



DATE: April 23, 2026

TO: Transportation Authority of Marin Board of Commissioners

FROM: Anne Richman, Executive Director *Anne Richman*
Melanie Purcell, Director of Finance and Administration

SUBJECT: Review and Approve Artificial Intelligence (AI) Policy (Action), Agenda Item No. 8

RECOMMENDATION

The TAM Board reviews and approves the Artificial Intelligence (AI) Policy.

The Administration, Projects & Planning (AP&P) Executive Committee reviewed the proposed AI Policy at its March 9, 2026 meeting, provided feedback, and referred the item to the TAM Board for approval.

BACKGROUND

The use of Artificial Intelligence (AI) has exploded recently and has evidenced strong potential for gaining efficiencies in gathering and summarizing data. This was discussed during the Innovation Workshop held with the Board in October 2025. With AI's proliferation, clear policies and expectations are needed to guide its acquisition and use of information. The AI Governance Coalition, a group of cities and counties led by the City of San Jose, has developed considerable resources to assist agencies in developing governance and operating documents around the use of AI. TAM staff made use of these resources as well as information from the California Society of Municipal Finance Officers, Civic Marketplace, County of Marin, the City and County of San Francisco, the City of Dublin, and the City of Suisun City.

DISCUSSION/ANALYSIS

The proposed policy specifies Guiding Principles, including Public Benefit, Human Oversight, Transparency, Equity & Fairness, Privacy & Data Protection, Security & Safety, and Accountability & Empowerment. The emphasis of the policy is safe and ethical acquisition and use of data while recognizing the potential limitations, risks, and unintended impacts of using AI. The policy covers acceptable and prohibited uses and provides guidance regarding procurement, training, and governance. It applies to all staff, contractors, and vendors. Staff anticipate that this policy will be updated at least annually as the technology continues to develop.

The AP&P Executive Committee reviewed the proposed Artificial Intelligence (AI) Policy at its March 9, 2026 meeting and agreed with the Guiding Principles outlined in the policy. The Committee noted that the policy will evolve with changes in technology. It was also noted that creating guardrails for TAM contractors and recognizing potential impacts on employment and the local economy are important parts of implementing the policy. The Committee requested that the policy be presented with the Lincoln Street Corridor Study as a tangible example of how AI can be used to positively advance TAM's work. While the contract and study predate the policy, they were consistent in demonstrating that:

- AI does not replace human expertise and judgement
- Human participation is necessary to review and form policy options
- Streamlined use of resources including staff time and data to form reasonable recommendations

The contract and study did not include specific guardrails against the identification or use of personally identifiable images in the analysis. This leads to consideration of what TAM's obligation is to provide protection of personally identifiable images when data is open sourced.

FISCAL CONSIDERATION

None.

RELATIONSHIP TO CTP

Not applicable.

NEXT STEPS

Following Board approval of the AI Policy, the policy will be published and provided to staff, vendors, and contractors.

ATTACHMENTS

Attachment A – Draft AI Policy
Attachment B – Staff Presentation

Transportation Authority of Marin

Artificial Intelligence (AI) Usage Policy

Purpose

This policy establishes principles and guardrails for the responsible use of Artificial Intelligence (AI) by the Transportation Authority of Marin (TAM) to improve public services while protecting privacy, resources, equity, transparency, and public trust.

Scope

This policy applies to all departments, employees, contractors, and vendors using or procuring AI systems or AI-assisted tools on behalf of TAM.

Guiding Principles

1. **Public Benefit** – AI use must support legitimate government functions and improve service delivery, efficiency, accessibility, or decision-making.
2. **Human Oversight** – AI shall augment, not replace, human judgment. Final decisions affecting residents, employees, partners, or legal rights must involve human review.
3. **Transparency** – TAM will be transparent about when AI is used, its purpose, and its limitations, consistent with law and operational needs.
4. **Equity & Fairness** – AI-generated work product must be evaluated for bias and disparate impacts. Judicious efforts will be made to analyze the impact of TAM's use of AI on economic factors including employment.
5. **Privacy & Data Protection** – AI use must comply with all applicable privacy, records retention, and data security laws and policies. Reasonable steps shall be taken to preserve privacy in use of AI systems by safeguarding personally identifiable information (PII) and sensitive data from unauthorized access, disclosure, and manipulation.
6. **Security & Safety**: TAM should strive to use AI systems that maintain confidentiality, integrity, and availability through safeguards that prevent unauthorized access and use of TAM resources and data.
7. **Accountability & Empowerment** – Departments remain accountable for outcomes produced with AI assistance. The use of AI must be balanced with the ethical acquisition and use of information through AI. Staff are empowered to use AI in their roles through education, training, and collaborations that promote participation and opportunity and embrace the ethical balance.

