napa, and Solano. Due to its strategic transportation role and environmentally sensitive natural footprint, SR 37 has been the subject of not only a long-range planning study being conducted by UC Davis (UCD) and the California Department of Transportation (Caltrans) between 2014 and 2015, but also by an Advisory Committee comprised of transportation authorities from Marin, Sonoma, Solano, and Napa.

At the October 22, 2015 meeting the Board approved TAM's formal participation in the SR 37 Corridor Policy Committee, the new iteration of the Advisory Committee, through a Memorandum of Understanding (MOU). At the same meeting, funds in the amount of \$16,500 were approved for continued planning efforts as a matching component to a \$500,000 Caltrans Sustainable Transportation Planning Grant that the Policy Committee was pursuing. The bid for this grant was ultimately unsuccessful and the funds were never called upon.

If the grant were awarded, the goal for the funds would have been to develop corridor design alternatives to meet anticipated sea level rise, traffic forecast volumes and to accommodate alternative modes of transportation through a comprehensive public input process. The grant funding would have also been used for public input meetings to engage stakeholders and the affected communities in developing conceptual designs for the corridor. Lastly, an analysis of potential private financing options for the corridor improvements would have been conducted.

Since the Caltrans grant was not awarded to the Policy Committee and continued progress was necessary, the Board approved at its January 28, 2016 meeting up to \$20,000 as TAM's 4-county contribution to a Funding and Phasing Analysis that would study future corridor improvements of SR 37 which would be conducted by consulting firm specializing in Public-Private Partnership projects and infrastructure financing.

DISCUSSION/ANALYSIS:

With the establishment of the MOU, the SR 37 Policy Committee has met a number of times during publicly noticed meetings with general attendance growing at each meeting. Noticed meetings are now held every two months. The Executive Steering team (ESC) and the Project Leadership team (PLT) meetings occur even more frequently to execute tasks directed by the Policy Committee. The individual transportation authorities have also conducted a variety of independent outreach presentations to communities groups and elected officials.

There have been three major accomplishments since the beginning of the year: (1) the Funding and Phasing Analysis work has commenced, (2) the Metropolitan Transportation Commission (MTC) has committed up to \$800,000 to fund a SR 37 corridor planning study focusing on the 2-lane portion of the highway, and (3) Caltrans has offered to assist in public outreach planning to complement the MTC-funded corridor study.

On-going Activities

1. Policy Committee meets every two months to discuss and set policy for improvement planning of SR 37. Current discussion centers around a review of a private consortium's (United Bridge Partners, UBP) unsolicited proposal to make improvements to the corridor and toll it. The review of this proposal has triggered other key policy discussions, such as the potential of forming a Joint Powers Authority among the four county governments and how the corridor should be managed.
2. The Policy Committee has engaged the transportation finance firm, Project Finance Advisory, Ltd. (PFAL) to review existing corridor data, establish new data and assumptions on traffic and revenue available through tolling, compare to similar national efforts, assist in reviewing the UBP proposal, develop decision criteria for the Policy Committee to use, and provide Public-Private-Partnership (P3) project delivery options. PFAL's work is anticipated to be complete in early 2017.
3. When it was determined that the Caltrans planning grant was not going to be awarded to this corridor work, the Policy Committee solicited MTC's support and ultimately obtained it. The PLT is currently working with MTC staff to select a consultant to conduct the study, officially called the Design Alternative Assessment (DAA). MTC will administer the project and the PLT will advise. The intent of the study is to look at the entire length of SR 37 and identify needed projects along the corridor with an emphasis on developing viable project alternatives for the 2-lane segment located in Solano and Sonoma counties, between Highway 121 and Mare Island. The study will build on previously conducted work, such as the UC Davis Road Ecology SR 37 study, and is anticipated to be complete by the end of 2017.

MTC is requesting local matching funds from the transportation authorities. The TAM Board previously approved matching funds for such a study back in October 2015 for the Caltrans grant, and staff is now requesting the Board to re-authorize those funds, in the amount of up to \$20,000, for the MTC's match should it be needed.

FISCAL CONSIDERATION:

Marin's contribution to the local match is not to exceed \$20,000. Funds are available from the Cities/Towns and County Contribution account, baseline funds, not the special assessment for TAM planning and the development of a new model.

NEXT STEPS:

If the Board approves this recommendation, the Executive Director and staff will continue to work with the Policy Committee to complete the Design Alternative Assessment and financial analysis decision tree.

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Li Zhang, Chief Financial Officer

SUBJECT: Review and Accept the FY2015-16 Citizens' Oversight Committee Annual Report (Action), Agenda Item No.7

RECOMMENDATION:

The TAM Board reviews and accepts the FY2015-16 Citizens' Oversight Committee Annual Report.

BACKGROUND:

In accordance with the requirements of the Measure A Half-cent Transportation Sales Tax Expenditure Plan and the Measure B \$10 Vehicle Registration Fee Expenditure Plan, the Citizens' Oversight Committee (COC) finalized and approved its FY2015-16 Annual Report to the citizens in Marin at its January 23, 2017 meeting (action pending at the time of this report mail out). The Annual Report was developed by the COC Annual Report Sub-committee and TAM staff, based on the results of TAM's FY2015-16 financial audit and Measure A and Measure B project/program achievements.

The Committee is able to release the FY2015-16 report on a timely basis because of the dedication of the COC Annual Report Subcommittee, comprised of Vice-Chairperson Peter Pelham, Member Robert Burton, and Member Joy Dahlgren. Staff would also like to thank Member Kay Noguchi for her time and support during the report review process.

DISCUSSION/ANALYSIS:

The COC annual report has been a key outreach tool for TAM. The COC will use the FY2015-16 annual report to reach out to the communities and reassure the public that the Measure A Half-cent Transportation Sales Tax funds and the Measure B \$10 vehicle registration fee funds are being spent in accordance with the voter-approved Expenditure Plans. Below is the distribution plan for the 1,500 hard copies. The report will also be available on TAM's website and electrically distribute through various social media tools, such as Facebook, Twitter, Nextdoor, etc.

- Distribute the report to Libraries/City/Town/County Civic Center
- Distribute the report to active committees and partners in transportation including the following:
 1. TAM Technical Advisory Committee
 2. TAM Bicycle/Pedestrian Advisory Committee

3. School Districts
 4. Business/Chambers of Commerce
 5. Partner agencies including: Golden Gate Bridge, Highway and Transportation District, Marin Transit, and SMART
 6. Related agencies and advocacy groups: Health & Human Services, Paratransit Coordinating Council, the Marin Center for Independent Living, The Sierra Club, Marin Conservation League; Marin County Bicycle Coalition, etc.
- Distribute the report at various transportation-related public meetings.

FISCAL CONSIDERATION:

The limited budget amount needed for the production of the report is included in the Document Reproduction line item of the FY2015-16 TAM Annual Budget. Total design cost of the report is \$1,800 and an additional \$2,500 is set aside for the reproduction of the hard copies. A total of \$4,000 is reserved under the \$35,000 Document Reproduction Budget Line.

NEXT STEPS:

With the acceptance of the TAM Board, staff will finalized the FY2015-16 COC Annual Report and release it to interest groups, local agencies, advocacy organizations and Marin residents in February.

ATTACHMENT:

Draft FY2015-16 COC Annual Report



DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
David Chan, Programming and Legislation Manager

SUBJECT: Adopt the 2017 Legislative Platform (Action), Agenda Item No. 8

RECOMMENDATION

Recommend the TAM Board to adopt TAM's Draft 2017 Legislative Platform as shown in Attachment A.

BACKGROUND

At the beginning of each year, TAM adopts a Legislative Platform in guiding policy decisions and communicating TAM's goals to the Legislature and other agencies, such as MTC and the Self-Help County Coalition, that have impacts on TAM during the year. TAM staff uses the platform to guide communications on critical legislation. TAM staff and Khouri Consulting will bring recommendations on pending legislation back to the TAM Board for review. Staff anticipates the first group of pending legislation will be presented in February for review.

TAM has historically worked in concert with other agencies and associations, and in support of its member jurisdictions, in supporting legislation. This is still likely the case for TAM in 2017 with the exception of possibly pursuing an individual legislation to provide an exemption for TAM from the 2% statutory cap for local sales tax measures. This is discussed below and in Attachment A under "Transportation Funding."

It should be noted that TAM's past legislative advocacies and successes have usually been accomplished by working with the Bay Area CMA Association, the Self-Help County Coalition, Regional Transportation Planning Agencies (RTPA), and MTC to further our interests.

DISCUSSION

The attached draft 2017 Legislation Platform captures many ongoing policy elements that TAM has adopted from prior years' platforms, particularly the platform from 2016 since many goals from 2016 have yet to be achieved or continued to be goals for 2017. Changes, additions, or deletions from last year's platform are redlined in the proposed Platform.

