

MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
TAM

March 28, 2019
6:00 PM

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



MEETING MINUTES

Members Present: Brian Colbert, San Anselmo Town Council
Damon Connolly, Marin County Board of Supervisors
Dan Hillmer, Larkspur City Council
David Kunhardt, Corte Madera Town Council
Dennis Rodoni, Marin County Board of Supervisors
Eric Lucan, Novato City Council
Gary Phillips, San Rafael City Council
James Campbell, Belvedere City Council
John Reed, Fairfax Town Council
Judy Arnold, Marin County Board of Supervisors, TAM Chair
Kathrin Sears, Marin County Board of Supervisors
Katie Rice, Marin County Board of Supervisors
P. Beach Kuhl, Ross Town Council
Sashi McEntee, Mill Valley City Council (alternate)
Susan Cleveland-Knowles, Sausalito City Council

Members Absent: Alice Fredericks, Tiburon Town Council, TAM Vice Chair
Stephanie Moulton-Peters, Mill Valley City Council

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

Chair Arnold called the meeting to order at 6:00 p.m.

1. Chair's Report (Discussion)

Chair Arnold reported on a search committee consisting of TAM Board members to work with a consultant firm to conduct recruitment for a new Executive Director now that ED Steinhauser has announced her retirement. The membership is made up of Vice Chair Fredericks and Commissioners Moulton-Peters, Hillmer, Connolly, and herself. She added that the firm has been identified and that the work is underway.

2. Commissioner Matters Not on the Agenda (Discussion)

There were none.

3. Executive Director's Report (Discussion)

ED Steinhauser referenced the Executive Director's Report at Commissioners seats. ED Steinhauser welcomed Susan Cleveland-Knowles as the new Commissioner representing the City of Sausalito. She announced Ray Withy is the new Alternate. She noted staff is investigating moving the May board meeting to the fifth Thursday, May 30th, instead of the fourth Thursday and that staff would be canvassing board members soon.

ED Steinhauser congratulated the City of San Rafael on the progress on the Grand Avenue Bridge Project.

ED Steinhauser welcomed Commissioner-Alternate Sashi McEntee from Mill Valley to her first TAM meeting and administered the oath of office.

4. Commissioner Reports (Discussion)

a. Metropolitan Transportation Commission (MTC) Report

Commissioner Connolly reported that Therese McMillan is now in place as the new MTC Executive Director. He reported he brought her up to speed on many TAM issues, including the Richmond-San Rafael Bridge and its approaches, the third lane on the upper deck of the bridge for a shared-use purpose, and the I580/US101 Connector project. He reported on the two key studies on the Richmond Bridge Third Lane, Upper Deck, that are in process, a structural analysis and a traffic study in Marin. Work on the Marin-Sonoma Narrows to design the last Marin segment is well underway, the project has been environmentally cleared, and TAM is working to close the last bit of the funding gap. TAM is continuing to push for work on Segment A of Highway 37 which lies in Marin County. Commissioner Connolly also reported on the Committee to House the Bay Area (CASA) Compact and the Housing Legislation Committee, on which Chair Arnold, Vice Chair Fredericks, and Mayor Joan Cox of Sausalito will represent Marin. He commented on legislative developments occurring in Sacramento on this topic and that TAM will likely have a lot of input to give. Commissioner Connolly reported he was appointed Vice Chair of MTC's Operations Committee which deals with transit coordination throughout the Bay Area, fare policy and Clipper.

b. Marin Transit Report

Commissioner Connolly stated he did not have a report to give.

c. SMART

Commissioner Phillips stated that SMART has reached the 1 million passenger mark including 100,000 bicyclist passengers. SMART has also received funding through MTC to enhance multi-use paths. He said that the SMART Board is pleased with the implementation of positive train control and he updated the Board on the extension of the rail to Larkspur. He added that four new cars are in testing and will be added soon to address peak load demand. He also noted that SMART has made it through the recent storms without too many delays.

5. Open Time for Public Expression

Cindy Winter spoke about the Bain Analysis of the effect of autonomous taxis on the auto industry. She commented on the demand for individual vehicles versus autonomous taxis, given the likely high initial cost of the vehicles, maintenance and insurance. She hoped enough early adopters would use autonomous taxis to move the industry toward autonomous vehicles without too much resistance.

