

AGENDA

CITIZENS' OVERSIGHT COMMITTEE

March 16, 2020

5:00 p.m.



Conference Room
900 Fifth Avenue, Suite 100
San Rafael, CA 94901

900 Fifth Avenue
Suite 100
San Rafael
California 94901

Phone: 415/226-0815
Fax: 415/226-0816

www.tam.ca.gov

Belvedere
James Campbell

Corte Madera
David Kunhardt

Fairfax
John Reed

Larkspur
Dan Hillmer

Mill Valley
Stephanie Moulton-Peters

Novato
Eric Lucan

Ross
P. Beach Kuhl

San Anselmo
Brian Colbert

San Rafael
Gary Phillips

Sausalito
Susan Cleveland-Knowles

Tiburon
Alice Fredericks

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

This meeting will be held at the time and location cited in this agenda. Alternatively, Committee members and the public may attend this meeting electronically by using the link below to connect to Zoom. While no video will be available, you will be able to call in or listen to the meeting via your pc. Written comments on an agenda item may be submitted to lzhang@tam.ca.gov for distribution to the Committee prior to a meeting. All communications sent by e-mail will be forwarded to Committee members.

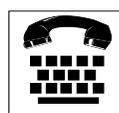
A roll call will be conducted to ensure a quorum and for all action items.

Join the meeting: <https://zoom.us/j/8606494522>

Meeting ID: 860 649 4522

Call in: 408 638 0968 US

1. Introductions and Welcome (2 minutes)
 2. Open time for public expression, up to three minutes per speaker, on items not on the agenda (public is welcome to address the COC, but according to the Brown Act, the COC may not deliberate or take action on items not on the agenda)
 3. [Review and Approval of January 27, 2020 Meeting Minutes](#) (Action) (5 minutes)
 4. TAM Staff Report (Information) (20 minutes)
 5. [Marin Transit's 2020-2029 Short Range Transit Plan](#) (Information) (30 minutes)
- Break – 15 minutes**
6. [Marin-Sonoma Bike Share Pilot Program Update](#) (Discussion) (20 minutes)



Late agenda material can be inspected in TAM's office between the hours of 8:00 a.m. and 5:00 p.m.
TAM 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 at 415-226-0820 or email: dmerleno@tam.ca.gov, **no later than 5 days** before the meeting date.



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- 7. [Review of the Proposed Revisions to the Compliance Audit Policy](#) (Action) (20 Minutes)
- 8. Committee Member Hot Items Report (Information) (10 minutes)
- 9. Discussion of Next Meeting Date and Recommended Items for the Agenda (2 minutes)



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MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
CITIZENS' OVERSIGHT COMMITTEE

January 27, 2020

5:00 p.m.

TAM Conference Room
900 Fifth Avenue, Suite 100
San Rafael, CA 94901

MEETING MINUTES

Members Present: Peter Pelham, Major Marin Employers (Chairperson)
Bob Burton, Southern Marin Planning Area (Vice-Chairperson)
Scott Tye, West Marin Planning Area
Kate Powers, Environmental Organizations
Kevin Hagerty, League of Women Voters
Allan Bortel, Marin County Paratransit Coordinating Council
Paul Premo, Taxpayer Group
Vince O'Brien, Bicyclist & Pedestrian Groups

Alternates Present: Jeffrey Olson, Central Marin Planning Area

Auditor Present: Bin Zeng, Senior Auditor, Moss, Levy & Hartzheim LLP

Staff Members Present: Anne Richman, Executive Director
Li Zhang, Chief Financial Officer/Deputy Executive Director
Dan Cherrier, Principal Project Delivery Manager
Derek McGill, Planning Manager
Nick Nguyen, Principal Project Delivery Manager
Helga Cotter, Senior Accountant
Molly Graham, Public Information Officer
Grace Zhuang, Accounting and Administration Specialist

Chairperson Peter Pelham called the Citizens' Oversight Committee meeting to order at 5:04 p.m.

1. Introductions and Welcome

Chairperson Pelham welcomed everyone.

2. Open Time for Public Expression

No comments were made.

3. Review and Approval of October 21, 2019 Meeting Minutes (Action)

In response to Member Kate Powers, Chief Financial Officer/Deputy Executive Director Li Zhang explained that the 5% off the top sales tax revenue could be used for administration support and program management, while the Strategic Plan allows for additional funds to be set aside from each strategy based on the management needs of the individual strategy. She stated that up to \$250,000 could be used from Strategy 4 for direct crossing guard management, including consultant support needed for program evaluation.

Vice-Chairperson Bob Burton moved to approve the October 21, 2019 Meeting Minutes. Member Scott Tye seconded the motion, which was approved unanimously.

Item # 6 was taken out of order.

6. Review and Acceptance of the 2019 Measure A Compliance Audit Results (Action)

Ms. Zhang introduced Bin Zeng, Senior Auditor with Moss, Levy & Hartzheim (MLH) LLP. She noted that Mr. Zeng and his team designed and implemented the compliance audit process and report for TAM when TAM first started to conduct the audit in 2011 and worked with TAM for the first 5 audit cycles. She explained that the last auditor team had a potential conflict of interest issue since it provides ongoing accounting support to one of the funding recipients selected for this audit cycle and could not extend its contract with TAM. MLH was the top team recommended by the evaluation panel during the procurement process which took place early last year, and Ms. Zhang stated that staff was happy to be working with Mr. Zeng and his team again. Ms. Zhang also thanked Member Charly Vogt for serving on the proposal evaluation panel on behalf of the COC.

Ms. Zhang stated that the audit began in August 2019 with a workshop held by TAM to go over the process and timeline with all funding recipients and Mr. Zeng has been working with the five funding recipients selected for this audit cycle since then.

In response to Member Kevin Hagerty, Ms. Zhang confirmed that staff recommends and the TAM Board approves the selection of the auditees per the adopted Compliance Audit Policy every year. Ms. Zhang also noted that the COC worked closely with staff on the development and revisions to the Compliance Audit Policy.

In response to Member Paul Premo, Ms. Zhang confirmed that the COC will be reviewing the auditing policy to determine how Measure AA should be incorporated into the process. In response to Member Hagerty, Ms. Zhang suggested that the policy discussions could include changes to allow the COC to review the selected projects prior to presentation to the TAM Board.

