



MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
FINANCE & POLICY EXECUTIVE COMMITTEE

April 9, 2018
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, TAM Vice Chair
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, 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, Deputy Executive Director
Scott McDonald, Senior Transportation Planner

Vice Chair Judy Arnold called the meeting to order at 3:35 p.m.

1. Chair's Report (Discussion)

None.

2. Commissioner Comments (Discussion)

There were none.

3. Executive Director's Report (Discussion)

Executive Director (ED) Dianne Steinhauser reported on continued outreach on behalf of the Sales Tax Renewal Expenditure Plan, including presentations to local councils and the final report to the TAM Board on April 26th, a recent project tour of the Marin-Sonoma Narrows, a planned ribbon-cutting for the opening of the third lane eastbound on the Richmond-San Rafael Bridge scheduled for April 20th, an electric vehicle test drive event in

conjunction with the May Madness Car Show and Parade in San Rafael on Saturday, May 12th, the formal opening of the class 2 bike/ped path at Tam Junction towards the end of May (although the path is open for use already), TAM's second Innovation Workshop scheduled for June 8th, and the status of the improved approaches on East Sir Francis Drake Blvd. to the Richmond-San Rafael Bridge facing a budget shortfall of about \$325,000. She indicated a full report on the shortfall would be given at the TAM Board meeting on April 26th.

4. Open Time for Public Expression

There was no one present to speak.

5. Approval of Meeting Minutes from March 12, 2018 (Action)

Commissioner Kuhl moved to approve the minutes of March 12, 2018 and Commissioner Connolly seconded the motion. It carried unanimously.

6. Programming Scenarios for Measure B Vehicle Registration Fee (VRF) Funds (Action)

ED Steinhauser introduced the item which asked the Committee to recommend that the full TAM Board approve the programming of carryover funds under Element 3 of the \$10 Vehicle Registration Fee program. She began the staff report with a review of the vehicle registration fee amount assessed through Measure B as approved by the voters in 2010, flexibility in how/where the funds can be applied, potential review/renewal in three more years.

Dave Chan, Manager of Programming and Legislation, continued the report with a brief history of the \$10-dollar fee, the three Elements and percentages allocated for each (1-Maintain Local Streets and Pathways-40%, 2-Improve Transit for Seniors and Persons with Disabilities-35%, and 3-Reduce Congestion and Pollution-25%), sub-categories for each element, how often the budget was reviewed/amended, how carryover funds are re-allocated, how much funds are generated from the \$10 per vehicle per year, and the staff-recommended budget changes for the upcoming year. Staff also discussed recommendations from the Programming & Projects Executive Committee, which increased the alternative fuels category to a total of \$390,000. These monies would come from the \$96,459 total accumulated carryover in FY2020/21 from this category.

Vice Chair Arnold asked for clarification on the commute alternatives, which staff reviewed noting that it is also known as Traffic Demand Management which includes TAM programs such as Vanpool program, Emergency Ride Home program, the carshare and bikeshare programs as well as Lyft incentives.

As part of the staff report, Planning Manager Derek McGill discussed Element 3.2 (Commute Alternatives), the guiding principles by which funding is allocated under this Element, additional revenue received through regional grants, structuring of the programs, commute programs offered including the two core programs, vanpool incentives and emergency ride home program combined with outreach and support to employers, benefits realized from similar programs elsewhere, and the possibility of finding a sponsor from the private sector.

Vice Chair Arnold asked if there are any benefits specific to TAM's program benefits, and Mr. McGill indicated there were not. He explained some of the programs were being revamped and would generate more of those results in the future.

Commissioner Phillips asked why the bikeshare operating costs doubled in the second year. Mr. McGill noted that the first budget period covers only the first six months of the bike program. He also discussed current trends away from single-vehicle ownership, replacing that mode with programs providing public ownership and vehicle sharing instead. ED Steinhauser commented on the possibility of adding electric bikes as well.

Commissioner Phillips asked about promotion and outreach for the commute alternatives program, which Mr. McGill discussed. He reported that staff is currently revamping the outreach employer program with a new website that will be the center of focus for the various mobility options and the brand developed for the site will be the theme from which outreach plan is developed. He added that staff is researching the best way to reach the target audiences for each of the programs. In response to a further question, Mr. McGill confirmed that TAM's on-call consultant team can assist in developing the promotional materials.