The draft 2017 Legislative Platform continues from the adopted 2016 Legislative Platform in advocating for the generation of more State funding for transportation projects. With no reliable State funding forthcoming, local agencies have been expected to generate local funds for maintenance and improvements, which many, including Marin agencies, have been doing admirably but we still expect the State to contribute to the transportation system more than the status quo.

A case in point was the 2016 State Transportation Improvement Program (STIP) that had insufficient funding to program new highway, rail and transit, and bicycle and pedestrian projects and even existing programmed projects around the state had to be deleted or delayed. It is imperative that future STIP cycles do not follow the huge setback of 2016. Advocating for a reliable stream of state funding will be the primary concern of virtually every transportation agency in the state.

The draft 2017 Legislative Platform is urging the State to explore viable options on generating transportation funding, with flexibility in those funds for local decision on how to fix local issues (namely local road maintenance and transit operation), lowering the vote threshold for local transportation measures to 55% without the requirement to pay for maintenance costs on state highway system, supporting an exemption from or an increase to the 2% cap for local sales tax measure, specific to the particular measure TAM may agree to consider, and supporting legislation that would authorize MTC to fund transportation improvements in bridge corridor in the form of a Regional Measure 3.

Along with transportation funding, the 2017 Legislative Platform also addresses a number of other key areas that are of interest to TAM, including the following:

- pursuing funds for Local Streets and Roads;
- supporting efforts to restore the annual truck weight fees to fund transportation projects instead of paying for general obligation bond debt service;
- maintaining equitable Safe Routes to School (SRTS) projects in the Active Transportation Program (ATP);
- increasing funding under the Cap and Trade program for transit, climate change strategies, and local bike/pedestrian needs; and
- supporting the removal of the sunset date for Caltrans to retain NEPA delegated authority.

Gus Khouri of Khouri Consulting will be present at the TAM Board meeting to provide an overview on the 2017 Legislative Platform as well as an overview of the proposed FY 17/18 State Budget released by the Governor on January 10, 2017. The draft 2017 Legislative Platform took into consideration the proposals in the FY 17/18 State Budget.

ATTACHMENT

Attachment A – Draft 2016 Legislative Platform

Attachment B – Khouri Monthly Report

Attachment C – FY 17/18 Cap and Trade Expenditures



Attachment A

~~2016~~-Draft 2017 Legislative Platform

| Issue | Goal | Impacts/Opportunities |
|----------------------------------|---|---|
| <p>A. Transportation Funding</p> | <p>1. In March 2010, the legislature approved the “gas tax swap” package, which increased the excise tax and eliminated the sales tax on gasoline, in order to acquire General Fund relief to pay down bond debt service while maintaining traditional levels of funding for transportation programs. Traditional gas tax revenues however, which have not been adjusted since 1994, have failed to provide adequate, sustainable funding to address transportation needs. As a result, Proposition 1B served as the only supplemental source of funding to the gas tax. Now that the General Fund has been stabilized, and Proposition 1B funding has matured, statewide stakeholders are pursuing an increase in existing revenues or an alternative funding mechanism in 2016-2017 to supplement transportation infrastructure, including revenues dedicated to highways, local streets and roads, public transit, bicycle and pedestrian programs. The Governor, <u>through his proposed FY 2017-18 State Budget, and legislature has proposed funding packages (the Governor’s plan is \$4.2 billion, Assembly and Senate packages are \$6 billion)-has called a First Extraordinary Session to explore options.</u> Options for TAM include:</p> <ul style="list-style-type: none"> • Pursuing funding for “Fix It First” projects, with an emphasis on local streets and roads, transit capital, bicycle and pedestrian programs, and funding for local maintenance and operations to alleviate traffic congestion. • <u>Seeking additional</u> State Transportation Improvement Program (STIP)-style funding, which provides local transportation planning agencies with flexible funding to leverage federal grants and local sales tax dollars to address safety, congestion management, transit expansion and bicycle and pedestrian projects. | <ul style="list-style-type: none"> • State Highway Account • Public Transportation Account • Highway Users Tax Account • Transportation Development Act • <u>Cap and Trade Program</u> • <u>Active Transportation Program</u> |

| | | |
|--|---|---|
| | <ul style="list-style-type: none"> • <u>Supporting the continuation of the Cap and Trade Program, which is set to expire in 2020. Funding from this program provides much needed resources to address public transportation, affordable housing, and bicycle and pedestrian needs.</u> This includes seeking additional revenue from the Cap and Trade program, of which 40% of all funds are notnon-continuously appropriated funds, meaning that the legislature has discretion <u>on an annual basis</u> to increase the amount of funding provided to programs such as the Low Carbon Transit Operations Program (LCTOP) and Transit Capital and Intercity Rail Funding Program (TCIRP). • Supporting efforts to restore over \$1.1 billion of annual truck weight fees for supporting the SHOPP, STIP or local streets and roads programs rather than paying for general obligation bond debt service. • Repayment of nearly \$900-706 million to transportation for loans made to the General Fund. • Stabilization of the price-based portion of the gas tax. The volatility of this source resulted in \$872 million reduction of revenues in 2015. <u>A restoration to FY 2013-14 levels would be preferred.</u> | |
| | <p>2. Due to the elimination of funding sources to the Public Transportation Account (PTA) through the gas tax swap, the passage of Proposition 22 and sole reliance on the sales tax on diesel may reduce revenue deposited into the State Transit Assistance (STA). Support efforts to maximize the level of funding for the STA program, which provides <u>transit operators with</u> flexible funding that can be used for by transit providers for state operations and capital expenditures. This includes <u>supplementing and stabilizing the sales tax on diesel, the sole source of funding for the program, in order to provide predictable, increased revenue to meet demand and accurately account for rolling stock and operational needs.</u>seeking additional revenue from the Cap and Trade program, of which 40% of all funds are not continuously appropriated, meaning that the legislature has discretion to increase the amount of funding provided to programs such as the Low Carbon Transit Operations Program (LCTOP) and Transit Capital and Intercity Rail Funding Program (TCIRP).</p> | <ul style="list-style-type: none"> • Marin Transit • GGBHTD |

| | | |
|--|--|--|
| | <p>3. The unreliability of the state funding has had a debilitating impact on funding priority transportation projects in the County of Marin. TAM supports legislation that allows for the approval for regional and local funding for transportation. This includes the following:</p> <ul style="list-style-type: none"> • Supporting efforts to increase funding for transportation projects, such as lowering the vote threshold for local transportation measures to 55% without a requirement to pay for maintenance costs on state highway system; • Consider Sponsor legislation, after further local input, -and support- to provide an exemption-from or an increase to the 2% cap for local sales tax measures to ensure that TAM, as well as each city within the county has the capacity to collect and benefit from the imposition of a new sales tax, <u>while maintaining headroom for other city or county specific priorities;</u> • Support legislation sponsored by MTC seeking authority for Bay Area voters to consider at a future election on whether to raise tolls on state-owned bridges to fund transportation improvements in bridge corridors <u>to fund congestion relief, rail connectivity and improved mobility in bridge corridors</u> (Regional Measure 3). • Support the enactment of legislation authorized in 1998 allowing MTC to enact up to a 10-cent regional gas tax for transportation, with emphasis on Local Streets and Roads Rehabilitation under Complete Streets policy. | <ul style="list-style-type: none"> • Local Sales Taxes • Regional Gas Taxes • Local Vehicle Registration Fees |
| | <p>4. The Safe Routes to Schools (SRTS) program has been merged into the newly created Active Transportation Program (ATP). Support efforts to acquire funding from the ATP for items such as complete streets and other bicycle and pedestrian projects. Work with the California Transportation Commission and MTC to provide equitable geographic distribution of ATP funds.</p> | <ul style="list-style-type: none"> • State-Funded ATP Projects • Regional-Funded ATP Projects |
| | <p>Support MTC's efforts to pursue legislation aimed at recouping revenue lost through toll evasion by requiring temporary license plates to be issued to vehicles.</p> | <ul style="list-style-type: none"> • — |
| <p>C. FY 2016<u>2017-17</u></p> | <p>1. Monitor, assess, and react to impacts anticipated from the FY 2016<u>17-17</u></p> | <ul style="list-style-type: none"> • Funding for dedicated projects such as |