Mr. Zeng provided background information on the audit process, beginning with what was discussed during the August 2019 Workshop for the funding recipients. He mentioned the process was delayed due to the power outage which occurred during the same week as all planned field visits to the funding recipients. The team had to adjust the schedule and did the audit through email communications. He confirmed that in addition to all required documentation and testing, they went over internal control and segregation of duties for all entities. Mr. Zeng stated that the detailed report for each funding recipient was included in the Committee's packet. He reported that there were no audit findings during this audit cycle except an observation and went over the compliance testing results of all funding recipients. Mr. Zeng discussed the observation for the City of San Rafael. He noted that the expenditure details provided from the City's accounting record did not match the expenditures that were submitted to TAM for reimbursement. He clarified that the discrepancies were only a matter of recording reconciliation between the project and accounting records and confirmed that the expenditures the City submitted to TAM were eligible for reimbursement. Ms. Zhang reported that she reviewed the observation with City staff, who were in agreement with the observation and promise to track all expenditures correctly in both the accounting and project records.

Member Premo asked staff to elaborate on the audit process for Marin Transit because they received a significant amount of funding. Mr. Zeng confirmed they had performed more extensive testing on Marin Transit than other funding recipients due to the significant amount of funding Marin Transit receives. Ms. Zhang also pointed out that the first audit process did reveal some issues with how Measure A funds were utilized and accounted by Marin Transit. In response to those concerns, Marin Transit hired a consultant and improved its accounting tracking.

Vice-Chairperson Burton asked if a reduction in bus fares would affect the Measure A funding for Marin Transit. Ms. Zhang explained that Marin Transit's funding share would not be affected as long as Marin Transit met certain performance criteria specified in the Expenditure Plan.

Member Hagerty moved to accept the 2019 Measure A Compliance Audit Report. Member Premo seconded the motion, which was approved unanimously.

5. Election of Chairperson and Vice-Chairperson (Action)

Member Hagerty moved to elect Peter Pelham as Chairperson and Bob Burton as Vice-Chairperson for another term. Member Powers seconded the motion, which was approved unanimously.

4. TAM Staff Report (Information)

Executive Director (ED) Anne Richman welcomed the committee members. ED Richman provided an update on TAM's Holiday Party in December 2019 and was pleased to announce that \$2,700 was raised by our partners and consultants for 10,000 Degrees to support low-income students who want to pursue a career in engineering and transportation planning. ED Richman noted that for the past few years, funds raised from the TAM Holiday Party have been used to support the education of a civil engineering student, Alejandra Silva, at San Diego State.

ED Richman reported on the opening of the Larkspur and Downtown Novato Sonoma Marin Area Rail Transit (SMART) stations in December 2019, and the ribbon-cutting ceremony for the opening of the segment of carpool lane from San Antonio Creek Bridge to South Petaluma Blvd in the Marin Sonoma Narrows. ED Richman confirmed that the only segment remaining that is not completed or under construction is the section between Novato and the Marin County line, for which TAM will be seeking State funding while awaiting funds from Regional Measure 3 (RM3). She confirmed staff did not have an update to provide on RM3.

ED Richman reported that TAM's GET2SMART program, which provides up to a \$5 discount towards Lyft rides to and from SMART stations, has been expanded to include Larkspur and Downtown Novato Stations. In response to Member Hagerty, ED Richman stated that additional funding has not been necessary, and Planning Manager Derek McGill noted that the costs were included in the budget. Public Information Officer Molly Graham noted that details of the Lyft program are available on TAM's website and ED Richman discussed the program's restrictions with Member Hagerty.

Principal Project Delivery Manager Dan Cherrier provided an update on projects relating to the Richmond-San Rafael Bridge. He stated that TAM has entered into an agreement with the Bay Area Toll Authority (BATA) to construct the two-way bike facility over Sir Francis Drake Boulevard between Francisco Boulevard East and Andersen Drive; that the bicycle and pedestrian improvements on Francisco Boulevard East are almost complete, while the main project will be delayed by a year for reasons including rights-of-way issues; that the four-year pilot on the multi-use path on the upper deck is underway; that Caltrans and BATA's structural study and TAM's traffic study are underway and should be completed by the end of spring. Mr. Cherrier also discussed issues with Bay mud that will delay widening the exit ramp on Bellam Boulevard from northbound Hwy 101.

In response to Member Hagerty, Mr. Cherrier stated that he anticipates BATA will release data on bicycle usage on the Richmond-San Rafael Bridge in the next two months, and that different detection methods are being used for bicycles and pedestrians. He clarified the studies related to the Richmond-San Rafael Bridge and multi-use path in response to Member Powers, noting the necessity of ascertaining whether the bridge is structurally

safe to accommodate both the weight of the barrier and additional traffic if vehicles could use the multi-use lane.

In response to Member Hagerty, ED Richman provided an update on SR37. She discussed short-term solutions Caltrans has undertaken to improve flooding conditions, including raising the road in some locations and installing temporary barriers to prevent water intrusion. ED Richman noted that the State has provided funding for an environmental analysis for a long-term solution and that the Public Works Department at Marin County is working on a sea level rise adaptation study which is expected to be released by the end of the month.

Principal Project Delivery Manager Nick Nguyen clarified the state funding for the environmental analyses related to SR37 is for Segment A in response to Member Powers. He confirmed that a separate analysis will be performed for each of the segments, segment A, segment B and the whole corridor.

General discussion took place on flooding at Manzanita in Mill Valley and ED Richman confirmed that a project has been listed for funding should the FASTER (Freedom, Affordability, Speed, Transparency, Equity, Reliability) measure succeed. Mr. Nguyen noted that the County has received a sea level rise grant to study the area and stated that TAM will be providing local matching funds as well.

In response to Member Hagerty, ED Richman confirmed that the FASTER Measure is still under consideration for the November 2020 ballot.

The Committee recessed for ten minutes for a dinner break and reconvened with all members present with the exception of Member Hagerty.

7. Alternative Fuels Program Update (Discussion)

Planning Manager Derek McGill presented the staff report, noting that the Alternative Fuels Program is funded by Measure B, the \$10 Vehicle Registration Fee. Mr. McGill provided background information on the program and stated that purpose of the program is to partner with other public agencies to fund chargers on public properties and assist in converting their fleets to hybrid and electric vehicles (EVs).

Mr. McGill provided an overview of an analysis undertaken in 2018 by TAM of the County's EV infrastructure. He explained that TAM's focus is on public infrastructure and public fleets, working alongside some of our partner agencies, such as Marin Clean Energy (MCE), and that TAM reviewed the program in December 2019. Mr. McGill discussed the increase in EV chargers, noting that requests for TAM's Level 2 charger rebates have seen 45% growth, while the number of charging heads in the county has increased 47% since inception of the program.

In response to Member Tye, Mr. McGill stated that it is unlikely that a public agency is tracking residential charging units. He confirmed home charging accounted for over 90% of usage.

Chairperson Pelham and Mr. McGill discussed EV usage in public parking lots and statistics relating to EV purchase. McGill stated that the Department of Motor Vehicles (DMV) provides data on EV vehicle purchase, and he confirmed that there still remains opportunity for further EV charger installation in public parking lots.