Commissioner Phillips asked about details of the bikeshare program, which staff provided, including potential partnering agencies and funding opportunities. Commissioner Phillips asked where the bikes would be sited, which Mr. McGill indicated was not decided yet; he discussed aspects of the decision-making process, including information from MTC, the Metropolitan Transportation Commission, and the local jurisdictions. Commissioner Phillips asked what the capital costs would be and for the source of those funds. Mr. McGill confirmed the capital costs would be paid primarily from an MTC grant, and the anticipated costs. He also confirmed that the bike share program should be fully up and running by FY 2019/20. He also discussed the time needed to set up the program, and he noted the MTC grant would not be received until after July 1st of this year.

ED Steinhauser commented on the mixed support the Board had given the program, and staff efforts to seek private funding that had ultimately led to a joint effort with Sonoma County and the subsequent MTC grant.

Principal Project Delivery Manager Nick Nguyen reviewed Element 3.3 (Alternative Fuels) programs and budget estimates, the success of the current programs, including EV infrastructure and continued outreach and the recommended increase in the budget for this element from \$240,000 to \$345,000 for the next 3 fiscal years. He reported that if the increase in the budget is approved, the charger installation program would be opened up to publicly accessible private properties such as malls.

ED Steinhauser added information about expansion of the EV infrastructure beyond private agencies to more public facilities, like shopping centers, without using public funds. She discussed incentives/rebates that could be used to promote the growth of the infrastructure.

Mr. Nguyen noted that the previous Committee had recommended adding \$45,000 per year in years 8 and 9 under Element 3.3 to expand installation of chargers at public agencies and/or publicly accessible private properties. Commissioner Phillips expressed concern that providing charging stations for public use would discourage private businesses to invest in this technology so, since there is no cost to them from public stations. ED Steinhauser acknowledged he had a valid concern, and she explained that TAM hopes to work within a broader effort for EV infrastructure, maybe through the county or a regional network to coordinate and not duplicate necessary facilities. She discussed changes and improvements in the industry since 2011, the last time the Board set goals for the EV program, and she agreed additional analysis would be helpful to understand the implications.

Mr. Nguyen added that TAM's program focuses on incentives as well as infrastructure, encouraging others to come and share in the implementation of the vision. Commissioner Phillips said he was fine with what TAM has done so far, but he wanted to raise the question of how others will invest.

Commissioner Fredericks noted that smaller jurisdictions have similar questions, noting that TAM and/or private/public investors are not in the business of providing fuel, currently, and questioned how to charge for the unamortized portion of the infrastructure cost and charge. She indicated that some electric vehicle companies do subsidize the cost to the consumer, as the hydrogen-powered manufacturers do for their users.

Mr. Chan pointed out that staff is proposing that the Crossing Guard and Street Smarts programs remain at the same amount as programmed from the inception, \$150,000, in addition to the \$170,000 previously programmed, while Element 3.2 will see an increase in the budget over the next three years to fund bikeshare operating expenses and 3.3 will increase from \$240,000 to \$345,000 for the next 3 fiscal years respectively. Mr. Chan added that this Committee may choose to consider the recommendation made by the Programming & Projects Executive Committee to increase the amount for Element 3.3 from \$350,000 to \$390,000 for FY2018/19 and FY 2019/20 and return to the original amount of \$345,000 in FY2020/21.

Commissioner Phillips asked about the Committee's previous decision to increase the number of guards in the Crossing Guard program. ED Steinhauser noted that the TAM Board approved enough funding to keep the guard count at 88, its current level, but that the final discussion and decision to increase the current count will occur at the Board meeting later this month.

Commissioner Kuhl asked why not take \$30,000 each year instead of \$45,000 for two years and drop it in the third year. ED Steinhauser confirmed that was an option to consider.

Commissioner Fredericks clarified that the previous Committee had thought that providing more at the beginning would serve as a push or incentive, but she thought instead it would be best to give less in the beginning and allot more later, based on the success of the program. ED Steinhauser reminded the Committee that any unused portions could be rolled over to subsequent years.

Vice Chair Arnold opened public comment on the item.

Mary Bryan of Cool the Earth, discussed the amount of Measure B funding that was allocated for alternative fuels - Element 3.3, and said she believe that it is insufficient. She thought \$440,000 per year would be the more appropriate amount budgeted going forward for TAM to meet its obligation to the public. She also discussed cost projections by Cool the Earth of \$2 million to cover charging stations, infrastructure, fleet convergence, education, planning, coordination and incentives. She added that TAM can partner with other agencies to find the necessary funding to meet these anticipated needs.