6. CONSENT CALENDAR (Action)

- a. Approve TAM Board Meeting Minutes of February 28, 2019
- b. Allocate CMA Planning Funds to San Rafael for an Update to the Canal Neighborhood Community Based Transportation Plan
- c. Authorize Programming Distribution of State Transit Assistance (STA) Population-Based Funds for FY 19/20 and Thereafter
- d. Amendment to Caltrans Construction Cooperative Agreements Associated with the Construction of the MSN B3 Contract
- e. Amend the Administrative Code and the Accompanying Resolution to Conflict of Interest Section on Designated Positions Requiring Compliance with State Disclosure Requirements
- f. Appointment to the State Route (SR) 37 Policy Committee

Commissioner Lucan moved to approve the Consent Calendar, which Commissioner Kunhardt seconded. The motion carried unanimously.

7. Adopt Positions on State Legislative Bills (Action)

ED Steinhauser introduced TAM's Legislative Consultant Gus Khouri of Khouri Consulting, who presented this item which recommended that the TAM Board adopts positions on State Legislative bills as shown in the staff report.

Mr. Khouri reported on activity since the bill introduction deadline and the beginning of committee hearings for bills. He stated that he had met with Governor Newsom and had discussed many topics including the possibility of tying local streets and road transportation funding through SB1 to affordable housing production. He stated the administration is working on an incentive program along with the requirement.

Mr. Khouri reported on actions taken by the California Air Resource Board (CARB) related to AB179 and SB150. He discussed CARB's efforts to encourage congestion management agencies to take responsibility for greenhouse gas reduction and the ramifications for the CMAs' fiduciary responsibility to the voters and to the goals of reducing congestion. He noted a difficulty is that CMAs can only react to transportation patterns created by the placement of housing and job centers.

Mr. Khouri presented recommended positions on relevant state legislative bills, noting that others may come up throughout the year. He provided context and examples regarding AB40, AB252, AB1568, and SB526, commenting on the need for funding to replace the gas tax as electric vehicles are incentivized. He added that SB277 would be pulled from tonight's decision for more conversation and would be brought back at a future meeting.

Commissioner Kunhardt asked if the \$100 electric vehicle fee had been designed to replace funding from the gas tax. Mr. Khouri stated it had been intended to supplement gas tax revenue. Commissioner Kunhardt asked about the status of RM3. Commissioner Connolly stated there was a legal challenge and it is currently in the courts. He felt confident that it would withstand the lawsuit, but there is a hold on expenditures during the litigation. Mr. Khouri commented on Prop 26, passed in 2012 which differentiated a tax from a fee and noted that a fee must provide a direct benefit to the payor. He added that MTC has argued that tolls collected from bridges have a direct benefit to the toll corridors.

Commissioner Sears stated she was not comfortable taking an oppose position on SB526 because of the importance of greenhouse gas reduction, and would prefer to follow the lead of the California State Association of Counties and the League of California Cities in taking a monitor position. Commissioner Rice agreed and noted that the first part of the bill related to tracking greenhouse gas reduction goals is important but the given consequences are concerning. Mr. Khouri stated TAM is committed to reducing greenhouse gases but the bill would introduce a constraint that could prevent transportation agencies from funding the best projects to reduce congestion or improve safety. Commissioner Sears asked if there was a possibility of adopting a support if amended position. ED Steinhauser stated staff could return and provide additional context on the consequences for the region if the bill is adopted.

Commissioner McEntee asked if there was a particular provision in the bill that was particularly worrisome that had tipped the recommendation from watch to oppose. ED Steinhauser stated the major issue is the completion of the Marin-Sonoma Narrows project, carpool lane and bike/ped path system. for which TAM is relying on CTC funds.

Commissioner McEntee asked if the merger of Safe Routes to Schools program and the Active Transportation Program would have any effect on TAM's programming for SRTS projects. ED Steinhauser stated TAM does not usually compete for statewide funds so the impact would be minor. Mr. Khouri gave more information on the background of the merger.

Chair Arnold opened and closed the Item for public comment with no speakers coming forward.

Commissioner Phillips moved to adopt the recommended positions on State Legislative Bills except SB277 and SB526 and place those bills on a future agenda, which Commissioner Sears seconded. The motion passed unanimously.