Mr. McGill moved on to discuss growth trends for chargers on public property, commercial and retail space. He clarified a public space as being a public parking lot in response to Chairperson Pelham.

Mr. McGill discussed the matching funds TAM provides for charging heads, focusing on Level 2 chargers, the agency's increase in technical assistance, advances in opportunity areas, and project delivery. Mr. McGill

discussed the reasons more funding does not necessarily equate to more installations and noted that TAM's program focuses on leveraging funds from other sources, especially private funds, rather than quickly spending down TAM's own relatively small funding pot.

Mr. McGill discussed the Fleet Rebate Program, which he stated focused mainly on public agencies, and he noted that the eligibility category has been expanded to include e-bikes and EV leasing, with funds this year being expended for 6 e-bikes and 1 hybrid EV, and 9 vehicles yet to be determined. Mr. McGill noted that the utilization of the program is low right now due to most agencies' limited vehicle replacement needs and multi-year replacement cycle.

In response to Member Powers, Mr. McGill stated that the City of Novato's Police Department had purchased two E-bikes for its force under the Fleet Rebate Program.

In response to Member Bortel, Mr. McGill stated that businesses should apply for grants through MCE for workplace charging. He discussed outreach opportunities, including an EV test driving event and a social media campaign with Cool the Earth. Mr. McGill summarized the program's success, including increased electric chargers in the County's parking lots, supporting local jurisdictions with EV fleet conversion, successful on leveraging TAM's funding, partnering with public agencies to support EV adoption, and all work were done within budget. Mr. McGill added that looking ahead, TAM will continue to focus on public agencies, adjusting the program for cost effectiveness and leveraging funding, and public outreach with technical assistance. He noted that this information and recommended plan were reported and supported by the TAM EV Ad Hoc Committee.

Member Tye suggested the TAM EV Ad Hoc Committee could report on the strengths and weaknesses of the program and discussed the potential problem with an EV fleet of the agencies and emergency services if the power is shut down.

ED Richman noted that feedback from the EV Ad Hoc Committee is included in the packet, and she acknowledged Member Tye's comments regarding the power shut down. She stated that MCE and the County are considering ways to make the grid resilient.

Member Powers asked for clarification on expenditure for public outreach and technical assistance on page 63 of the packet and she discussed the need to target areas with insufficient EV infrastructure for the public's use. Member Powers also asked if Golden Gate Bridge Highway and Transportation District (GGBHTD) has the infrastructure to run 2 EV buses. In response, Mr. McGill stated that TAM worked with GGBHTD to install the level 3 chargers and that TAM has been targeting EV installation in various locations in Marin.

Member Powers also discussed her concern that unspent funds remained from the last fiscal year, which could have been productively used. Mr. McGill discussed the need for projects to be identified and delivered through our public agency partners and he noted that the TAM Board took action that allows the agency to use unspent funds from the previous year if the current year's budget is not sufficient to meet the costs of the program.

8. Review and Approval of the Draft 2019 TAM/COC Annual Report (Action)

Ms. Zhang presented the Draft 2019 TAM/COC Annual Report. Ms. Zhang thanked Members Premo, Hagerty and Alternate Key Noguchi for forwarding their comments. She stated that the purpose of tonight's discussions is to authorize the Chairperson and sub-committee to work with staff to finalize the report for presentation to the TAM Board at the February 27, 2020 meeting. She encouraged the members to continue review and send any additional comments, suggestions and edits to staff over the next few weeks.

The Committee expressed its appreciation of the new comprehensive report design and Ms. Zhang thanked the sub-committee members: Members Bortel, Joy Dahlgren, Hagerty, Charley Vogt, and Zack Macdonald, for their guidance and support during the development of the new report.

Member Powers moved to authorize the sub-committee to continue working with staff to finalize the draft report and for Chairperson Pelham to present the report to the TAM Board at the February 27, 2020 Board Meeting, which was seconded by Member Premo. The motion was approved unanimously.

9. Review of the FY2019-20 Second Quarter financial Report (Information)

Ms. Zhang presented the staff report and confirmed that Measure AA sales tax revenues are strong and funds from Measure B continue to come in as expected. Ms. Zhang acknowledged that in response to comments from Board members at the January Board meeting, staff were thinking about potential improvements to the report and encouraged members to let staff know if they have any suggestions that would clarify the way information is presented.

In response to Member Powers, Ms. Zhang confirmed that Measure A holds over \$20 million in fund balance and also noted that approximately \$6 million in reserve funds would be released under a 1:1 ratio on receipt of Measure AA reserve funds.

10. Committee Member Hot Items Report (Information)

Ms. Zhang led a discussion on whether to appoint a representative from the COC to attend Marin Transit meetings and report back to the COC. Member Tye discussed the importance of having a representative attend the meetings. Member Powers stated that she would volunteer, noting that the meetings are televised.

Alternate Jeffrey Olson noted that Bill Guerin of San Rafael Public Works Department has commented on a possible alternative location for the Bettini Transit Center in an article in the Marin Independent Journal. Mr. Olson stated that he was unaware of this alternative and would like to receive more information about it.

Member Tye suggested to discuss the EV topic at the next TAM innovation workshop.

11. Discussion of Next Meeting Date and Recommended Items for the Agenda

The next meeting is scheduled for March 16, 2020, and suggested topics are bike share and Plan Bay Area.

Member Tye moved to adjourn the meeting at 7:15 p.m., which was seconded by Member Powers. The motion was approved unanimously.



DATE: March 16, 2020

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Anne Richman, Executive Director
David Chan, Programming and Legislation Manager

SUBJECT: Marin Transit's 2020-2029 Short Range Transit Plan (Information), Agenda Item No. 5

RECOMMENDATION

No action required. This is an information item.

BACKGROUND

The Short Range Transit Plan (SRTP) is a 10-year vision of the capital and operating needs of a transit agency, required by the Metropolitan Transportation Commission (MTC), under guidance from the Federal Transit Administration (FTA). The SRTP is required from each major transit agency in the Bay Area and updated periodically to identify transit needs and develop priorities.

Both the Measure A and the Measure AA Expenditure Plans require Marin Transit to prepare an SRTP every two years, or as directed by MTC, through a planning process that includes extensive public input from all areas of the county.

The first SRTP was prepared and approved by the Marin Transit Board in March 2006 and accepted by the TAM Board as part of the Measure A Strategic Plan development in 2006. Subsequent SRTPs were incorporated into the Measure A Strategic Plan in 2009, 2012, and 2015. The last SRTP was adopted by the Marin Transit Board in 2017 and was incorporated in the 2018 Measure A Strategic Plan.