| | | |
|-------------------------------|---|--|
| <p><u>18</u> State Budget</p> | <p><u>18</u> State budget and anticipate shortfalls for transportation programs.</p> | <p>MSN, STIP transit projects, and annual allocations for streets and roads</p> <ul style="list-style-type: none"> • Funding that matches Proposition 1B Programs, such as CMIA and SLPP • Funding for transit operating (PTA/STA) • Protection of SHA and STIP |
| <p>D. Air Quality</p> | <p>1. Monitor the work of the<u>results of the newly appointed</u> Roadway User Charge Committee's <u>Pilot Program</u> as it assesses the feasibility of implementing a mileage-based user fee as a supplemental or successor fee to the gas tax.</p> | <ul style="list-style-type: none"> • Activities associated with SB 375 • Strategies to reduce VMT |
| | <p>2. Support funding for local and regional agency support to carry out SB 375 requirements by attempting to acquire funding from the various existing pots made available through the Cap and Trade programs.</p> | <ul style="list-style-type: none"> • Activities associated with SB 375 |
| | <p>3. Coordinate with MTC and local jurisdictions with Marin to support projects that may qualify for funding under LCTOP and TCIRP within Governor's Cap and Trade proposal to reduce GHG.</p> | <ul style="list-style-type: none"> • Activities associated with SB 375 |
| | <p>4. Support the highest possible level of sub-allocation of Cap and Trade funds to the regional and local levels to fund multimodal projects including local streets and roads, bicycle-pedestrian, transportation demand management (TDM), rail, and transit projects.</p> | |
| | <p>5. Support flexibility with the Cap and Trade funds allocated for transportation purposes for projects to meet GHG reduction targets and to implement sustainable communities strategies. This includes adjusting program guidelines to provide for flexibility to address a mutual benefit between disadvantaged communities and the region as a whole.</p> | <ul style="list-style-type: none"> • Flexibilities with the use of New Transportation Funds |
| | <p>6. Support legislation to extend the Regional Commuter Benefit Program, which requires employers to provide with rideshare options to address traffic congestion.</p> | <ul style="list-style-type: none"> • |
| <p>E. Alternative Modes</p> | <p>1. Support maintaining and enhancing the current levels of state and federal funding for bicycle/pedestrian and electric vehicle/infrastructure programs.</p> | <ul style="list-style-type: none"> • Safe Routes to School Programs • TDA Article 3 Funds • Active Transportation Program (ATP) Funds |

| | | |
|-----------------------|--|---|
| | 2. Several legislators have historically introduced legislation to relax requirements for using high-occupancy vehicle (HOV) lanes. TAM opposes additional expansion of high-occupancy vehicle (HOV) lanes to usage by other than high-occupancy vehicles and those vehicles currently allowed by law to use such lanes. | <ul style="list-style-type: none"> • Highway 101 HOV Lanes |
| F. Project Delivery | 1. Seek opportunities to increase flexibility to deliver projects, such as supporting alternative contracting methods that include design-build and public private partnership. | <ul style="list-style-type: none"> • Future Major Capital projects |
| | 2. Oppose efforts to require local agencies to reimburse Caltrans for its costs related to the preparation and/or review of project initiation documents (PIDs) for locally sponsored projects on state highway system. | <ul style="list-style-type: none"> • All Locally Sponsored Projects on the State Highway System |
| | 3. Preserve the flexibility for local transportation agencies to be designated as the lead agency for CEQA actions, project development work and construction management for state highway projects. <u>This includes supporting the streamlining of the CEQA process for projects within the existing right of way and advance project environmental mitigation to get early permit approval.</u> | <ul style="list-style-type: none"> • Future Major Capital projects |
| | <u>4. Support the removal of the sunset date for the National Environmental Policy Act (NEPA) delegated authority, given that Caltrans' participation in the pilot program has enabled us to substantially streamline our environmental project review process under NEPA by removing a layer of review, while providing considerable savings - both in cost and time- in processing standard environmental documents.</u> | <ul style="list-style-type: none"> • |
| | <u>45.</u> Support the continuation of Grant Anticipation Revenue Vehicle (GARVEE) bonds and AB 3090 arrangements by the CTC for STIP projects that are programmed in the out-years but are ready for implementation. | <ul style="list-style-type: none"> • All STIP-Funded Projects |
| | <u>56.</u> Support efforts to allow regional transportation agency to utilize procurement methods that will expedite project delivery and reduce cost. | <ul style="list-style-type: none"> • STIP Projects |
| G. Federal Priorities | 1. Collaborate with transportation stakeholders to advocate for the reauthorization of a federal Surface Transportation Programs to replace MAP-21 (Moving Ahead for Progress in the 21 st Century). Support new revenue for the Highway Trust Fund and advocate for the highest possible level of funding at the county level. | <ul style="list-style-type: none"> • STP, CMAQ, and ATP Funds • Regional Programs such as Local Streets and Roads (LSR), Lifeline, and Freeway Performance Initiative (FPI) |

| | | |
|--|---|---|
| | 2. Support and enhance current flexibility in allowing dedication of funds locally to the most urgent needs and the meeting of statewide goals, such as those under AB32 and SB375. | <ul style="list-style-type: none"> • STP, CMAQ, and ATP Funds |
| | 3. Support dedicated funding for bicycle/pedestrian projects at the federal level. | <ul style="list-style-type: none"> • Bicycle/Pedestrian projects • Safe Routes to School projects |
| | 4. Support the permanent increase of pre-tax commuter benefits from the current amount of \$130 per month to an equivalent amount allowed for pre-tax parking (\$250) with cost of living adjustments (COLA). | <ul style="list-style-type: none"> • Local and Regional Commuter Benefits Programs |



January 10, 2017

TO: Board Members, Transportation Authority of Marin
FROM: Gus Khouri, Principal
Khouri Consulting

RE: STATE LEGISLATIVE UPDATE – Governor’s 2017-18 State Budget

On January 10, Governor Brown released his proposed 2017-18 State Budget. The Governor stated that this budget is the toughest we have faced since 2012, given the projected \$2 billion deficit. Compared to the 2016-17 Budget Act signed last June, resources have dipped by \$788 million. The two main factors causing this deficit are a revenue forecast that is \$5.8 billion lower than expected and a current-year shortfall in the Medi-Cal program. The Governor mentions that the deficit would be billions worse if not for the passage of a number of ballot measures at the November election, including Proposition 52 (hospital fee), Proposition 56 (tobacco tax), and Proposition 57 (prison reform). Proposition 55’s extension of temporary personal income tax rates on the wealthiest Californians will begin to help balance the budget in FY 2018-19.

As a result, the Governor’s \$122.5 billion spending plan is a modest decrease from last year’s \$122.7 billion plan. To bring the budget into balance, the Governor proposes \$3.2 billion in corrective action as follows: augmenting the Rainy Day Fund by \$1.2 billion, which would bring the balance up to \$7.8 billion, adjusting Proposition 98 to the minimum guarantee (\$1.7 billion), and recapturing one-time allocations made in the previous budget year that were not accounted for such as affordable housing (\$400 million), modernizing state buildings (\$300 million), and limiting cost of living adjustments for child care programs, reducing scholarship awards, and other state spending (\$600 million).

The state also has \$240 billion in long-term costs, debts and liabilities. The vast majority of these liabilities—\$236 billion—are related to retirement costs of state and University of California employees. In 2012, the California Public Employees’ Pension Reform Act was enacted to save billions of taxpayer dollars by capping benefits, increasing the retirement age, stopping abusive practices and requiring employees to pay at least half of their pension costs. In 2014, a funding plan was implemented to restore fiscal solvency to the state’s teacher pension system over three decades. In 2016, the state

and its employees began to share equally in the prefunding of retiree health benefits to eliminate a \$74 billion unfunded liability over three decades.

The economy is finishing its eighth year of expansion, already three years longer than the average recovery, and the third longest growth period since World War II. Ultimately, the Governor states that we will have to contend with the wild fluctuations of revenues if we continue our reliance on personal income tax and capital gains funding, which are unpredictable from year to year. Even with the reduced revenue forecast, revenues are expected to grow by almost 3 percent in the coming year and overall average more than 5 percent in annual growth since the 2012 Budget Act.

With California's volatile tax base, it is possible that revenues will recover in the coming months, particularly if final income tax receipts in April surge. If so, the May Revision will reflect that and the proposed cuts can be avoided. If the downward trends continue, additional cuts will be necessary.

Impact on Transportation

For the third straight year, the Governor acknowledges that the state's largest deferred maintenance (more than \$6 billion annually) is on its highways, roads and bridges and that annual maintenance and repairs are billions more than can be funded annually within existing resources, especially with the expiration of Proposition 1B and dwindling gas tax revenues. The budget proposes that the state must address deferred maintenance on the state's highways and key freight corridors through expanded and ongoing funding sources.

The Budget reflects the Governor's transportation funding and reform package, including reforms first outlined in September 2015. The package includes a combination of new revenues, additional investments of Cap and Trade auction proceeds, accelerated loan repayments, Caltrans efficiencies and streamlined project delivery, accountability measures, and constitutional protections for the new revenues.

The Governor's package of revenues will be split evenly between state and local transportation priorities. The ten- year funding plan will provide a total of \$43 billion for transportation with an emphasis on repairing and maintaining the existing transportation infrastructure. It also includes a significant investment in public transit. Specifically, the proposal includes annualized resources as follows:

- **Road Improvement Charge**—\$2.1 billion from a new \$65 fee on all vehicles, including hybrids and electrics.
- **Stabilize Gasoline Excise Tax** — \$1.1 billion by setting the gasoline excise tax beginning in 2017-18 at the 2013-14 rate of 21.5 cents and eliminating the current annual adjustments. The broader gasoline tax would then be adjusted annually for inflation to maintain purchasing power.