8. MTC's Horizon/Plan Bay Area 2050 Request for a Regional Projects List (Discussion)

ED Steinhauser reported that MTC would conduct a workshop at 5:00 p.m. before the April 25th TAM Board meeting. At that meeting staff will present the draft initial Plan Bay Area Marin project list. She noted TAM is requested to submit the initial project list to MTC by June 2019.

ED Steinhauser introduced Planning Manager Derek McGill who presented this discussion item. Mr. McGill gave an overview of the Horizons planning process including public outreach and the development of the Regional Transportation Plan (RTP) project list. The first part of the process was a broad request by MTC for Transformative Projects. He reviewed the two transformative projects submitted by TAM, Resilient State Route 37 and a Sea Level Rise Resiliency Program to protect existing highways and the county from rising sea levels. He reviewed, as well, the projects submitted by the public, noting that 500 were submitted of which MTC chose 6 to be included for further consideration: optimized express lane network/regional express bus network, bus rapid transit on all bridges, SMART to Richmond via new Richmond -San Rafael Bridge, regional bike superhighway network, and completion of the Bay Trail, and Operational strategies to include: integrated transit fare system, free transit, higher-occupancy (HOV) lanes, demand-based tolls on all highways, reversible lanes on congested bridges and freeways, and freight delivery timing regulation. He added that some of these would have direct relationships to this county and that TAM staff will monitor these items closely to see if and how they will be funded in the RTP.

The next step is developing a regionally significant project list to begin project performance assessments and a fiscal constraining process. Mr. McGill noted that TAM has conducted a great deal of public outreach recently in various planning efforts, providing the foundation for TAM's project list submission. The initial list has been shared with the Marin Public Works Association and Marin's Planning Directors. Mr. McGill reviewed the process of evaluating and further developing the projects, the target budget assigned to Marin, and the future steps in the process.

Commissioner Kunhardt asked for more information on the List of Projects shown as an attachment. Mr. McGill stated this is a list of projects from the prior RTP, Plan Bay Area 2040 that MTC is requesting the jurisdictions and CMAs review for inclusion in project lists. Commissioner Kunhardt asked about the I580/US101 Connector project. ED Steinhauser stated that it will be included in the upcoming RTP, as will all Regional Measure 3, RM3, voter approved toll projects.

Commissioner Kunhardt asked about the Larkspur Ferry Parking Garage and if thought had been given to improving access to the Ferry Terminal through alternative modes including car share and bikes. ED Steinhauser stated that TAM had canvassed local transit agencies to determine likely projects that would affect Marin and the Golden Gate Bridge Highway and Transportation District staff indicated they would submit the Larkspur Ferry parking project, accompanying Golden Gate's plans to expand ferry service, part of added ferry routes. She noted that it does not have to be included on TAM's list and that inclusion on this list does not mean support from TAM or automatic approval of a project.

Chair Arnold asked if funding would be guaranteed for projects on the list. ED Steinhauser stated not yet, the goal right now was to develop a master project list of all possible projects, and the projects would then be evaluated for their likely performance in future scenarios and their effect on climate reduction goals. MTC's final funding recommendations will be developed in the fall of 2019, with further input from TAM for Marin County.

Commissioner Phillips asked about the proposed SMART to Richmond via a new Richmond-San Rafael Bridge. Mr. McGill stated this was submitted by members of the public including the Sonoma County Transportation & Land Use Coalition. TAM staff is watching this process closely to see how MTC plans to evaluate and handle those projects submitted that are not sponsored by a public agency. He reiterated that all the projects will have to compete for funding. It was noted the cost of a new bridge was very high.

Commissioner Rice asked if TAM's list could be modified if the public-submitted lists are recommended by MTC. Mr. McGill stated that TAM would have that opportunity in the fall when funding sources are identified and assigned to projects.

Commissioner Sears stated she appreciated the big ideas submitted by the public.

As this was a Discussion item, no action was taken by the TAM Board.

9. Review and Accept the FY2019-20 Measure AA Half-Cent Transportation Sales Tax and the Measure B \$10 Vehicle Registration Fee Revenue Estimates and Budget Development Schedule (Action)

ED Steinhauser introduced Chief Financial Officer Li Zhang to present this item which recommended that the TAM Board review and accept the FY2019-20 Measure AA Half-Cent Transportation Sales Tax and the Measure B \$10 Vehicle Registration Fee Revenue Estimates and Budget Development Schedule.