DISCUSSION

The SRTP identifies Marin Transit's accomplishments since the 2017 update and sets out activities and programs for the next ten years. The document is organized into five chapters: *System Overview, Goals, Targets & Performance, Service Plan, Capital Plan, and Financial Plan.*

This SRTP notes that very little growth in service hours is anticipated in Marin Transit's fixed route services (+1%) but a relatively significant amount of growth (+19%) is expected in the demand response programs that primarily serve older adults and persons with disabilities. As a result, this SRTP does not include significant recommendations for service changes or expansion to the fixed route services, while planning for meeting the future needs of demand-response programs. The SRTP also notes the significant changes in mobility services in the last few years.

Marin Transit noted that the agency is in a good financial position due in large part to the passage of Measure AA in Marin County and SB1 statewide. However, the SRTP recognizes the future financial unknowns and identifies measures that Marin Transit will undertake to stabilize costs and better understand future funding. To achieve some of the goals set by the SRTP, Marin Transit will focus on the following:

- increase efficiency of operations,
- plan for the expanding need for Marin Access programs and services, and
- evaluate unfunded service needs

Marin Transit further noted in its transmittal letter (Attachment A) that it takes considerable effort to update the SRTP every two years. Marin Transit staff is proposing to streamline every other SRTP update to focus on operating, capital, and financial plan in a series of tables and less emphasis on text descriptions on the existing system. Existing public input requirements will be maintained for the full version and the streamlined version of the SRTP updates. TAM staff believes Marin Transit's proposal maintains consistency with the requirements of the Measure AA Expenditure Plan and supports the proposal moving forward.

The Marin Transit Board of Directors adopted the 2020-2029 SRTP at its February 3, 2020 meeting. Attachment B is the Executive Summary from the 2020-2029 SRTP. The entire document can be downloaded from the following link:

<https://marintransit.org/short-range-transit-plan>

On February 27, 2020, the TAM Board accepted Marin Transit's 2020-2029 SRTP for incorporation into the Measure AA Strategic Plan. The TAM Board further approved Marin Transit's request to streamline every other SRTP update.

Marin Transit's representatives will be at the March 16, 2020 COC meeting to present a brief overview of the 2020-2029 SRTP.

ATTACHMENTS

Attachment A: Marin Transit Transmittal Letter, Dated February 14, 2020

Attachment B: Executive Summary of the 2020-2029 SRTP



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February 14, 2020

Ms. Anne Richman
Transportation Authority of Marin
900 Fifth Avenue, Suite 100
San Rafael, CA 94901

SUBJECT: Marin Transit FY2020-2029 Short Range Transit Plan

Dear Ms. Richman:

Marin Transit has completed its 2020-2029 Short Range Transit Plan (SRTP) and we are submitting it to the Transportation Authority of Marin (TAM) for approval. The SRTP is the ten-year operating, capital and financial plan for our service. It sets out goals, objectives and performance targets which guide the development of local transit services. The SRTP helps direct transit capital investments and includes a plan for converting the bus fleet to all electric vehicles. The plan was developed according to the Metropolitan Transportation Commission's SRTP Guidelines and was provided to for comment and review them during its development. Marin Transit updates the SRTP every two years as required by the Measure AA Expenditure Plan.

Fixed route service levels are planned to remain constant throughout the ten-year period. Staff are considering several minor service changes to enhance service performance and efficiency. Since the last SRTP, there have been significant changes in Marin Transit's local and State operations funding. Marin Transit is in a stronger financial position due to extension of the local transportation sales tax under Measure AA and State revenues under SB 1 for operations and capital projects.

The Marin Transit Board of Directors released the draft SRTP to the public on November 18, 2019 and held a public hearing on January 13, 2020. In addition to comments provided at public meetings, public comment was received through an online comment form, mail, email, and telephone. Staff have summarized all public and stakeholder comments and provided accompanying responses in Appendix H to the SRTP.

The SRTP approved by the Marin Transit Board is available at http://marintransit.org/short_range.html.

The Executive Summary of the plan and a powerpoint presentation for the February 27, 2020 TAM Board meeting are attached here. Marin Transit staff prepares the SRTP in-house, without consulting assistance. The SRTP is used regularly throughout our work at Marin Transit. It takes considerable effort to provide this level of detail every

two years for the update. Marin Transit staff propose to continue updating the SRTP every two years; however, every other update will be streamlined to focus on operating, capital, and financial plan updates in a series of tables. Less emphasis will be placed on text descriptions of the existing system and goals, targets and performance. The streamlined SRTP will highlight key changes to these areas. Public input will be sought on the SRTP development process in both the streamlined version and the full version.

We look forward to presenting a summary of the Marin Transit 2020-2029 SRTP to the TAM Board of Commissioners on February 27th. Please contact me if you need any further information on this SRTP.

Respectfully submitted,

A handwritten signature in black ink that reads "Nancy E. Whelan". The signature is written in a cursive, flowing style.

Nancy Whelan
General Manager

Attachments:

Marin Transit 2020-2029 SRTP Executive Summary
Powerpoint presentation to TAM Board of Commissioners, February 27, 2020

Executive Summary

An up-to-date Short Range Transit Plan (S RTP) guides Marin Transit’s investments in the future. It is a living document that uses current information, financial resources, and performance targets to plan for local public transit services. The S RTP balances Marin Transit’s projected costs and revenues over a five-year timeframe, and is designed to provide a ten-year vision of the future.

In 2004, Marin County voters approved a 20-year ½ cent transportation sales tax increase (Measure A) that designates 55 percent of revenues to local transit services and established goals, objectives, and performance measures. Marin voters approved the 2018 Marin County Transportation Sales Tax Renewal Expenditure Plan (Measure AA) that extends the ½-cent transportation sales tax through 2039.

Dedicated local funding enables the District to pay for and improve local bus and shuttle services and provide targeted mobility programs for Marin senior, disabled, and low-income residents. The District depends on the availability of local funding sources to secure federal, state, and regional funding for public transit operations, equipment, and facilities. Scheduled Marin Transit services encompass all bus routes that begin and end within Marin County, supplemental middle and high school trippers, community shuttles, West Marin Stagecoach, and Muir Woods Shuttle. Marin Transit provides demand response paratransit services for those eligible under the Americans with Disabilities Act (ADA) and additional mobility management programs to expand travel options and serve seniors who no longer drive. In all cases, Marin Transit anticipates the needs of Marin County’s diverse travel markets and delivers cost-effective, targeted service options. Marin Transit is a future-oriented mobility manager.

Marin Transit Services and Programs

With approval of Measure A, the District developed the county’s first local transit service plan as part of the 2006 Short Range Transit Plan. The local service plan was designed to enable local riders to travel more efficiently to reach work, school, and health care destinations with fewer transfers. Marin Transit has continued to refine the route structure to anticipate and serve the needs of local riders, improve service efficiency, and establish a system to evaluate performance by service type.