Acceptable Uses

AI may be used to:

- Draft, summarize, translate, or analyze text for internal efficiency
- Support public service and information access (with clear disclosure)
- Assist with data analysis, forecasting, and operational planning
- Enhance accessibility (e.g., language translation, captioning, graphics, and charts)

Prohibited Uses

AI may not be used to:

- Fully automate decisions that do not require any meaningful human oversight but substantially impact individuals.
- Make final determinations on eligibility, benefits, enforcement, discipline, or legal rights .
- Conduct mass surveillance, facial recognition, or social scoring unless explicitly authorized by law and governing body. Perform real-time and covert biometric identification.
- Classify human facial or body movements into certain emotions or sentiment with the use of computer vision techniques or emotion analysis. (e.g., positive, negative, neutral, happy, angry, nervous).
- Conduct Social scoring, or the use of AI systems to track and classify individuals based on their behaviors, socioeconomic status, or personal characteristics.
- Perform cognitive behavioral manipulation of people or specific vulnerable groups.
- Create art, graphics, documents, or other creative content without credit, attribution, and/or compensation to the original creator.
- Collect, process, or share personal data in violation of law or policy
- Generate deceptive, discriminatory, or misleading content

Procurement & Approval

- AI tools must undergo review for legal compliance, data security, privacy, and equity risks prior to procurement or deployment.
- Contracts with all vendors who use or may use AI must address data ownership, security, audit rights, and model limitations. This requirement may be phased in for existing contracts (at time of policy approval).

Training & Use

- Employees using AI must review TAM policies and are encouraged to complete regular training.
- Employees are to use caution when using AI tools and technology likely incorporating AI and are encouraged to use approved AI tools on TAM devices to the degree possible. Many tools in common usage incorporate AI without disclosure and employees need to be aware of the practice.
- Staff are responsible for validating AI output for accuracy and appropriateness and confirming that vendors and contractors have also done the same. If TAM staff become aware of an instance where an AI system has caused harm or been used contrary to this policy, staff must report the instance to their supervisor and the Director of Finance & Administration.
- If an AI system operated by TAM or on its behalf ceases to provide positive utility to TAM's stakeholders as determined by a department director, then the use of that AI system must be halted unless express exception is provided by the Executive Director. If the abrupt cessation of the use of that AI system would significantly disrupt the delivery of TAM services, usage of the AI system shall be gradually phased out over time.

Governance & Review

- This policy will be reviewed at least annually and updated as laws, technologies, and best practices evolve.
- TAM is subject to the Public Records Act. TAM staff must follow all current procedures for records retention and disclosure.
- All employees and agents of TAM, whether permanent or temporary, interns, volunteers, contractors, consultants, vendors, and other third parties operating AI systems on behalf of TAM are required to abide by this Policy, or any other applicable policy.
- Departments must report material AI incidents, errors, or risks promptly.

Violations of the AI Policy

Violations of any section of the AI Policy may be subject to disciplinary action, up to and including termination. Violations made by a third party while operating an AI system on behalf of TAM may result in a breach of contract and/or pursuit of damages. Infractions that violate local, state, federal or international law may be remanded to the proper authorities.

Terms & Definitions

Artificial Intelligence: “Artificial intelligence” or “AI” is a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments. Artificial intelligence systems use machine- and human-based inputs to perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

Algorithm: A series of logical steps through which an agent (typically a computer or software program) turns particular inputs into particular outputs.

AI system: Any system, software, sensor, or process that automatically generates outputs including, but not limited to, predictions, recommendations, or decisions that augment or replace human decision-making. This extends to software, hardware, algorithms, and data generated by these systems, used to automate large-scale processes or analyze large data sets.

TAM: Refers to the agency, its employees, contractors, and agents who work on its behalf.

Acknowledgement

This policy was developed using materials provided through the coordinated efforts of thousands in the GovAI Coalition who empower governments to leverage AI for the public good.

Approved by the TAM Board on _____



Draft Artificial Intelligence (AI) Policy

Transportation Authority of Marin
Board of Commissioners

April 23, 2026

Artificial Intelligence (AI) Opportunities & Challenges

Intelligence (AI) is showing up everywhere and has become embedded in many daily activities as well as government operations. The AI Governance Coalition, a group of cities and counties led by the City of San Jose, has developed considerable resources to assist agencies in developing governance and operating documents around the use of AI.