- **Diesel Excise Tax**—\$425 million from an 11-cent increase in the diesel excise tax beginning in 2017-18. This tax would also be adjusted annually for inflation to maintain purchasing power.
- **Cap and Trade**—\$500 million in additional cap and trade proceeds.
- **Caltrans Efficiencies** — \$100 million in cost-saving reforms.

Additionally, the Budget includes a General Fund commitment to transportation by accelerating \$706 million in loan repayments over the next three years. These funds will support additional investments in the Transit and Intercity Rail Capital Program (TIRCP), trade corridor improvements, and repairs on local roads and the state highway system.

The package places an emphasis on repairing and maintaining existing infrastructure with major new funding for both state highways and local roads. It also includes a significant investment in public transit and active transportation. Key components of the 10-year plan are as follows:

- **Active Transportation Program**—\$1 billion Cap and Trade for Caltrans to expand the grant program for local projects that encourage active transportation such as bicycling and walking, with at least 50 percent of the funds directed to benefit disadvantaged communities.
- **Local Streets and Roads/Local Partnership Funds**—About \$11.4 billion in Shared Revenues to be allocated by the Controller to cities and counties for local road maintenance according to existing statutory formulas, and over \$2.2 billion in state-local partnership grants.
- **Sustainable Transportation Grants** — An increase of \$25 million annually for competitive planning grants to assist regions and local governments in achieving the sustainable transportation requirements in Chapter 728, Statutes of 2008 (SB 375), and other State objectives.
- **Corridor Mobility Improvements** — An increase of over \$2.7 billion for multi-modal investments on key congested commute corridors that demonstrate best practices for quality public transit and managed highway lanes such as priced express lanes or high-occupancy vehicle lanes. Included is also \$25 million annually to expand the freeway service patrol program.
- **Transit and Intercity Rail Capital Program**—An increase of over \$4.2 billion (including \$4 billion in additional Cap and Trade as well as \$256 million from loan repayments) for transit capital investments that provide greenhouse gas reductions, with at least 50 percent of the funds directed to benefit disadvantaged communities.

- **Highway Repairs and Maintenance** — An increase of almost \$18 billion (including \$1 billion from Caltrans efficiency savings) for Caltrans to fund repairs and maintenance on the state highway system.
- **State Transportation Improvement Program (STIP)** — An augmentation and stabilization to the STIP, which should not only allow the California Transportation Commission to restore funding for \$750 million worth of projects cut from the program in 2016, but also program approximately \$800 million in new projects in the 2018 STIP.
- **Trade Corridor Improvements** — An increase of over \$2.8 billion (including \$2.5 billion in new revenues and \$323 million from loan repayments) for Caltrans to fund projects along the state’s major trade corridors, providing ongoing funding for a program originally established with \$2 billion in one-time Proposition 1B bond funding.

Reforms and Efficiencies

The transportation package also includes the following reforms and efficiencies at Caltrans to streamline project delivery and advance projects more quickly:

- **State Highway Performance Plan** - Establish measurable targets for improvement including regular reporting to California Transportation Commission, the Legislature, and the public.
- **Streamlined Project Delivery** - Provide a limited California Environmental Quality Act (CEQA) exemption; remove the sunset date for the federal delegation of environmental reviews so they can be completed concurrent with the state review.
- **Advanced Mitigation** - advance project environmental mitigation to get early buy-in on activities and reduce late challenges that delay projects.
- **Job Order Contracting** - Complete a limited- term, focused pilot program for procuring routine highway, bridge, and applicable culvert projects using the job order contracting method. This will allow the state to complete a large number of routine maintenance activities in a given area with a single, competitively bid contract while eliminating much of the time and expense of the current process of separately bidding each project contract.
- **Extend Public-Private Partnership Authority** - Allow for these partnerships through 2027 by extending the current sunset date by 10 years.
- **California Transportation Commission Oversight** - Expand the Commission’s oversight to cover each phase of project delivery to better track Caltrans’ staffing needs and increase transparency.

Cap and Trade

To date, the state has appropriated approximately \$3.4 billion in Cap and Trade auction proceeds for programs that reduce or sequester greenhouse gases by providing individuals, households, communities, and regions more transit options, modern housing near jobs and services, additional tree cover, forest and watershed improvements, healthy soils, recycling opportunities, and housing upgrades to cut energy use. Cap and Trade funding has allowed the state to leverage approximately \$3.2 billion in federal funds to begin the development of the nation's first high-speed rail line.

Over the past year, Cap and Trade auctions have experienced significant volatility. After several consecutive auctions that generated over \$500 million in proceeds, the May and August auctions in 2016 generated only \$10 million and \$8 million, respectively. The most recent auction in November 2016 however, generated \$364 million. As a result, the Governor Brown proposes legislation to confirm the Air Board's authority, through a two-thirds urgency vote, to administer Cap and Trade auctions beyond 2020.

For FY 2017-18, a \$2.155 billion Cap and Trade Expenditure Plan is proposed to be allocated after legislation confirming the Air Board's authority to administer the Cap and Trade Program beyond 2020 is enacted through a two-thirds vote.

Consistent with existing law, the Budget reflects that 60 percent, or \$900 million, of 2017-18 projected auction proceeds are continuously appropriated to support public transit (\$225 million, including \$150 million for the Transit Capital and Intercity Rail program – TIRCP - and \$75 million for the Low Carbon Transit Operations Program), sustainable communities (\$300 million), and high-speed rail (\$375 million).

Of the \$1.3 billion in non-continuously appropriated funds, \$863 million is proposed for transportation programs to lower emissions in the sector that represents the largest share of statewide emissions at nearly 40 percent. The largest portion is an additional \$400 million that is proposed for TIRCP. An additional \$392 million is proposed for programs that could expand the amount of green spaces and new and upgraded housing in the state's disadvantaged and low-income communities, reduce pollution at landfills and provide new recycling jobs, improve the condition of the state's forests, and enhance agricultural water conservation.

Please see the attached to view a breakdown of the Governor's proposed Cap and Trade allocations.

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CLIMATE CHANGE

Figure-CLI-01
Cap and Trade Expenditures To Date
(Dollars in Millions)

| <i>Investment Category</i> | <i>Department</i> | <i>Program</i> | <i>Amount</i> |
|--|--|---|----------------|
| Sustainable Communities & Clean Transportation | High Speed Rail Authority | High Speed Rail Project | \$800 |
| | State Transit Assistance | Low Carbon Transit Operations | \$135 |
| | Transportation Agency | Transit and Intercity Rail Capital Program | \$380 |
| | Strategic Growth Council | Affordable Housing and Sustainable Communities Program | \$570 |
| | Caltrans | Active Transportation | \$10 |
| | Strategic Growth Council | Transformative Climate Communities Program & Technical Assistance | \$142 |
| | Air Resources Board | Low Carbon Transportation | \$688 |
| Short Lived Climate Pollutants | Air Resources Board | Black Carbon Woodsmoke | \$5 |
| | Cal Recycle | Waste Diversion | \$72 |
| | Department of Food and Agriculture | Dairy Digesters & Alternative Fuels | \$65 |
| Carbon Sequestration | CAL FIRE | Healthy Forests | \$49 |
| | | Urban Forestry | \$33 |
| | Department of Fish and Game | Wetlands Restoration | \$29 |
| | Department of Food and Agriculture | Climate Smart Agriculture - Healthy Soils | \$8 |
| | Natural Resources Agency | Urban Greening | \$80 |
| Energy Efficiency/ Renewable Energy | Department of Community Services and Development | Energy Efficiency Upgrades/ Weatherization | \$174 |
| | Department of Water Resources | Water Use Efficiency | \$70 |
| | Department of Food and Agriculture | State Water Efficiency and Enhancement Program | \$68 |
| Total | | | \$3,378 |

CLIMATE CHANGE

Figure CLI-02
2017 18 Cap and Trade Expenditure Plan
(Dollars in Millions)

| <i>Investment Category</i> | <i>Department</i> | <i>Program</i> | <i>Amount</i> |
|---------------------------------------|--|--|----------------|
| Continuous Appropriation | High Speed Rail Authority | High Speed Rail Project | \$375 |
| | State Transit Assistance | Low Carbon Transit Operations | \$75 |
| | Transportation Agency | Transit and Intercity Rail Capital Program | \$150 |
| | Strategic Growth Council | Affordable Housing and Sustainable Communities Program | \$300 |
| Transportation Package | Transportation Agency | Transit and Intercity Rail Capital Program | \$500 |
| | Caltrans | Active Transportation | |
| 50 Percent Reduction in Petroleum Use | Air Resources Board | Low Carbon Transportation | \$363 |
| Transformational Climate Communities | Strategic Growth Council | Transformative Climate Communities | \$142 |
| | | Technical Assistance & Outreach | |
| Short Lived Climate Pollutants | Air Resources Board | Black Carbon Woodsmoke | \$95 |
| | Cal Recycle | Waste Diversion | |
| | Department of Food and Agriculture | Dairy Digesters | |
| Carbon Sequestration | CAL FIRE | Healthy Forests | \$127.5 |
| | | Urban Forestry | |
| | Department of Food and Agriculture | Climate Smart Agriculture - Healthy Soils | |
| | Natural Resources Agency | Urban Greening | |
| Energy Efficiency/ Renewable Energy | Department of Community Services and Development | Energy Efficiency Upgrades/ Weatherization | \$27.5 |
| | Department of Food and Agriculture | State Water Efficiency and Enhancement Program | |
| Total | | | \$2,155 |



DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Derek McGill, Planning Manager

SUBJECT: Strategic Vision Plan – Public Outreach Results (Discussion) Agenda Item No. 9

RECOMMENDATION:

Discussion Item Only.