The District’s bus and shuttle services carry over 3.2 million passenger trips each year, and are organized by program and service type. The five program areas are: local fixed route, community shuttle, supplemental school, rural fixed route, and the Muir Woods Shuttle. Service type refers to the purpose of individual routes and their intended markets. Marin Transit develops and delivers a family of services to accommodate the diverse transportation needs of Marin residents.

Marin Transit contracts out all its operations in five program areas – Big Bus, Community Shuttle, Rural and Seasonal, Special Needs, and Yellow Bus. Marin Transit initiated an innovative mobility management program, Marin Access, in 2008 to develop and deliver efficient travel options and improve information for senior and disabled residents. Since 2009, the District operates the award-winning seasonal Muir Woods Shuttle that keeps vehicles off narrow mountain roads, relieves congestion, and improves the experience of visitors from across the United States and around the world. This is accomplished through an ongoing partnership with the National Park Service.

Marin Transit works with many schools in Marin County to offer and manage supplemental transit and yellow bus services for students. These school service trips reduce roadway congestion during peak travel hours. The District offers a reduced-price Youth Pass for riders 18 and under that provides unlimited rides on all local transit services within Marin County. Free Youth Passes are provided to students of eligible families with demonstrated income hardships.

Under the umbrella of Marin Access, Marin Transit has a variety of programs that serve the transportation needs of older adults and those with disabilities. A team of Travel Navigators coordinate and match four mobility programs with eligible riders. These include local paratransit, travel training, volunteer driver, and subsidized taxi (Catch-A-Ride). The travel navigators provide trip planning and technical assistance so that riders can select the most appropriate option to make their trips. Delivery of Marin Access services is supported by the Measure A local transportation sales tax and the Measure B vehicle license fee. Measure B designates funds specifically to expand and enhance transportation services for senior and disabled residents.

Who Does Marin Transit Serve?

The table below is presented in Chapter 1 and compares the results of passenger surveys conducted on Marin Transit services in 2005, 2008, 2012, and 2017 with recent data on the demographics of Marin County residents.

The comparison highlights significant differences in transit riders from the average Marin County resident in income and race. Compared to the rest of the County, Marin Transit local riders have a significantly lower income level and a lower proportion of riders identify themselves as Caucasian/White. About 35 percent of Marin Transit local riders earn less than \$25,000 a year, while the majority of Marin County residents (63 percent) are at the other end of the range earning \$75,000 or more.

In addition to an overview of the District's services, partner agencies, and capital assets, Chapter 1 summarizes the findings from local transit needs and countywide market assessments. The findings identify the characteristics of those who are likely to use local transit services in the future. The recommendations from each of these studies significantly inform the SRTP service planning priorities.

Category	Transit Rider (Onboard Survey Results)				Marin County % ⁽¹⁾
	2005	2008	2012	2017 ⁽²⁾	
Age					
Persons under 18 years old	18%	25%	21%	11%	20%
Persons between 18 and 65 years old	78%	70%	72%	80%	60%
Persons 65 years old and older	4%	5%	7%	9%	20%
Gender					
Female	48%	46%	49%	44%	51%
Male	52%	54%	51%	56%	49%
Household Income					
Under \$25,000	51%	61%	57%	35%	12%
\$25,000 to \$49,999	28%	18%	20%	24%	13%
\$50,000 to \$74,999	10%	8%	7%	12%	12%
\$75,000 or more	10%	13%	16%	29%	63%
Race					
Hispanic	n/a	49%	43%	52%	16%
Caucasian/White	n/a	36%	39%	29%	72%
African American	n/a	9%	7%	7%	2%
Asian	n/a	8%	5%	5%	6%
Other	n/a	5%	6%	7%	4%

Source: (1) U.S. Census Bureau, 2013–2017 American Community Survey, (2) 2017 onboard survey did not include Supplemental school routes that were included in previous survey efforts.

Service Types and Productivity

Marin Transit has developed and applied categories of service by program and function. This system provides a means to establish performance standards and better design services in various parts of the county based on the profile of the travel market served and ridership levels. Chapter 1 provides a description of how the District defines these service types and the transit vehicles assigned to them.

Marin Transit Priorities and Performance Measurements

The Measure AA expenditure plan calls for Marin Transit to update this Short Range Transit Plan every two years so that the District will more effectively respond to the changing transit needs of all who travel within the county. The expenditure plan distributes transit funds within four categories:

- Maintain and expand local bus transit service
- Maintain and improve the rural bus transit system
- Maintain and expand transit service and program for those with special needs
- Invest in bus transit facilities for a clean and efficient transit system

As required in Measure AA, the transit planning process employs extensive public input from all areas of the county and bases investments on an analysis of measurable performance criteria. The Metropolitan Transportation Commission also compels transit operators to prepare an SRTP every four years, and this SRTP update addresses their requirements. Through Marin Transit’s short-range planning process, the District has established a system for evaluating the performance of its services and programs that refers to and builds on the eight criteria established in the Measure AA plan. The District organizes these measures into four categories to evaluate the performance of its services and programs as follows:

1) Systemwide Performance:

- a. Relieves congestion and provides mobility as measured in total ridership;
- b. Ensures high levels of customer satisfaction with services;
- c. Provides accessible and reliable transit services with Marin County;
- d. Ensures services are provided in a reliable manner;
- e. Provides service levels to prevent overcrowding;
- f. Promotes environmental justice based on demographic analysis; and
- g. Meets cost efficiency standards based on cost per revenue hour.

2) Corridor-Level Performance

- a. Provides adequate service frequency in priority transit corridors;
- b. Provides adequate span of service in priority transit corridors; and
- c. Provides competitive travel times to promote transit usage.

3) Route-Level Performance:

- a. Meets service typology productivity standards based on passengers per hour;
- b. Meets service typology cost effectiveness standards based on subsidy per passenger trip; and
- c. Establish funding agreements for Partnership services.

4) District Performance:

- a. Attracts outside funding sources, including federal and state revenue, as well as discretionary grants and other local funds;
- b. Operates the system in a manner that encourages public involvement and participation; and
- c. Maintains a capital plan to minimize air quality issues and provide quality amenities and vehicles

Chapter 2 of the SRTP provides detail on each Marin Transit goal and performance target. The District develops a monthly systemwide report, a quarterly route performance report, and an annual summary report that summarize operational and financial performance for the Board of Directors. These reports are available for viewing on the website: www.marintransit.org

Service Plan Goals within the Short Range Transit Plan

The District is planning for very little growth in the District’s fixed route services (+1%) and a relatively significant amount of growth (+19%) in the demand response programs that primarily serve older adults and persons with disabilities. The ten-year plan projects that operational expenses will outpace revenues in year three, District finances will remain stable over the ten years and support current and planned service levels.