Ms. Zhang introduced Tom Adams of Avenu Insights & Analytics, the consultant team engaged by TAM to assist in revenue projections and auditing of the sales tax revenue TAM receives. Mr. Adams gave a brief overview of the background and services provided by his team. He reviewed the state sales tax and district taxes in the county, the top 25 tax payers in Marin, historical performance of the various sales categories, sales tax forecasts through 2025 and future sales tax trends. Commissioner Cleveland-Knowles asked how the Wayfair decision factors into the sales tax structure, and Mr. Adams stated it would apply to district taxes and will help TAM's revenue collection. He added that the potential revenue increase is included in next year's projection since the implementation is scheduled to start on April 1, 2019.

Commissioner Phillips asked about taxes on cannabis. Mr. Adams stated the regulations have taken a while to implement and that initial projections are low. He said that there is a likelihood that the state will begin to crack down on the black market, which will have an impact.

Commissioner Lucan asked about the projected decrease in FY2019-20. Mr. Adams stated that is likely a result of the artificial increase in FY2018-19 due to retroactive tax collecting which will cause the FY2019-20 to decrease, adding that Avenu's estimates tend to be conservative. Commissioner Lucan commented on the impact of millennials' buying preferences and noted that older populations tend to spend more on services than goods. He asked if this was a factor in Marin. Mr. Adams stated this did not seem to have been a factor but it may become one in the future.

Commissioner McEntee asked about efforts to reform the state sales tax system. Mr. Adams stated discussions of many potential solutions are in progress but have yet to get into a political reality yet.

Commissioner Kunhardt asked about taxation of rideshare companies. Mr. Adams stated that business tax applies to rideshare rather than sales tax. There are ongoing legislative efforts to address the fact that rideshare operators are only required to register in a single jurisdiction.

Ms. Zhang reviewed proposed Measure AA and Measure B revenue estimated for the FY2019-20 TAM Annual Budget Development process and the budget development timeline. The draft budget will be reviewed by the Board and released for public comment in May and adoption will take place in June. Ms. Zhang also commented on changes to the budget presentation. She reviewed a comparison of budgeted and actual revenue collection for both measures since the inception of the measures. Staff recommended that TAM continue to budget conservatively, recognizing the possibility of a recession in the next few years.

Commissioner Rice asked about the allocation of revenue when it exceeds budgeted allocations. Ms. Zhang stated it is included as part of the available fund balance for programming/allocation/spending in the following fiscal year. ED Steinhauser added that TAM occasionally releases these funds mid-year.

Commissioner Connolly moved to approve the recommended FY2019-20 revenue levels for Measure AA at \$27.5 million and Measure B at \$2.4 million and approve the recommended FY2019-20 budget development schedule, which Commissioner Rice seconded. The motion passed unanimously.

9. Adjust the Duties of the Existing Executive Committees, Rename Accordingly, and Amend the Administrative Code Accordingly (Action)

ED Steinhauser presented this item which recommended that the TAM Board adjust the duties of the existing Executive Committees, renamed accordingly. The existing Programming & Projects Executive Committee will now take on legislative positions, and be renamed the Funding, Programs & Legislation Executive Committee. The existing Finance & Policy Executive Committee will take on projects and be renamed the Administration, Projects & Planning Executive Committee. The Administrative Code will be amended accordingly.

ED Steinhauser reviewed the background of the Executive Committees and presented the proposed adjustments to the committees' duties and names in order to better balance the committees' workloads.

Commissioner Kunhardt commented on possible overlap of the intellectual functions of each committee with the reorganization. Chair Arnold stated it was felt that this would be more balanced in terms of content.

Commissioner Lucan moved to approve the adjusted duties of the existing Executive Committees, rename accordingly, and amend the administrative code accordingly, which Commissioner Connolly seconded. The motion passed unanimously.

10. Caltrans Report (Discussion)

ED Steinhauser noted that Caltrans District 4 Director Tony Tavares will visit the TAM board meeting in April.

The meeting was adjourned at 7:40 p.m.

Approved April 25, 2019