Opportunities:

- Speed up basic research, data consolidation, etc.
- Assist with drafting and editing
- Increase in volume of data available for review and able to be analyzed
- Automate some performance auditing

Challenges:

- Increased cybersecurity risk
- Less control of data usage and proliferation
- Risk of unidentified biases and impacts
- Technology is moving quickly; difficult to stay current

AI at Work

Uses of AI in local government:

- Phone answering and routing
- Automated permit approvals
- Drafting of documents including minutes
- Mechanical automation (mowing, alarm systems)
- Screening data in applications, research, etc.
- Compliance auditing including website accessibility
- Backend of technology such as traffic signals

Current uses of AI at TAM include:

- ChatGPT Business accounts to assist with general research and drafting
- Planning activities – Lincoln Ave. Corridor Study (more details following this item)

Current guardrails for government:

- State prohibitions on use of AI in final employment decisions

AI Usage Policy – Guiding Principles

Public Benefit – AI must support legitimate government functions and improve service delivery, efficiency, accessibility, or decision-making.

Human Oversight – AI shall augment, not replace, human judgment. Final decisions affecting residents, employees, partners, or legal rights must involve human review.

Transparency – TAM will be transparent about when AI is used, its purpose, and its limitations, consistent with law and operational needs.

Equity & Fairness – AI-generated work product must be evaluated for bias and disparate impacts. Judicious efforts will be made to analyze the impact of TAM's use of AI on economic factors including employment.

AI Usage Policy – Guiding Principles (cont.)

Privacy & Data Protection – AI use must comply with all applicable privacy, records retention, and data security laws and policies. Reasonable steps shall be taken to preserve privacy in all AI systems by safeguarding personally identifiable information (PII) and sensitive data from unauthorized access, disclosure, and manipulation.

Security & Safety – TAM should strive to use AI systems that maintain confidentiality, integrity, and availability through safeguards that prevent unauthorized access and use of TAM resources and data.

Accountability & Empowerment – Departments remain accountable for outcomes produced with AI assistance. The use of AI must be balanced with the ethical acquisition and use of information through AI. Staff are empowered to use AI in their roles through education, training, and collaborations that promote participation and opportunity and embrace the ethical balance.

AI Usage Policy – Acceptable Uses

AI may be used to:

- Draft, summarize, translate, or analyze text for internal efficiency
- Support public service and information access (with clear disclosure)
- Assist with data analysis, forecasting, and operational planning
- Enhance accessibility (e.g., language translation, captioning, graphics, and charts)

AI Usage Policy – Prohibited Uses

AI may not be used to:

- Fully automate decisions or make final determinations on eligibility, benefits, enforcement, discipline, or legal rights
- Conduct mass surveillance, facial recognition, or social scoring unless explicitly authorized by law and governing body. Classify human facial or body movements into certain emotions or sentiment with the use of computer vision techniques or emotion analysis. Social scoring, or the use of AI systems to track and classify individuals based on their behaviors, socioeconomic status, or personal characteristics.
- Create art, graphics, documents, or other creative content without credit, attribution, and/or compensation to the original creator
- Collect, process, or share personal data in violation of law or policy
- Generate deceptive, discriminatory, or misleading content

AI Usage Policy – Additional Notes

- Employees are to use caution when using AI tools and technology likely incorporating AI and are encouraged to use approved AI tools on TAM devices to the degree possible. Many tools in common usage incorporate AI without disclosure and employees need to be aware of the practice.
- Staff are responsible for validating AI output for accuracy and appropriateness and confirming that vendors and contractors have also done the same.
- This policy will be reviewed at least annually and updated as laws, technologies, and best practices evolve.
- TAM is subject to the Public Records Act. TAM staff must follow all current procedures for records retention and disclosure.
- Policy applies to all employees and agents of TAM, whether permanent or temporary, interns, volunteers, contractors, consultants, vendors, and other third parties operating AI systems on behalf of TAM.

AI Policy in Practice

- The Lincoln Avenue Corridor Study was conducted specifically using AI to test its capacity and applicability in assessing roadway corridor conditions as a basis for exploring policy and infrastructure improvements.
- While the contract and study predate the policy, key elements were consistent:
 - AI does not replace human expertise and judgement
 - Human participation is necessary to review and form policy options
 - Streamlined use of resources including staff time and data to form reasonable recommendations
- Where they diverged:
 - There are no specific guardrails against the identification or use of personally identifiable images in the analysis
- Opportunities to explore:
 - What guardrails exist or should exist in the use of openly available data by AI? Is it TAM's obligation to provide that protection if the data is open sourced?

Next Steps

- Pending Board Approval – Implementation of the AI Policy
 - Update current and prospective contracts, as applicable
 - Update procurement documents
 - Create notifications for website and other documents where applicable
- Evaluate opportunities to streamline activities and improve outcomes using AI
 - Website and document accessibility auditing (pending website launch)
 - Research and document drafting
 - Monitor other pilots such as local traffic signal programs
- Monitor cybersecurity and usage guardrails including legislation and industry best practices
- Monitor developments in AI technology
- Revise and update AI Policy as needed

TAM AI Usage Policy

Questions, Thoughts, Suggestions?