This service plan recognizes a number of challenges and opportunities. These include:

- Lack of permanent operations and maintenance facilities;
- Attracting and retaining labor, including drivers and maintenance staff;
- Supporting transportation for special needs populations; and
- Defining transit’s priority within the county’s transportation hierarchy.

To respond to these challenges, Marin Transit has:

- Benefited from an extension to the local transportation sales tax (Measure A/AA) for an additional 30 years;
- Continued to diversify the District's planning and operations to better match service levels to demand;
- Controlled costs through competitive bidding;
- Leveraged regional transit expansion activities;
- Provided congestion relief through student transportation services, and
- Evaluated potential private sector partnerships to increase and expand mobility.

Additional opportunities will be recognized with improvements in regional transit, student transportation, and other alternative transportation options within the County. Further description of these challenges and opportunities as well as detailed funded and unfunded projects are included in Chapter 3 and Appendix C of the Plan.

Marin Transit Capital and Financial Plans

Delivering safe and cost-effective transit service requires adequate numbers of well-maintained vehicles, bus stops, and other supportive capital facilities and equipment. The capital plan addresses clean-fueled and electric vehicles, bus stop amenities and accessibility, major transfer locations, passenger information, and communications. The District has established a program of expenditures that identifies sufficient funding sources and the expected timeframe for each project. The capital plan also describes needed capital projects that will require additional funds - as unfunded capital needs.

The SRTP provides a ten-year plan for local and rural bus and shuttle routes and Marin Access programs based on projections of annual service hours and miles for each service category.

Marin Transit is currently in a strong financial position with a fully funded operations reserve, equivalent to six months of operations expenses. For operations, costs include contract services by program, fuel and communications, and customer service. Marin Transit draws from a variety of sources to pay for these services. These include local Measure AA and Measure B transportation funds, state gas tax funding under SB1, state transit assistance and transit development funds, federal grants for rural and lifeline services, and fares.

Appendix B of the SRTP evaluates the District’s fare policy structure, and is proposing updates current fare policy jointly with changes to Marin Access eligibility thresholds and low-income fare assistance program. These recommendations are included in the fare revenue projections.

The SRTP financial plan maintains the Marin Transit Board-adopted District reserve levels throughout the ten years. Chapters 4 and 5 describe the updated short-range capital and financial plans in detail.

Where is Local Transit Going in the Future?

This SRTP service plan is the basis for the ten-year financial and capital planning. The plan identifies delivery challenges and opportunities, and aligns them to financial projections to estimate the state of local transit in Marin County over the ten-year period. While currently in good financial health, the District is not forecasting significant growth until future financial and operating uncertainties are better defined.

The District also recognizes that mobility services are in the midst of radical changes and transit needs to respond to these changes. New technologies will reshape the transportation sector, and offer additional options for travel and car-free lifestyles. However, these technologies may not serve the general public in areas where public transit currently succeeds, particularly in terms of congestion relief and providing transportation for highly transit-dependent populations.

There are opportunities for public transit to be part of the solution alongside private and non-profit partners. Staff participates in ongoing discussions with these sectors to understand and identify opportunities for successful partnerships that can leverage technology and policy changes to improve local transit offerings and serve the mobility needs of all Marin residents. For example, Marin Transit anticipates that there will be a partnership to support on-demand mobility within the first year of the Plan.

To achieve the goals laid out in this plan, Marin Transit will focus on these initiatives:

Increase Efficiency of Operations

The District strives to create cost-neutral service expansion through increasing efficiency. Staff reassess route schedules and their alignments with current peak/off peak runtimes, and restructure routes that have excess time when the bus is out of service. Newly purchased scheduling software enables the District to closely assess current and proposed bus and shuttle schedules.

Plan for the Expanding Need for Marin Access Programs and Services

Marin County's older adult population is projected to increase by 25 percent over the next ten years. Marin Access programs provided almost 160,000 passenger trips in fiscal year 2017-18, and the number will increase in proportion with the numbers of residents reaching age 65 and above. Individualized transit services are by their nature expensive to provide, and the most expensive is door-to-door paratransit utilized by most Marin Access customers. The District will continue to plan for the expansion of these services while implementing or enhancing programs and policies intended to contain costs. The SRTP accommodates and manages future growth related to senior and Americans with Disabilities Act-eligible riders and evaluates current service options, usage, and funding. Priorities include:

- Maximize the use of electronic scheduling software to increase service and efficiency;
- Provide more robust paratransit service to area outside the ADA-mandated geographic service area;
- Develop a more robust, accessible same-day service;
- Evaluate fare policies and eligibility criteria for Marin Access programs;
- Pursue effective partnerships to test and support innovative modes and services;
- Establish a wider audience for services; and
- Support new and expanded volunteer driver programs within the county.

Marin Transit anticipates a 19 percent increase in ridership over the next ten years on current Marin Access services as Marin’s senior population continues to grow. As demand for these services grows, the District must allocate a higher percentage of its budget to support these programs.

Evaluate Unfunded Service Needs

The SRTP Appendix C lists future service improvements as needs that are not funded within the Plan. These have been developed through analysis of:

- Input from riders (Bus Passenger Advisory Committee, comment cards, driver feedback, etc.);
- Input from Stakeholders (Partner agencies, local cities and towns, etc.);
- Current and previous planning studies;
- Changes in transportation market conditions; and
- Changes in demographics

Funded or unfunded, Marin Transit evaluates each service need based on the Measure AA performance criteria for transit investments. Appendix C includes the results of this evaluation for improvements that will require additional and financially sustainable funding to operate.



DATE: March 16, 2020

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Scott McDonald, Senior Transportation Planner

SUBJECT: Marin-Sonoma Bike Share Pilot Program Update (Discussion), Agenda Item No. 6

RECOMMENDATION

Discussion Item. Receive a presentation regarding the Marin-Sonoma Bike Share Pilot Program that TAM is overseeing in partnership with the Sonoma County Transportation Authority (SCTA).

In July 2018, TAM entered into a cooperative agreement with SCTA regarding the bike sharing pilot program based on a grant from the Metropolitan Transportation Commission (MTC). Under the cooperative agreement, SCTA is the contracting entity for bike sharing services. As such, SCTA approved an agreement with Gotcha Mobility LLC on February 10, 2020 as the operator selected through the procurement process for the program. To assure consistency with the requirements of the cooperative agreement, TAM staff (with the concurrence of County Counsel) provided input to SCTA during the procurement process.

Staff presented this item to the TAM Funding, Programs & Legislation Executive Committee and TAM Board last month and received valuable input and guidance.

