



MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
CITIZENS' OVERSIGHT COMMITTEE

MARCH 20, 2023
5:00 PM

MEETING MINUTES

Members Present: Peter Pelham, Major Marin Employers (Chairperson)
Kevin Hagerty, League of Women Voters (Vice-Chairperson)
Charley Vogt, Northern Marin Planning Area
Vince O'Brien, Bicyclists & Pedestrians Groups
Kate Powers, Environmental Organizations
Allan Bortel, Marin County Paratransit Coordinating Council
Kingston Cole, Taxpayer Groups

Alternates Present: Kay Noguchi, League of Women Voters
James Schmidt, Taxpayer Groups

Members/Alternate Present as Public: Paul Roye, Susannah Saunders

Staff Members Present: Anne Richman, Executive Director
Li Zhang, Deputy Executive Director/Chief Financial Officer
Dan Cherrier, Director of Project Delivery
Grace Zhuang, Accounting and Payroll Specialist
Molly Graham, Public Outreach Coordinator
Mikaela Hiatt, Associate Transportation Planner
Ben Bogas, TAM Intern

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

1. Introductions and Welcome

Chairperson Pelham asked Grace Zhuang, Accounting and Payroll Specialist, to conduct the roll call. Ms. Zhuang did so and confirmed that a quorum was present. Ms. Zhuang stated the meeting order rules and instructions for the public to provide comments.

2. Open Time for Public Expression

No public expression was received.

3. Review and Approval of February 21, 2023 Meeting Minutes (Action)

Member Kate Powers stated that she had to drop out of the last meeting due to Zoom and phone connection problems. Deputy Executive Director/Chief Financial Officer (DED/CFO) Li Zhang stated that her departure would be noted in the final minutes.

Vice-Chairperson Kevin Hagerty moved to approve the February 21, 2023 Meeting Minutes. Member Kingston Cole seconded the motion, and the Minutes were approved with Member Powers abstaining.

4. TAM Staff Report (Information)

Executive Director (ED) Anne Richman reported that the TAM Board approved the amendments to Measure B Expenditure Plan as recommended by the COC at the Board's February meeting. ED Richman confirmed that the changes will go into effect on July 1, 2023, the start of the next fiscal year, and thanked the members again for participating in the process.

ED Richman reported that TAM is applying for a grant from the federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Program to close the funding gap for the Bellam Boulevard (Blvd). Offramp Project. The project will provide safety improvements at the intersection, including crosswalk and traffic signal upgrades and has already received local funding. ED Richman added that Golden Gate Bridge, Highway and Transportation District (GGBHTD) has also applied for a RAISE grant for the San Rafael Transit Center and that TAM provided a Letter of Support for its application.

In response to Vice-Chairperson Hagerty, ED Richman stated that TAM submitted a request for \$6.8 million, which should provide sufficient funding to complete the project.

In response to Member Powers, ED Richman stated that the Bellam Blvd Offramp Project was separate from the US 101/I- 580 Multi-Modal and Local Access Improvement Project, and many of the alternatives for the long-term project. She added that the grant program is very competitive; that approximately 400 applications were submitted in the 2022 funding round.

In response to Vice-Chairperson Hagerty, Director of Project Delivery Dan Cherrier stated that the project could be completed by early 2026 if the application for the RAISE Program is successful. ED Richman noted that the project has CEQA (California Environmental Quality Act) clearance and is in the design phase. She added that staff will continue to seek other funding sources if the RAISE application is not successful.

ED Richman reported that California Department of Transportation's (Caltrans') Local Highway Safety Improvement Program (HSIP) awarded \$3.4 million to 6 road projects in Marin. The purpose of the program is to fund projects that reduce traffic fatalities and injuries. Four of the road projects are in the County; one is in Mill Valley; and one is in San Rafael.

In response to Vice-Chairperson Hagerty, ED Richman responded that local agencies usually contribute their own funding to close project shortfalls when possible.

In response to Chairperson Pelham, ED Richman stated that none of the projects have received TAM funding because HSIP usually provides funding for projects that have not received funds from other sources.

In response to Member Powers, ED Richman stated that the County published a System Safety Analysis Report (SSAR) in 2017, which identified potential projects and locations in need of safety upgrades. ED Richman noted that it is probable a safety plan would need to be included with submittals in the next cycle of HSIP funding, and that TAM and the County are jointly updating the SSAR.

ED Richman also reported that federal electric vehicle (EV) infrastructure standards have been published; that a \$700 million nationwide competitive Notice of Funding Opportunity (NOFO) for the National Electric Vehicle Infrastructure (NEVI) Program was released for EV charging stations from the Infrastructure Investment and Jobs Act (IIJA); and that the goal is to fund 500,000 new EV chargers by 2030.