BACKGROUND:

In the summer of 2015, TAM staff conducted the first round of public outreach on the Strategic Vision plan, building on the public outreach required for the Regional Transportation Plan. This initial round of outreach was focused on the projects and priorities the public would like considered in long range planning efforts and was summarized to the board in July of 2015.

TAM staff initiated the second round of public outreach for the Strategic Vision Plan on September 21st, 2016, with the launch of a new website (www.gettingaroundmarin.com). Outreach also included a public survey to solicit input on projects and understand the transportation values and considerations of the general public. The website and survey were distributed online, with distribution by Marin jurisdictions, elected officials, partner organizations and on social media sites like Nextdoor and Facebook. These efforts are meant to inform values guiding decision makers to build consensus, identify trends, and develop an overall transportation vision for Marin County.

Due to this far reaching online strategy, TAM received 3,816 responses with approximately 90% of respondents living in Marin. Survey results were screened for repeat entries, reducing the total response volume to 3,791 respondents. Initial broad results of this round of public outreach were included as supplemental information during the December 2016 TAM board of commissioners meeting. A full report on survey results is included below.

Executive Committee Comments

At the TAM Finance and Policy Executive Committee, this item was presented for discussion. Members of the committee commented:

- A scientific poll may have better represented Marin constituents. TAM staff response is that this survey is intended as part of TAM’s consensus building exercise to allow for a broad range of input on values for Marin, allowing open public input rather than a pre-selected polling sample. This survey represents a “finger on the pulse” and not a scientific result.

- Online Surveys allow for repeated Submissions from organized groups or individuals. TAM staff were able to screen responses that were submitted from the same computer, and note that many of the open ended questions reflect what TAM staff hear from other public meetings and discussions, suggesting this information is representative of the broader public.
- Safe Routes to Schools should be screened for support from parents with children compared with non-parent commuters. TAM staff responded that an 87% supporting rate of Safe Routes to schools is indicative that both parents and commuters support, across all age profiles. The presentation has been updated to better reflect differences amongst age profiles.
- Commissioners asked for clarification on the process for developing the draft vision, and this has been updated in the Next steps of this report.
- Commissioners also commented that these results are in line with what they expected and agreed that the survey confirms what they have heard in discussions they have participated in regarding transportation needs.

DISCUSSION/ANALYSIS:

The first round of public outreach for the Strategic Vision Plan was built on understanding the projects and funding priorities for long range funds in the regional transportation plan. A successful public workshop was held, and public surveys were collected across several outreach events, with outreach to a number of local stakeholder groups.

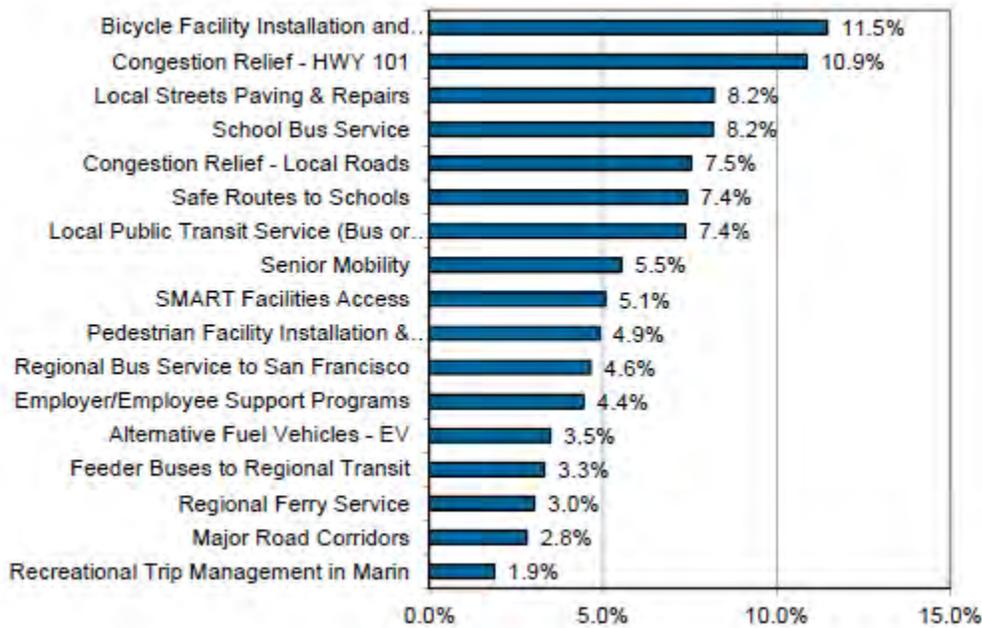
The public outreach in 2015 identified a number of projects, some that were then included in the Regional Transportation Plan, namely:

- **Roadway projects** including the 101/580 direct connector, completion of the Marin Sonoma Narrows, ramp metering, Interchange improvements, improvements to local congested roads such as TAM junction, Sir Francis Drake and Tiburon Blvd/ East Blithedale,
- **Transit projects** like the completion of SMART, improved East Bay and Sonoma transit connections, shuttles to major transit hubs,
- **Bike and Ped Projects** Such as the North-South Greenway, opening of the Alto Tunnel in Mill Valley, widening the Mill Valley to Sausalito bike path, completion of the full SMART bicycle/pedestrian pathway project, and a bicycle/pedestrian bridge connecting the Canal neighborhood to 3rd Street in San Rafael.

Additionally, this outreach identified the following considerations for funding:

- **Enhanced senior transportation options.**
- **School buses** and transportation options for children.
- **Improved transit service**, including increased transit speed, increased frequency, transit only lanes, reduced fares, and improved weekend service.
- **Programming for the disabled** and those without a car.
- **Additional parking**, particularly in San Rafael and the Larkspur Ferry area

Funding Priorities in this original 2015 round of outreach were conducted by the use of the “TAM Bucks” format, where limited funding was allocated to specified categories. This effort showed significant support for Congestion Relief (18.4%), bike facilities and local road repair.



2016 Public Outreach Results

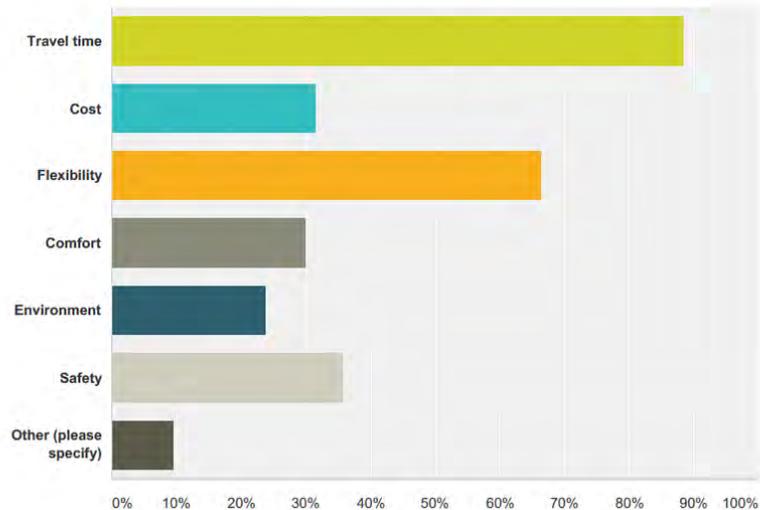
Given the broad input from the public in 2015 on particular needs, the 2016 public outreach sought to further understand the values and motivations within a number of these categories. The Survey reveals the following information:

- Location of Survey Respondents and Age Profile - The survey reached a wide range of the general population. The majority of respondents were from San Rafael (21.54%), Novato (18.11%), and Mill Valley (10.4%) and 72% of respondents were over 45 years old.
- Primary Mode of Travel - Approximately 85% of respondents primarily travel by car. Other modes of primary traveled included bike (5.5%), bus (4.1%), ferry (2.1%) walk (1.6%), and less than 1% each for taxi, shared ride, and paratransit services.
- Secondary Mode of Travel - Approximately 54% of respondents said they have a secondary mode of transportation; those included walk (28%), bike (23.5%), bus, ferry, and carpool, in that order.
- Spanish Survey Results – a Spanish survey was prepared as well as targeted engagement with Spanish speaking communities. Less than 1% of respondents completed the Spanish survey, despite targeted engagement efforts in Spanish speaking communities; however, we did have good in-person contact with community groups representing Spanish speaking communities earlier in the summer, and we expect that many bilingual respondents chose to take the English language survey.