BACKGROUND

As bike share programs were expanding throughout the country, initial work to explore the viability of a bike share program in Marin County took place in 2012 when TAM formed a Bike Share Advisory Working Group and commissioned a feasibility study to consider opportunities, funding, and system designs for a program in Marin. The feasibility study encouraged TAM to identify grants to launch a program and also seek private sponsors for operating support, while monitoring emerging models suitable to Marin's topography and suburban landscape that would require less capital-intensive infrastructure than the traditional docking stations used at the time. With a Bike Share Ad Hoc Committee of the TAM Board created to review progress, TAM subsequently sought sponsorship pledges which confirmed potential private support, while advancing discussions with SCTA about a regional bike share program focused at Sonoma-Marín Area Rail Train (SMART) stations.

TAM and SCTA partnered in the summer of 2017 to submit a grant application to MTC for a bike share pilot program offering first/last-mile connections for commuters along the SMART corridor. In November 2017, MTC first announced an award of \$826,000 in federal CMAQ funds for the program. Given the administrative requirements associated with a federal grant, TAM and SCTA subsequently negotiated with MTC to ultimately receive \$826,000 in local funds from MTC reserves. SCTA was designated the lead fiscal agent to sign a funding agreement with MTC, and TAM and SCTA signed a separate cooperative agreement for joint oversight of the program in July 2018.

Working together TAM and SCTA initiated a contractor procurement process by releasing a Request for Information (RFI) to initially identify the latest technologies, models, and costs for bike share vendors along with the size and appropriate system. Based on input from the RFI process, the Marin-Sonoma Bike Share Program Request for Proposals (RFP) was issued to solicit proposals to implement and operate a 300-bike share program using Global Positioning System (GPS) enabled technology.

The RFP yielded eight proposals which were reviewed by a review committee. The committee included staff from the following agencies: TAM, SCTA, City of Santa Rosa, City of Petaluma, City of Novato, City of San Rafael, and SMART. Three interviews were conducted, and the committee recommended the selection of Gotcha Mobility, LLC (Gotcha Mobility) as the operator of the Marin-Sonoma Bike Share Program.

TAM and SCTA staff negotiated the scope of the program with Gotcha Mobility to develop the contract approved by the SCTA Board this month. With this agreement in place, Gotcha Mobility will now begin program development to launch the program.

DISCUSSION

The Marin-Sonoma Bike Share Program has been scoped to include a fleet of 300 electric bikes under the agreement with Gotcha Mobility, along with an optional task to expand the system with an additional 50 electric bikes dependent upon future demand and system performance. The initial system network will be established through a demand analysis considering densities around SMART stations, a survey of potential sites with participating agencies, and through soliciting input from the public to confirm appropriate distribution of bikes.

Program Development & Coordination

The program will include participation from the City of Santa Rosa, City of Rohnert Park, City of Cotati, City of Petaluma, City of Novato, City of San Rafael, City of Larkspur, and SMART through a technical advisory committee, with potential expansion to additional nearby public agencies with properties along the corridor. Participating agencies and properties will be confirmed along with their respective roles and responsibilities within the coming months. Staff representatives which included public works and transportation professionals from the abovementioned agencies convened as a technical advisory committee in January and will continue to meet regularly as the program develops.

SCTA and TAM are in the process of developing a coordination agreement modeled after the agreement that MTC utilized for the Bay Area Bike Share Program it manages. The purpose of the coordination agreement is to establish roles and responsibilities of the participating agencies, SCTA, TAM and the operator, as well as a process for new jurisdictions to join the program as it matures. SCTA and TAM will be seeking input on the coordination agreement from the technical advisory committee and developing a process for agencies involved to seek approval for participation in the program prior to initial operations.

Prior to launching the system, Gotcha Mobility will:

- Develop and implement a customized outreach and marketing campaign;
- Establish local warehouse spaces and rebalancing vehicles;
- Procure and install equipment;
- Develop website and branding; and
- Hire local staff to manage, operate, and maintain the system.

In addition to working closely with the technical advisory committee, Gotcha Mobility will work with each participating agency directly to explore locations for bikes within its respective jurisdiction.

Program Operating Period

While MTC's grant was initially established to specifically support bike share capital equipment costs, SCTA and TAM reached an agreement with MTC to allow for a leasing or use arrangement of a bike share system during a pilot period rather than requiring the purchase of equipment that may become outdated with rapid technology development. The pilot program under the agreement with Gotcha Mobility will cover a three-year operating period to initially include 300 electric bikes with an optional task of adding up to 50 more bikes after the initial network is established. The contract total is for \$826,000 (the full amount of the MTC Grant) which includes a \$165,000 optional task for system expansion with the 50 additional bikes.

During the three-year operating period, Gotcha Mobility will receive revenue from ridership as well as sponsorships and advertising, with the goal of building a program which is self-sustaining without additional public funding after the completion of the three-year pilot program. TAM and STCA will provide the contractor with information regarding previously expressed interest among potential sponsors. Program expansion above and beyond the scope of the contract, either within or outside the pilot service area, will not be precluded through the contract but would require negotiations directly between local agencies and the operator for additional bikes and services.

Riders will be able to access the bikes at hubs throughout the SMART corridor by using the Gotcha Mobility smart phone app or Clipper® card with memberships. Gotcha Mobility will also work with local organizations to set up memberships for individuals without access to smart phones or Clipper® cards. The program will be promoted heavily by Gotcha Mobility throughout Marin and Sonoma to build ridership and promoted through the local outreach departments of the participating agencies.

FISCAL IMPACTS

The MTC Bike Share Funding Agreement provides \$826,000 to SCTA for the implementation of a bike share pilot program. A complementary Cooperative Agreement between TAM and SCTA, approved by the TAM Board in July 2018, established a shared funding and project management arrangement based on the grant award from MTC. This provided that \$413,000 of the funds in the MTC Bike Share Funding Agreement will be used for TAM on behalf of agencies in Marin to benefit the Marin County portion of the program. The remaining half of the funds would be for the benefit of Sonoma County. It also clarified that SCTA and TAM must provide a local match of 11.47% or \$94,700, which can be covered through in-kind staff time divided between the two agencies. Since SCTA was designated as the fiscal agent by MTC, SCTA will provide reimbursement requests to MTC for expenditures billed by the operator. Therefore, other than staff time associated with implementing the program, there is not a direct budget impact for TAM based on the program funding structure.

NEXT STEPS

TAM and SCTA staff will work with Gotcha Mobility on program development to launch the pilot program. This will also require working with Gotcha Mobility and the technical advisory committee to finalize a service area analysis to confirm the public right-of-way necessary for bike share parking, along with the distribution of bikes. With input from the technical advisory committee, a coordination agreement will also be developed and approved by each of the participating agencies. TAM staff will continue to provide progress updates as the program develops,

ATTACHMENTS

None



DATE: March 16, 2020

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Li Zhang, Deputy Executive Director/Chief Financial Officer

SUBJECT: Review of the Proposed Revisions to the Compliance Audit Policy (Action), Agenda Item No.7

RECOMMENDATION:

The Citizens' Oversight Committee (COC) reviews the proposed revisions to the Measure A ½-Cent Transportation Sales Tax Compliance Audit Policy, provides input, and refers it to the TAM Board for approval.