In response to Member Charley Vogt, ED Richman explained that the NEVI Program has been divided equally into a Corridor Program and a Community Program. ED Richman confirmed that Marin is

eligible to apply for funding from both programs. Member Vogt noted that Tesla has stated an intention to convert its Type 3 charging stations along interstates to universal use.

ED Richman thanked Member Vogt for reporting that the Petaluma River Bridge has recently been repaved. In response to Chairperson Pelham, Mr. Cherrier stated that bridges are structures which require a different process of renovation than repaving roadways and are often handled separately from road repaving projects. ED Richman confirmed Caltrans completed the Petaluma River Bridge repaving project and that the agency provides regular updates on projects via emails. ED Richman stated that staff would be happy to assist members who are interested in signing up to receive Caltrans project information. ED Richman noted that the unusually large rainfall has added to the deterioration of some roads.

ED Richman reported that TAM and Commute by Enterprise, which runs the regional vanpool program, will host a webinar on April 19 to promote the benefits of the vanpool program for Marin employees. ED Richman also reported that there are more in-person events coming up this Spring, such as North Bay Leadership Council on March 23, Bike to Work Day on May 11, and Rotary Day of Service on May 13.

Member Vogt commented on the success of last year's Day of Service on Earth Day and the participation of members of the COC and TAM staff. Public Outreach Coordinator, Molly Graham, thanked Member Vogt for inviting TAM staff to participate in the Rotary Day of Service event.

In response to Member Powers, ED Richman stated that staff will review the NOFO guidelines to determine if the EV charging level is specified and noted that projects would need to meet the federal standards for EV infrastructure.

Chairperson Pelham thanked ED Richman for her report.

5. Review of the Measure A/AA and the Measure B Revenue Projections and the FY2023-24 Annual Budget Development Schedule (Discussion)

Ms. Zhang presented the staff report, which asks the COC to review and provide comments on the Measure A/AA ½-Cent Transportation Sales Tax and the Measure B \$10 Vehicle Registration Fee (VRF) Revenue Projections and the FY2023-24 Annual Budget Development Schedule. Ms. Zhang confirmed the TAM Board will be asked to review and approve the revenue projections and the schedule at its March 23 meeting. Ms. Zhang stated that the draft budget will be presented to the COC at the May meeting for input and the TAM Board is expected to adopt the final budget at its June meeting.

Ms. Zhang provided an overview of the economic conditions. She reported on her attendance of the University of California Los Angeles (UCLA) Economic Outlook conference on March 15, where a 50% chance of a recession was discussed for the upcoming year. Ms. Zhang discussed national economic data from *Forbes* that was released in February 2023, which mainly reported a downtrend in the economy. She stated that the job market remained strong; the price of housing fell more than 15% between February 2022 and February 2023; that the outlook for the stock market remains neutral; and the inverted Treasury Yield Curve indicates the possibility of a recession.

In response to Vice-Chairperson Hagerty, Ms. Zhang stated that the later part of the presentation will cover economic data for the Bay Area and Marin County, which affects TAM's funding levels more directly.

Ms. Zhang noted that consumer confidence remains relatively high, but the Small Business Optimism Index indicated less confidence. She summarized the 15 national data points used by *Forbes*, which indicate 5 positive data points, 2 neutral data points, and 8 negative data points. Ms. Zhang confirmed the downward trend is expected to continue and she commented on the effects of the geopolitical situation on the global and US economies, and recent problems in the banking industry.

Ms. Zhang discussed the economic outlook for the Bay Area and noted that there are 21,000 fewer jobs than before the Pandemic, which represents a 1% drop, and that the layoffs were mainly due to over-hiring by large companies. She noted that smaller companies have been able to absorb the additional labor but the trend is unlikely to continue. Ms. Zhang discussed a reduction in the population level in the San Francisco and San Jose Metro Areas, which lost 147,000 people during the Pandemic, and she noted that some became remote workers. Ms. Zhang also noted that the office vacancy rate in San Francisco was 28% as of Q4 in 2022, compared to 4% in Q4 in 2019, and she discussed the sales tax revenue collection in San Francisco, which is still way below pre-Pandemic level.

Member Vogt noted that, while international travel is down, domestic travel appears to have increased, which should support sales tax revenue. He reported that revenue from the Transient Occupancy Tax (TOT) remains neutral, and Member Cole stated that conventions generate three times the amount of tax revenue than visitors.