Survey responses indicate that people value time travel savings, flexibility and safety most amongst their travel preferences:

Q21 What are the top three values that you consider when choosing how to get around Marin?

Answered: 3,057 Skipped: 745

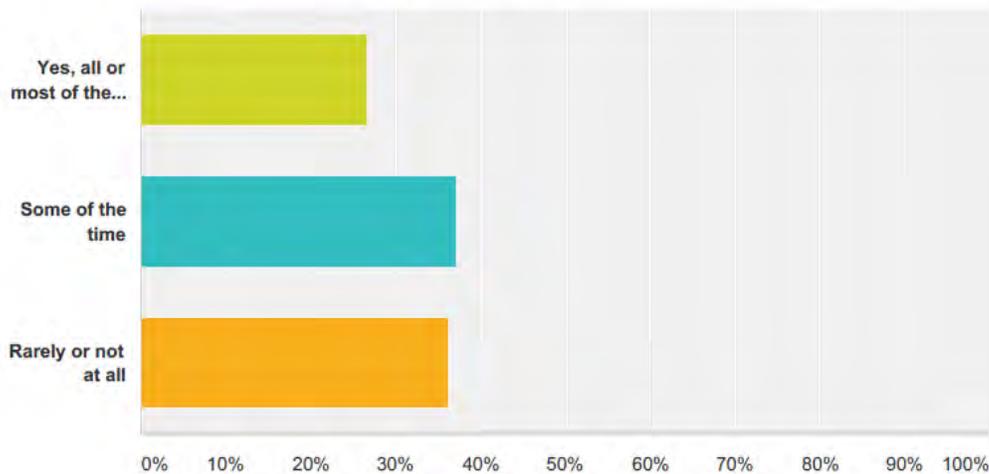


- Items that were identified in open-ended questions as working well include:
 - the bike network with paths/trails that are improving and easy to use;
 - off-peak/ non-commute travel works well;
 - ferry and walking are often good options.
- Challenges in the open ended questions identified:
 - traffic,
 - access to the Richmond San Rafael Bridge,
 - conflicts between bikes and vehicle,
 - and addressing needs for our aging population.
- Emerging technologies that people were interested in include:
 - electric vehicles and bicycles,
 - self-driving cars,
 - better transit route/arrival information,
 - and on-demand ridesharing and transit services.
- Answers for what would make a better future include:
 - Richmond-San Rafael Bridge access,
 - planning for aging populations,
 - transit investments (bus, ferry and SMART train),
 - more TDM strategies (carpooling, last mile solutions, transit information),
 - more support/infrastructure for walk/bike trips,
 - and road maintenance.

A majority of respondents have the ability to adjust their work location or hours at least partially:

Q25 Do you have the ability to adjust your work location or the hours you work?

Answered: 2,756 Skipped: 1,046



Priority Statement Information

The 2016 Survey tool created a series of statements with opposing view points to better understand trade-offs and decision making process amongst survey respondents. The results of this survey are grouped below:

Driving Behavior

- Driving alone is still the dominant mode of travel in Marin at 85% of residents, and non-resident workers at 88%. Adults age 18-35 reduce their drive alone behavior to 77% by using transit, walking and biking.
- 68% of survey respondents would rather take a non-drive alone method of transportation rather than pay for parking at work.
- Carpooling is a generally unpopular travel mode; less than two percent of respondents travel around Marin regularly this way. Several respondents commented that carpool lanes are often as congested as general traffic lanes, are abused by single-occupancy vehicles and the hours of service, 6:30 AM – 8:30 AM and 4:30 PM – 7:00 PM, are viewed as inadequate.

Roadway Projects

- Congestion on Sir Francis Drake Boulevard is the most frequently-mentioned challenge to vehicular travel in Marin, often in context of lack of a direct connection between US 101 and I-580.
- Access to the Richmond/San Rafael Bridge (I-580) is a significant regional bottleneck and the focal point of many respondents' perceptions of congestion in Marin. The approach to the Bridge is thought to be the cause of most congestion on US 101, especially during peak commute times.
- Regular bicyclists are the only cohort that prefers wider sidewalks at intersections over more on-street parking in downtown areas. Overall, respondents favored more on-street parking with respondents who drive alone favoring on-street parking in downtown areas most prevalently.

- d) Bicyclists and pedestrians prefer shorter crossing distances over shorter wait times for drivers at intersections by an almost equal margin. Some infrastructure improvements may have overlapping benefits for pedestrians and cyclists. Respondents who drive alone were neutral on this issue, expressing a minimal preference for shorter wait times.

Active Transportation/Safe Routes to School

- a) There is a broad preference at 87% of suburban respondents that children walk or bike to school instead of being driven by their parents. Strong support for Safe Routes to Schools continues in Marin.
- b) Biking as a secondary mode appears to become more common as residents age; among respondents under 35, 13% say they biked as a secondary mode, while 26% of those over 35 said they biked occasionally. Both regular and occasional bicyclists want to be on their bikes more often for short, non-recreational trips and errands. Targeted bike infrastructure improvements to facilitate shorter, non-recreational bike trips may be most effective in encouraging some travelers who already bike occasionally to take more regular bike trips.
- c) Suburban residents are more than twice as likely to choose walking than rural residents as a secondary travel mode (29% vs. 17%). This finding suggests that the lack of transit, sidewalks and safe pedestrian crossings in more rural areas may discourage people from walking.
- d) Respondents who primarily bike to get around Marin frequently stated that the lack of safe, contiguous network of bike lanes and paths impeded their desire to bike more frequently. Many bicyclists strongly supported completing the Alto Tunnel, a proposed bike/pedestrian tunnel along a former rail corridor between Corte Madera and Mill Valley. Respondents expressed support for intersection-level bicycle and pedestrian improvements at the following locations:
 - a. Bellam Boulevard, between Andersen Drive and Francisco Boulevard East
 - b. Andersen Drive & 2nd Street
 - c. Bike lockers at park-and-ride locations
 - d. Protected bike lanes and walking paths along Sir Francis Drake Boulevard
 - e. Civic Center Drive, between SMART crossing and San Pedro Road
 - f. San Pedro Road, westbound between US 101 northbound ramp and Merrydale Road; eastbound between Pilgrim Way and US 101 offramp
 - g. D Street corridor, particularly where it is mostly residential between Antonette Avenue and 1st Street
 - h. Blithedale Avenue/Tiburon Boulevard crossing over US 101
- e) Intersection-level improvements to shorten crossing distances provide complementary benefits to bicyclists and pedestrians that both groups supported. Survey results showed that overall community support is less likely, however, if these improvements come at the expense of on-street parking in downtown areas.

Transit Operations

- a) Real-time arrival information is a highly sought-after transit amenity and widely preferred over seating at bus stops. This preference is especially strong for residents 18-35 and those who take transit occasionally, and it may be an effective incentive for occasional transit riders to ride more regularly.
- b) While few Marin respondents reported taking transit as their primary form of travel, transit is increasingly common as a secondary mode among both younger and rural demographics.
 - i. Rural respondents reported they are more likely to choose the bus as their secondary mode (24% vs. 12% of suburban residents).

- ii. Transit is a more common secondary travel mode among younger respondents (under 35); 20% of those 18-35 take the bus as a secondary mode, compared to just 12% of those over 35 and 11% of those over 65. These age differences may be related to the distinct transportation needs of families with children, seniors, and younger, childless adults.

NEXT STEPS:

TAM staff will use these survey results, and previous outreach results to prepare a draft vision for consideration by the TAM board in March 2017. In anticipation of presenting the draft Vision, TAM staff will circulate the draft vision with TAM committees and partner agencies. Upon consideration from the TAM Board of Commissioners, the draft vision will be circulated for public comment. Note the Strategic Vision Plan establishes goals and strategic activities going forward.

FISCAL CONSIDERATION:

N/A

ATTACHMENTS:

N/A

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DATE: January 26, 2017

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Derek McGill, Planning Manager

SUBJECT: Regional Measure Three (RM3) – Potential Bridge Toll Increase (Discussion) Agenda Item No. 10, 10a, 10b and 10c

RECOMMENDATION:

Discussion Item Only. This item is to present a discussion on MTC’s Regional Measure Three (RM3), a potential increase to the region’s bridge toll pricing to provide funding for regional transportation improvements.