BACKGROUND:

The Measure A ½-Cent Transportation Sales Tax Expenditure Plan provides TAM with the authority to audit all Measure A funding recipients for their use of the sales tax proceeds. Independent compliance audits are also explicitly permitted under the terms and conditions of TAM's funding agreements/contracts with all Measure A ½-Cent Transportation Sales Tax funding recipients. The Compliance Audit Policy was originally adopted by the TAM Board in October 2010 and then revised in May 2015. Measure AA, renewal of the original Measure A ½-Cent Transportation Sales Tax, was passed by Marin voters in November 2018 with revenue collection started in April 2019. The launch in July 2019 of various projects/programs under each of the Categories in the Measure AA ½-Cent Transportation Sales Tax Expenditure Plan calls for revisions to the Compliance Audit Policy to add the new projects/programs.

DISCUSSION/ANALYSIS:

To ensure sufficient audit review of the sales tax expenditure for the voters in Marin, while also maintaining the cost effectiveness of the overall program, staff reviews the Compliance Audit Policy periodically and recommends revisions for the TAM Board's approval when necessary. The inclusion of all categories under Measure AA into the program requires relatively extensive changes to the Compliance Audit Policy. Please note that even though Measure AA became effective in April 2019, compliance audits of Measure A funds will still be required until fund balances for various strategies of Measure A are fully spent. With the COC's critical role of auditing and reporting the usage of the sales tax funds annually, staff would like the COC's review and input on the following proposed changes, in comparison to the requirements of current Compliance Audit Policy.

Current Policy:

For Strategy 1 – Local Transit, since Marin Transit is the only fund recipient under this Strategy, and the annual allocation is more than 50% of the total Measure A fund, a compliance audit will be conducted every year.

Recommended Revisions – Update to Include Funds from Measure AA/Category 4:

For Strategy 1 under Measure A and Category 4 under Measure AA – Local Transit, since Marin Transit is the only fund recipient under this Strategy/Category, and the annual allocation is more than 50% of the total Measure A/Measure AA funds, a compliance audit will be conducted every year.

Current Policy:

For Strategy 2 – the Highway 101 Gap Closure Project was fully completed in December 2010. A compliance audit of all consultant work related to the project was conducted in 2013 and final payment was made to the California Department of Transportation in 2014. No additional audit work is recommended under Strategy 2.

Recommended Revisions - Remove the Strategy 2 Section and Replace with Measure AA/Category 1:

For Category 1 under Measure AA – Highways, most of the funds are expected to be used for consultant support that is managed by TAM staff. At least one compliance audit will be conducted for each major consultant support contract that's over \$1 million. The compliance audit will also cover TAM's contract management practice according to the requirements of the Measure AA Expenditure Plan and the contract.

Current Policy:

For Strategy 3.1 – Major Road Sub-strategy, for major capital projects under this Sub-strategy, the compliance audit will be conducted by project phase. For purposes of the compliance audit, three project phases are defined: (1) Planning and Environmental Review, (2) Project Design and (3) Construction. TAM has the discretion to select any of the Major Road projects for a compliance audit.

Recommended Revisions – Update to Include Funds from Measure AA/Major Road Set Aside:

For Strategy 3.1 under Measure A and Major Road Project Set Aside under Measure AA – Major Road Projects, the compliance audit will be conducted by project phase for each major project. For purposes of the compliance audit, three project phases are defined: (1) Planning and Environmental Review, (2) Project Design and (3) Construction. TAM has the discretion to select any phase of all major road projects for a compliance audit.

Current Policy:

For Strategy 3.2 – Local Street and Road Sub-strategy, one of the twelve local jurisdictions will be audited for compliance every year.

Recommended Revisions – Update to Reflect Funding Switch to Measure AA/Category 2:

For Category 2 Under Measure AA – Local Transportation Infrastructure, one of the twelve local jurisdictions will be selected for compliance audit every year.

Current Policy:

For Strategy 4.1 – Safe Access to Schools Sub-strategy, since TAM developed a very thorough review process of all consultant contracts under this Sub-strategy in the Spring/Summer of 2008, a compliance audit is to be conducted every three years.

Recommended Revisions – Update to Include Funding from Measure AA/Category 3.1:

For Strategy 4.1 under Measure A and Category 3.1 under Measure AA – Safe Access to Schools, a compliance audit is to be conducted every three years or when a new contact is in place.

Current Policy:

For Strategy 4.2 – Crossing Guards Sub-strategy, a compliance audit of the selected crossing guard service vendor will be conducted every two years, except when a new vendor is brought onboard, then an audit will be conducted after the first full year of service.

Recommended Revisions – Update to Include Funding from Measure AA/Category 3.2:

For Strategy 4.2 under Measure A and Category 3.2 under Measure AA – Crossing Guards, a compliance audit of the selected crossing guard service vendor will be conducted every two years, except when a new vendor is brought onboard, then an audit will be conducted after the first full year of service.

Current Policy:

For Strategy 4.3 – Safe Pathways to School Sub-strategy, TAM has the discretion to select up to two consultants/local jurisdictions that incur expenditures of more than \$10,000 annually to conduct compliance audits.

Recommended Revisions – Update to Include Funding from Measure AA/Category 3.3:

For Strategy 4.3 under Measure A and Category 3.3 under Measure AA – Safe Pathways to School, TAM has the discretion to select up to two consultants/local jurisdictions that incur expenditures of more than \$10,000 annually to conduct compliance audits.

Current Policy:

Measure A Interest Revenue Category – Projects/programs that receive Measure A interest revenue are subject to a compliance audit. As Measure A interest has been included in the Highway 101 Gap Closure, the audit of Measure A funds for that project will include the use of interest funds. For Measure A interest utilized for Class I path maintenance projects, an audit will be conducted following the third year of fund usage, for each project sponsor, and every third year after.

Recommended Revisions – Update to Include Interest Revenue Earned from Measure AA Fund Balance:

Measure A and Measure AA Interest Revenue – Projects/programs that receive interest revenue generated by the Measure A and Measure AA fund balances are subject to compliance audit. For interest revenue utilized for Class I path maintenance projects, an audit will be conducted following the third year of fund usage, for each project sponsor, and every third year after. The TAM Board also has the discretion to conduct compliance audits on any other projects/programs that receive sales tax interest revenue.

FISCAL CONSIDERATION:

Staff expects minimum financial impact due to the inclusion of new projects/programs under Measure AA.

NEXT STEPS:

After the review of the COC, staff will present the proposed revisions along with the input from the Committee to the TAM Administration, Projects and Planning Executive Committee for review, and to the TAM Board for approval.

ATTACHMENTS:

None