Carleen Cullen of Cool the Earth, commented on recent studies regarding the complexities of the potential/expected transition from gas-powered vehicles to electric and at what levels and by whom the necessary changes should be made. She noted that in Marin there is 1 public charging station for every 30 electric vehicles and 1 for every 20-25 EV's statewide. She discussed Governor Brown's commitment to making the change to electric and anticipated costs, based on the goal of 60,000 electric vehicles in the state by 2030. She offered to share information on the subject with members of the TAM Board and staff. She advocated for more of the Measure B funding to be programmed to Element 3.3.

Commissioner Phillips asked how far in advance planning can be done for EV use and infrastructure, given the rapidly-changing industry. Ms. Cullen discussed infrastructure that is already needed, regardless of the type of EVs that become more common.

Vice Chair Arnold asked which allocation formula (of the ones being considered) that Ms. Cullen would recommend. Ms. Cullen indicated more funding sooner, especially as there are upcoming grant opportunities. She especially recommended increased analysis and planning, and she suggested a working group might be helpful.

Commissioner Connolly questioned expending a large amount for the EV Program all at one time. Given that there are rollover funds already, he did not think allocating more would help the situation. ED Steinhauser explained strategy changes, including greater outreach, which should increase the number of people taking advantage of the opportunities. Ms. Cullen agreed that greater outreach and advanced planning/preparation were crucial.

Kate Powers, a member of the TAM Citizens' Oversight Committee and the Expenditure Plan Advisory Committee commented on her electric Fiat, with a range of 80 miles, which limits the distance in which she can travel. She felt that TAM should consider itself not just a congestion management agency, but also an advocate of greenhouse gas reduction. She agreed the infrastructure needs to grow, whether through private or public funding.

Seeing no further speakers, Vice Chair Arnold closed public comment on the item.

Commissioner Fredericks suggested this Committee approve the funding recommendation made by the Programming & Projects Executive Committee which would program \$390,000 for the first two years and \$345,000 for the third year to Element 3.3.

After general discussion between the Committee and staff regarding the best way to allocate the funds. ED Steinhauser suggested staff do a survey of the existing infrastructure and how much it would cost in the next one-two years to bring about the most improvement. She also commented on the conservative approach that staff has consistently applied to the budget process. She indicated as well that she would not feel comfortable recommending that the funds go for analysis and study; she would rather use them for the infrastructure itself.

Vice Chair Arnold stated that she agreed with Commissioner Phillips who turned his suggestion of allocating the entire carryover amount to Element 3.3 in the first year for a total of \$435,000, especially since unused funds may be rolled over to the next fiscal year into a formal motion. Commissioner Connolly seconded the motion which carried unanimously.

7. Amend the Administrative Code on the Date of Selecting the TAM Board Chair and Vice Chair and the Terms for the Commissioners (Action)

Mr. Chan presented the staff report which asked the Committee to receive the staff report and recommend to the TAM Board to amend the Administrative Code to change the date of selecting the TAM Chair and Vice Chair from April to January and change the terms for Commissioners to commence from May 1 to January 1 and terminate from April 30 to December 31, except Commissioners appointed April 2018 whose terms shall terminate December 31, 2021 and Commissioners appointed April 2020 whose terms shall terminate December 31, 2023.

He discussed the reason for the recommended changes, partly to coincide with the practice of most agencies to select chair and vice chair in January, rather than in April. He clarified that if approved, the Board would go ahead in April as usual, but the following year would make the change to January. He discussed the impacts as well on existing Commissioner terms.

Commissioner Connolly moved to recommend to the TAM Board to amend the Administrative Code to change the date of selecting the TAM Chair and Vice Chair from April to January and change the terms for Commissioners to

commence from May 1 to January 1 and terminate from April 30 to December 31, except Commissioners appointed April 2018 whose terms shall terminate December 31, 2021 and Commissioners appointed April 2020 whose terms shall terminate December 31, 2023. Commissioner Fredericks seconded the motion. It was unanimously approved.

8. Review of the FY2017-18 Third Quarter Financial Report and Proposed Budget Amendments
(Action)

Chief Financial Officer Li Zhang presented the staff report which asked the Executive Committee to review the FY2017-18 Third Quarter Financial Report and proposed budget amendments and refer it to the TAM Board for approval.

She discussed the revenue and expenditure highlights for Measures A and B, noting that any revenue generated beyond anticipated would go to the reserve fund.

Commissioner Phillips expressed concern about sales tax projections for the coming year, and Ms. Zhang stated that staff employed the most conservative revenue projects, from HdL for this and next fiscal year.

Ms. Zhang also reviewed the proposed Budget amendments, noting that the Board has already approved all that are listed in the report except for the legal fee category.

There was no public comment on the item.

The meeting was adjourned at 5:05 p.m.

Approved June 11, 2018