Three presentations will be given this evening regarding potential candidates that could be supported by the TAM Board as entries into the Regional measure 3 Toll funding program. They are:

- The Bettini Transit Center- permanent facility
- The Marin-Sonoma Narrows
- Highway 37 widening and sea-level rise adaptation

In February, additional candidates will be presented to the TAM board for consideration, including the following:

- Direct Connector from Highway 101 to I-580
- Bike/Pedestrian Pathway improvements
- Highway 101/ Local Road Interchange Improvements in the vicinity of the toll corridor
- Highway 101 - related transit capital improvements

Staff request the TAM Board consider setting priorities for regional Measure 3 no later than their March meeting.

BACKGROUND:

MTC in its draft legislative package for 2017 is considering sponsoring legislation to place a ballot measure asking Bay Area voters to approve a bridge toll increase to fund congestion relief projects for improved mobility in the nine-county Bay Area toll bridge corridors. This bridge toll increase, referred to as Regional Measure 3 or RM3, would provide a much-needed funding source for regional congestion relief projects at a time of declining federal and state revenues. Marin along with the other eight Bay Area counties would have control over the funds.

MTC has a special legislative ability to consider ballot measures for the Bay Area toll bridges (with the exception of the district managed Golden Gate Bridge). In previous bridge toll programs, RM1 passed in 1988 and RM2 passed in 2004, an expenditure plan was prepared and adopted by the state legislature as

part of the authorizing legislation process. The toll program is also unique in that it is regional in nature and the tolls are pooled together to fund projects throughout the bridge system. The toll revenue provides a benefit to those paying the fees (i.e. toll bridge users) or mitigates for the activity associated with the fees. As fees, toll increases are subject to a simple majority vote, rather than two-thirds. In the case of RM1 and RM2, the vote is tallied region-wide, rather than county-by-county.

DISCUSSION/ANALYSIS:

On December 14th, MTC’s Commission hosted a Commissioner workshop on RM3 to solicit guidance on policy considerations and principles for an expenditure plan as part of the RM3 toll program. Some of the highlighted policy considerations include:

- MTC is considering placing a ballot measure authorizing an increase on the primary or general election in 2018. MTC will work with CMA’s to avoid competing transportation ballot measures on a single ballot. Contra Costa County is considering placing a follow up measure on their general election, and Marin County as well as Sonoma County are both in the early stages of considering transportation related ballot measures as well. Authorizing legislation to pass the MTC RM3 toll increase program would require the state legislature to pass the enabling legislation no later than August 2017.
- MTC is considering a \$1-\$2 toll surcharge, with an option to phase the increase above \$1 in over time, and a peak period pricing mechanism. Funds generated from each dollar are shown below:

| Toll Surcharge Amount | Annual Revenue | Capital Funding Available (25-year bond) |
|-----------------------|----------------|--|
| \$1 | \$127 million | \$1.7 billion |
| \$2 | \$254 million | \$3.3 billion |

- In an expansion of the program from RM1 and RM2, Sonoma and Napa Counties are being considered for inclusion in RM3.
- MTC staff recommends restricting transit operating funds from RM3 to the smallest amount possible. If an operating program is created, establishment of performance standards similar to RM2 would be considered as a condition of funding eligibility.

The RM3 toll program as a fee program requires a bridge nexus to ensure all projects and programs benefit toll payers in the vicinity of the bridge corridors. In addition, RM3 projects should be consistent with Plan Bay Area goals of sustainability, freight movement, state of good repair, and resiliency from sea level rise.

MTC staff have informally requested each CMA develop a list of priority projects with a nexus to the bridge toll corridor for consideration. Note that MTC intends to list key projects in the legislative approval scheduled for this year. In order to meet the expectations identified by MTC, all nine counties are turning to their adopted countywide plans and other sources to develop a prioritized list of projects.

January Presentations

TAM staff recommend a review of the key eligible RM3 projects that have either been submitted from Marin for the Plan Bay Area 2040 transportation investment scenario (June 2016) or have risen to prominence through other planning work in Marin or TAM’s Strategic Vision Plan outreach this past fall

2016. The TAM Board will be hearing reviews of needs in January and February 2017 for the following projects:

- **Bettini Transit Center Relocation** – Permanent relocation of the Bettini Transit Center to accommodate impacts from construction and operation of SMART to Larkspur Landing is currently under early stages of design and environmental review. Co-managed by Golden Gate and the City of San Rafael, the project is needed as a permanent solution to the SMART disruption of the existing transit center. A temporary or interim transit facility relocation to local city streets is being finalized currently and will be built as part of the SMART extension scheduled to start in mid-2017.
- **Marin Sonoma Narrows Phase 2** – Phase 2 of the Marin Sonoma Narrows includes building the remainder of the carpool lane system in Marin and Sonoma Counties. The project limits from Highway 37 in Novato to Old Redwood Highway in Petaluma has benefitted from an infusion of federal, state and local funds that have built 2/3rds of the corridor lane and bikeway system. The corridor has been environmentally cleared. Design changes to this project may reduce the ultimate cost. The corridor is a significant priority of the business community in Marin and Sonoma.
- **Highway 37** – In 2016 a joint policy committee of the four North Bay Counties was convened to address growing susceptibility to sea level rise and to address congestion in the highway 37 corridor stretching from Marin to Solano County. The one lane section of Highway 37 from Highway 121 to Vallejo is a regional congestion bottleneck, facing growing travel delay, and portions of the highway in Marin are susceptible to flooding during rainstorms, including the recent closure of the highway for 6 days in January 2017. A joint North Bay proposal for improving this corridor is being considered by North Bay CMA's.

February Presentations

As part of the needs review discussed above the TAM Board will be hearing reviews of needs in February 2017 for the following projects:

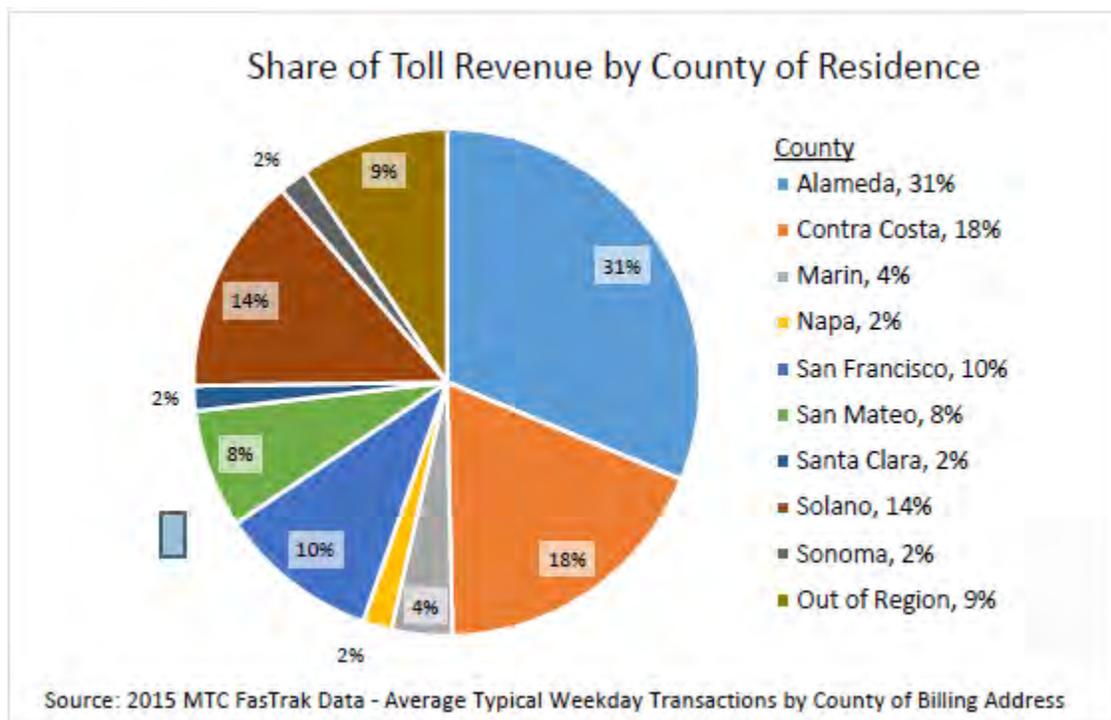
- **US 101/580 Direct Connector** – This Connector first came to prominence during the Greenbrae Corridor Working Group process of 2013. The TAM Board has supported further development of this project via assignment of OBAG2 funds in July 2016 for initial planning and outreach, and inclusion in the Marin submittal to Plan Bay Area 2040, for environmental and design work. The entry to the Richmond San Rafael Bridge from Northbound Highway 101 and Sir Francis Drake in Marin is the only toll bridge entry in the entire Bay Area that includes low speed local road traffic signals. (Presentation to TAM in February.)
- **Highway Interchange Improvements** – A program of improvements to local road interfaces with Highway 101 to allow for improved operations and safety on local roads, for all users could benefit the Highway 101 and I-580 toll corridor. Interchanges that have been the subject of recent planning studies or included in the Regional Transportation Plan include (Presentation to TAM in February):
 - Tiburon Blvd/East Blithedale Interchange Improvements
 - Paradise/ Tamalpais Ave Interchange
 - Sir Francis Drake
 - San Rafael onramps at 2nd and at Mission
 - Freitas Parkway

