

MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
FINANCE & POLICY EXECUTIVE COMMITTEE
November 13, 2017
3:30 p.m.

TAM CONFERENCE ROOM
500 FIFTH STREET
SAN RAFAEL, CALIFORNIA



MEETING MINUTES

Members Present: Judy Arnold, County of Marin Board of Supervisors, Committee Chair
Stephanie Moulton-Peters, Mill Valley City Council
Damon Connolly, County of Marin Board of Supervisors
Alice Fredericks, Tiburon Town Council
P. Beach Kuhl, Ross Town Council
Gary Phillips, San Rafael City Council

Members Absent: None

Staff Members Present: Dianne Steinhauser, Executive Director
Bill Whitney, Deputy Executive Director
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

Vice Chair Judy Arnold called the meeting to order at 3:45 p.m.

1. Chair's Report (Discussion)

Vice Chair Arnold indicated she had nothing to report.

2. Commissioner Comments (Discussion)

There were none.

3. Executive Director's Report (Discussion)

Executive Director (ED) Dianne Steinhauser discussed TAM's progress toward becoming an employer, comments received regarding the draft human resource manual which is agendized for approval by the full TAM Board on November 30, the draft Strategic Vision Plan—a compendium of ideas on how transportation will be managed in Marin, comments about the Vision Plan from the earlier Committee that met at 2:00 p.m., the Expenditure Plan Advisory Committee, including input from them about how an increased sales tax measure would work as well as

one with the same sales tax increment, meetings later in November and December, a recent celebration in Mill Valley upon completion of the Miller Avenue project, Lyft pilot program, progress on the approaches to the Richmond San Rafael Bridge, the anticipated timeline(s) as well as progress along the bike path on the Almonte Shoreline and Hwy 101, and an upcoming celebration when the project is completed.

4. Open Time for Public Expression

There was no one present to speak.

5. Approval of Meeting Minutes from June 12, 2017 (Action)

Commissioner Phillips moved to approve the minutes of June 12, 2017 and Commissioner Kuhl seconded the motion. It carried unanimously.

6. Accept and Approve the Revised Draft Strategic Vision Plan (Action)

ED Steinhauser introduced Planning Manager Derek McGill to present the staff report which asked the Committee to accept the revised draft of the Strategic Vision Plan incorporating public and agency comments and forward it to the full Board for adoption.

Mr. McGill discussed the updating of the Vision Plan first approved in 2003 with the approval of Measure A, what the priorities should be for the next phase of funding, the purpose to inform future policy discussions and provide a framework for future decision-making. He also discussed the comprehensive approach used to develop the plan, TAM's accomplishments thus far, public as well as agency outreach, and illustrations of travel conditions and trends in Marin.

Mr. McGill elaborated on the types of outreach conducted, analysis of projects and priorities in each jurisdiction, development of a regional project priority list, funding discussions with the Expenditure Plan Advisory Committee, and a report on TAM's investments, plans, projects, and future needs. He discussed the purposes and goals of the Vision Plan, strategies, guiding principles, and economies, steps in the process toward completion, public comments received and responses from staff, plans for future updates of the Plan on a 4-year cycle, and how it can help with transportation planning in various capacities. He concluded with a review of actions requested of the Committee tonight.

ED Steinhauser summarized comments made and clarifications requested by the Committee that met just previously regarding the Plan. Commissioner Fredericks and Commissioner Moulton-Peters, who were present at that meeting, listed the specific concerns. One comment suggested that the transit operators are well informed on discussions that occur regarding the bus-on-shoulder concept. Another comment asked for clarification on Figure 23 on page 74 related to the Funding and Revenue Allocation Overview. There were many comments about the valuable data included in the report including job growth projections. One commenter suggested that the report be reduced to a one-page infographic highlighting elements in the report. The executive director added that the TAM Chair requested additional information be added to page 11 relative to Transportation Demand Management and finalized her comments by noting that Commissioner Fredericks had additional comments that she would provide to staff. Commissioner Phillips noted that, for San Rafael, the main concern is with SMART trains crossing 2nd and 3rd Streets enroute to Larkspur, up to 80,000 trips per day and with potential for traffic backing up onto the freeway as

a result. ED Steinhauser acknowledged that issue was not addressed in the document in detail, and she thought that, perhaps, the topic could be taken up by the full Board at a later date. She indicated, however, that staff would consider where it might be mentioned in the document to highlight the issue. Other Commissioners cited sections of the document that might be appropriate to include the specific concerns.

Commissioner Kuhl discussed the idea of improving freeway access on Hetherton to make it two lanes, as cited in the comments section of the document. ED Steinhauser explained other documents in which the idea is presented, such as the RTP (Regional Transportation Plan). She indicated it could be highlighted more in this document, but she also reminded the Committee that the Draft Strategic Vision Plan is intended to provide an overview of the issues rather than detailed solutions for every subject. Commissioner Phillips expressed that the public will expect more on some of the subjects; otherwise it will appear TAM has missed the point altogether.

Commissioner Kuhl also noted that wherever he had seen that reference, Hetherton was misspelled.

Commissioner Phillips also expressed concern about increased traffic issues in San Rafael due to SMART, and he suggested that issue should be a priority in the document as well. There was discussion of Andersen as well as 2nd and 3rd and how or where to include them in the Plan, as well as the inclusion of Highway 37. ED Steinhauser reminded the group that TAM provided \$3 million to the City of San Rafael for new signal equipment which are working well.