Ms. Zhang reported that many of Marin's residents were able to work remotely during the Pandemic and, with the strong housing market, contributed to the higher levels of sales tax revenue in the County. She noted that the anticipated recession should be relatively mild; that an impact on Marin's sales tax revenue should be relatively light due to Marin's high-income level; that many residents still work remotely and Marin continues to be a destination for visitors, which all contribute to Marin's sales tax funds. Ms. Zhang noted that the Wayfair ruling, which mandates businesses without a physical presence in a state to collect sales taxes on transactions in the state, has also contributed to some of the revenue growth during the last two years.

Ms. Zhang discussed long-term economic projections and staff's conservative recommendation of 0.5% sales tax revenue growth rate for the upcoming fiscal year, and the 2% annual sales tax growth rate recommended for all future years after FY2023-24. She discussed the downward trend in the number of registered vehicles in the County and its impact on the Measure B VRF revenue, which provides a relatively small amount of funding every year, and reminded the members that TAM has reserve funds to weather difficult economic times. Staff recommends a reduction in the Measure B budget level to \$2.25 million, due to the decreasing trend in the number of vehicle registrations, and to assume a flat level for all future years for the revenue update of the Measure B Strategic Plan.

Vice-Chairperson Hagerty and Ms. Zhang discussed the effects of inflation on project costs. Ms. Zhang noted that some of the material costs of a major project can be locked into the bid and she expressed a desire to match available funding to project costs and to deliver most projects.

Member Powers expressed concern that an economic downturn might impact some of TAM's programs that help the County's low earning population, and she discussed the possibility of being able to change the funding share in the Measure A/AA and Measure B Expenditure Plans (EPs). Ms. Zhang noted that the COC recently ended a long process to amend the Measure B EP, which the TAM Board can do at least every 10 years. She also noted that there is a provision to review the Measure AA EP every 6 years. She also noted that Marin Transit's Measure AA funds have accumulated a healthy balance because the agency received much more federal funding during the Pandemic for its operations.

Chairperson Pelham noted that there might be funding shortfalls if program costs increase and funding levels remain static or decrease. Ms. Zhang discussed methods that could be employed to reduce project costs, such as reducing the scope of work.

Member Cole discussed the significant funding problems experienced by Bay Area Rapid Transit (BART) and San Francisco Municipal Railway (MUNI) due to the loss of fare revenues. ED Richman stated that MTC has been considering future ballot measures to raise revenue for housing and transportation, among other possible strategies.

Member Vogt noted that Marin Transit's ridership has almost recovered to pre-Pandemic levels.

In response to Member Powers, Mr. Cherrier explained the process for changing the scope of work for construction projects. He stated that the project managers would discuss the need for design changes after the design phase is completed and before the construction phase begins.

6. Committee Member Hot Items Report (Discussion)

Ms. Zhang stated that County Counsel confirmed that Assembly Bill (AB) 2449 will allow remote attendance only for reasons of Just Cause or Emergency that prevents a member from attending a meeting in person. She explained that COC members/alternates have the option to attend via Zoom as members of the public if they do not meet the Just Cause or Emergency criteria and cannot attend the meeting in person.

In response to Chairperson Pelham, Ms. Zhang confirmed that members/alternates attending the meeting remotely under the allowed circumstances of Just Cause or Emergency, would be counted as part of the quorum and could vote on action items. She stated that an announcement would be made at the beginning of the meeting confirming their attendance as voting members of the COC and that each member could participate virtually for Just Cause or Emergency reasons up to two times each year.

Mr. Cherrier confirmed that a quorum of members would be needed to take action to allow a member to participate virtually under the Emergency clause.

Member Powers discussed her preference for participating in COC meetings remotely as a member and stated she would ask Assemblymember Damon Connolly if he would sponsor legislation to allow that. ED Richman noted that legislation is being considered to allow members on advisory committees to participate remotely.

Member Vogt discussed an article in the Marin Independent Journal on State Route (SR) 37, which reported that public agencies have agreed to a temporary expansion of the road from Sears Point to Mare Island at a cost of \$500 million, and to start the planning process for an elevated highway, which would require \$8 billion in funding.

Member Vogt also discussed a semi-truck that was blown over by the wind on the Richmond-San Rafael Bridge, which blocked eastbound traffic for 2 hours and caused a 90-minute delay for drivers using SR 37.

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

The next meeting was tentatively scheduled for Monday, April 17, 2023. Items for review will include the development of the Measure B Strategic Plan. Potential meetings were scheduled for May 15 and June 19, 2023 to review the proposed FY2023-24 budget and Measure B Strategic Plan.

The meeting was adjourned at 6:15 p.m.

THIS PAGE LEFT BLANK INTENTIONALLY