Two additional elements that TAM may want to consider for inclusion into RM3 are as follows:

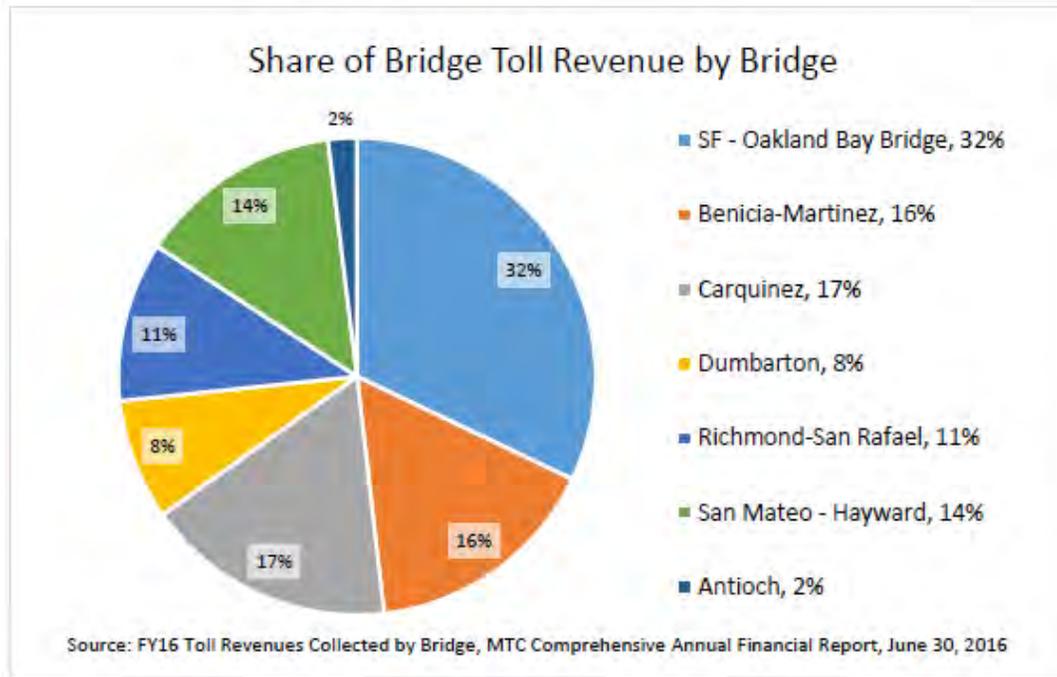
- **Transit Operations Capital Improvements.** TAM completed a study of Park and Rides as well as Express Bus access improvements this past Summer of 2016. As well, Highway 101 in Northern Marin is being added to a list of potential bus-on-shoulder candidates being developed by Caltrans. (Presentation to TAM in February).
- **Bicycle/Pedestrian improvements in the toll bridge corridors.** Staff have heard from a number of bicycle advocacy groups including Bay Trail and MCBC on elements of the key bike/ped system in Marin that could be considered for improvement. (Presentation to TAM in February)

Updated Richmond San Rafael Bridge User Information

According to MTC Toll Revenue Data, Marin users contribute 4% of the regional total of the bridge toll revenues, and 80% of these revenues are collected at the Richmond San Rafael Bridge Toll plaza. Marin County users on the Richmond San Rafael Bridge are the largest users of the bridge and accounted for 28.9% of users of all users. Contra Costa and Alameda Counties were the 2nd and 3rd largest user groups at 24.3% and 21.5% respectively.



The Richmond San Rafael Bridge accounts for 11% of total Bridge toll revenues in the Bay Area (excluding Golden Gate Bridge).



TAM in its expanded traffic monitoring effort, have updated a number of data sets including updated traffic counts, travel times, and Origin and Destination information for the RSR Bridge. A full discussion of these new data sets will be provided in early 2017, however given the importance of RM3 funding discussions, TAM staff has expedited information related specifically to the RSR Bridge.

Preliminary data has been gathered over a 1-year period for a number of locations including the Richmond San Rafael Bridge to show the origin and destination of the users of the bridge. This data has been purchased from “big data” company Streetlight Data, who measure GPS enabled devices crossing the bridge (either in Cars, Smart Phones and/or GPS devices). This data shows the following origin and destinations for AM users (6-10am) of the Bridge:

AM Peak (6-10AM) Origin and Destination for the Richmond San Rafael Bridge

| Origin | County | Destination |
|--------|-------------------|-------------|
| 5.7% | Sonoma | 5.2% |
| 0.1% | Napa | 0.0% |
| 1.5% | Solano | 0.3% |
| 15.7% | West Contra Costa | 9.4% |
| 7.8% | East Contra Costa | 8.3% |
| 16.0% | North Alameda | 30.4% |
| 3.1% | San Francisco | 2.9% |
| 0.2% | San Mateo | 0.3% |
| 2.6% | South Alameda | 4.4% |
| 0.9% | Santa Clara | 0.9% |
| 46.5% | Marin | 37.9% |

Marin is both the highest origin (46.5%) and destination (37.9%) for users of the bridge. West Contra Costa and North Alameda Counties combine to make the second largest origin group, with North Alameda (including Oakland) as the second largest destination (30.4%). Aproximately 5.7% of users from Sonoma pass through Marin and cross the Richmond San Rafael Bridge in the AM period. Origin and destinations within Marin of RSR Bridge users in the AM are as follows:

AM Peak (6-10AM) Origin and Destination within Marin for the Richmond San Rafael Bridge

| Origins | City | Destination |
|----------------|----------------|--------------------|
| 0.1% | Belvedere | 0.0% |
| 4.6% | Corte Madera | 1.6% |
| 0.2% | Fairfax | 0.2% |
| 4.9% | Larkspur | 1.8% |
| 2.6% | Mill Valley | 1.0% |
| 3.5% | Novato | 6.3% |
| 0.9% | Ross | 0.1% |
| 3.3% | San Anselmo | 0.3% |
| 14.3% | San Rafael | 22.0% |
| 2.8% | Sausalito | 1.6% |
| 4.9% | Tiburon | 0.9% |
| 4.3% | Unincorporated | 2.1% |

San Rafael is the largest origin and destination within the Marin County share of Origin and Destinations.

The PM Period (3-7pm) tells a similar story with Marin being the highest origin or starting point for trips at 39.4%, slightly down from the AM peak. Marin also remains the highest destination at 44.8%. Of the 3% of San Francisco PM origins crossing the RSR bridge, 0.7% end their trip in Marin, reflecting a pass through trip rate from San Francisco of 2.3%.

PM Peak (3-7PM) Origin and Destination for the Richmond San Rafael Bridge

| Origin | County | Destination |
|---------------|-------------------|--------------------|
| 5.6% | Sonoma | 5.4% |
| 0.1% | Napa | 0.1% |
| 0.8% | Solano | 1.2% |
| 11.4% | West Contra Costa | 15.0% |
| 7.0% | East Contra Costa | 6.5% |
| 28.3% | North Alameda | 20.0% |
| 3.0% | San Francisco | 3.0% |
| 0.2% | San Mateo | 0.2% |
| 3.4% | South Alameda | 2.6% |
| 1.0% | Santa Clara | 1.3% |
| 39.4% | Marin | 44.8% |

And again, Origin and Destinations across the RSR Bridge within Marin in the PM Period (3-7PM) show San Rafael as the largest users within Marin for both origins and destinations.

PM Peak (3-7PM) Origin and Destination within Marin for the Richmond San Rafael Bridge

| Origin | City | Destination |
|---------------|----------------|--------------------|
| 0.5% | Belvedere | 0.1% |
| 2.5% | Corte Madera | 4.7% |
| 0.3% | Fairfax | 0.2% |
| 2.0% | Larkspur | 5.4% |
| 1.3% | Mill Valley | 4.0% |
| 5.6% | Novato | 3.6% |
| 0.1% | Ross | 0.6% |
| 0.7% | San Anselmo | 2.6% |
| 20.6% | San Rafael | 15.4% |
| 1.3% | Sausalito | 2.4% |
| 1.4% | Tiburon | 2.2% |
| 2.7% | Unincorporated | 3.6% |

Traffic volumes on the Richmond San Rafael Bridge were measured for the Richmond San Rafael Bridge 3rd Lane Project reflecting approximately 70,530 daily users. These counts are being updated as part of updated Traffic Monitoring and reporting currently in progress.

FISCAL CONSIDERATION:

This is a discussion item only. The discussion will inform future considerations for funding as part of any RM3 Toll Program.

ATTACHMENTS:

N/A