There was no public comment on the item.

Commissioner Fredericks moved to recommend approval of the Revised Draft Strategic Vision Plan, with consideration of the changes suggested by the earlier Executive Committee, as well as those mentioned by this Committee. Commissioner Phillips seconded the motion, and it was unanimously approved.

Commissioner Connolly arrived and was seated at the dais at 4:05 p.m.

7. a. Review and Acceptance of FY2016-17 Draft Financial Statements and Single Audit Report (Action)

Chief Financial Officer Li Zhang presented the staff report asking the TAM Finance and Policy Executive Committee to review the Draft TAM FY2016-17 Financial Statements and Single Audit Report and refer both reports to the TAM Board for acceptance. She briefly discussed the reason for the joint presentation of the FY2016-17 Financial Statements and the FY2016-17 Compliance Audit and reviewed the complex financial issues that TAM has been dealing with over the last 18 months (including implementing a new financial system). She acknowledged the assistance of the audit team, and TAM's accounting specialist; all of which have contributed to the excellent report with no issues of concern and no mistakes that need to be identified and corrected.

Consultant Ray Melendez, Audit Manager from Vavrinek, Tine, Day & Co, reviewed the work done for the single audit; as well as the process and results. He briefly discussed U.S. audit standards that were applied, and he confirmed it was a clean audit with no instances of noncompliance or misstatement, a high standard not easily met.

At the request of Vice Chair Arnold, Mr. Melendez cited an example of noncompliance that he would look for in an audit.

Commissioner Fredericks asked Ms. Zhang how the transition to a new account system was going, and she indicated the transition was last year, and this was the first full year under the new system. Commissioner Fredericks congratulated Ms. Zhang on a job well done.

Commissioner Phillips asked about pension plans and unfunded liabilities and when the TAM Board would be presented this TAM's situation. Ms. Zhang said FY2017-18 will be the first year that TAM will be accountable for those, and the financial reports would reflect those liabilities. She confirmed there is a plan in place to address those issues.

ED Steinhauser expressed that there was a discussion at the October meeting that explained how much accrued pension liability of about \$400,000 that TAM will be assuming. She explained as well that the amount is manageable and TAM has held discussions at its meetings on these topics, including public hearings when the costs and payment options have been discussed.

Mr. Melendez commented on how unfunded liabilities are usually handled and disclosed. Ms. Zhang pointed out as well that TAM is not responsible for those costs until the next fiscal year. Commissioner Phillips expressed concern because the liability reflects on TAM since it is TAM's employees who are covered. He thought it should have been reflected in this year's statement regardless.

Commissioner Moulton-Peters explained that the Human Resources Subcommittee has been well-informed of the issues. Ms. Zhang noted that the Audit Team is also aware of the issue and how TAM is handling it.

Commissioner Moulton-Peters moved to recommend Acceptance of the FY2016-17 Draft Financial Statements and Single Audit Report. Commissioner Kuhl seconded the motion, which was unanimously approved.

b. Review and Acceptance of FY2016-17 Measure A Compliance Audit Results (Action)

Ms. Zhang re-introduced Mr. Melendez to present this item which asked the TAM Finance and Policy Executive Committee reviews the FY2016-17 Measure A compliance audit results and refers it to the TAM Board for acceptance. He reviewed with the group the agencies selected for the Measure A Compliance Audit, the preliminary workshop to discuss the process, steps followed to complete the audits, and the positive compliance results for each.

Commissioner Phillips moved to recommend acceptance of the FY2016-17 Measure A Compliance Audit results, and Commissioner Kuhl seconded the motion. It was unanimously approved.

8. Update on Systems Approach to Improving Hwy 101 (Discussion)

ED Steinhauser presented this discussion item and reviewed the chart that staff developed showing all projects and programs involved with Highway 101, which was distributed to the public at the County Fair and in other presentations. She reviewed past programs and projects, as well as those recently completed and still pending. She discussed progress on the Marin Sonoma Narrows, State Route 37, the I-580/Hwy 101 Direct Connector, and provided a status update on the various projects associated with the Richmond-San Rafael Bridge and the upcoming relocation of the Bettini Transit Center as well as signalization projects and construction of multi-use paths. She indicated that staff would like to use this format to provide updates in the future.

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Commissioner Fredericks asked about future potential uses, such as bus-on-shoulder on Hwy 101. ED Steinhauser cautioned that those discussions were very preliminary and not finalized. Commissioner Moulton-Peters noted she was interested in searching out other ideas that could be used to relieve traffic other than relying on HOV lanes alone.

Commissioner Phillips asked what TAM's role will be relative to the relocation of the Bettini Transit Center. ED Steinhauser discussed with the Committee the different agencies that are jointly working on the project, including the City of San Rafael and the Golden Gate Bridge Highway & Transportation District. She added that MTC, through language inserted in Regional Measure 3, is of the opinion that both TAM and the Marin Transit should approve the final center. She suggested, assuming the TAM Board's concurrence, that this Agency is not looking to take on a decisive role in directing the Transit Center other than understanding the funding picture and keeping current on the project's activity.

ED Steinhauser reminded the Committee of upcoming Board meetings.

The meeting was adjourned at 4:55 p.m.

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