

April 25, 2024



**MINUTES OF THE FINANCE-AUDITING COMMITTEE/  
COMMITTEE OF THE WHOLE**

**These minutes are supplemented by the audio recording that is posted online at:**

**<https://www.goldengate.org/district/board-of-directors/meeting-documents>.**

Honorable Board of Directors  
Golden Gate Bridge, Highway  
and Transportation District

Honorable Members:

The Finance-Auditing Committee/Committee of the Whole (Committee) of the Golden Gate Bridge, Highway and Transportation District (District) met in regular session in the Board Room, Administration Building, Golden Gate Bridge Toll Plaza, San Francisco, CA, on Thursday, April 25, 2024, at 9:43 a.m., with Chair Rabbitt presiding. A remote audio option for public participation was available.

**(1) Call to Order:** 9:43 a.m.

**(2) Roll Call:** Secretary of the District Amorette M. Ko-Wong. **[00:33 Minutes Mark on the Audio Recording]**

**Committee Members Present (8):** Chair Rabbitt; Vice Chair Pahre; Directors Giudice, Grosboll, Hernández, Mastin and Rodoni; President Cochran.

**Committee Members Absent (1):** Director Dorsey.

**Other Directors Present (4):** Directors Garbarino, Hill, Thériault and Thier.

**Committee of the Whole Members Present (12):** Directors Garbarino, Giudice, Grosboll, Hernández, Mastin, Pahre, Rodoni, Thériault and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

**Committee of the Whole Members Absent (7):** Directors Conroy, Dorsey, Engardio, Moulton-Peters, Safai, Snyder and Stefani.

**Staff Present:** General Manager Denis Mulligan; Auditor-Controller Joseph Wire; Acting District Engineer John Eberle; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bridge Division David Rivera; Deputy General Manager/Bus Transit Division Les Belton; Deputy General Manager/Administration and Development Kellee Hopper; Risk Management and Safety

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Director Kelli Vitale; Ferry Maintenance Manager Todd Leitsch; Executive Administrator to the General Manager Justine Bock; Senior Board Analyst Elizabeth Eells.

Copies of all reports are available on the District's web site at <https://www.goldengate.org/district/board-of-directors/meeting-documents> or upon request from the Office of the District Secretary.

**(3) Ratification of Previous Actions by the Auditor-Controller [01:06 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report.

**(a) Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GARBARINO/GIUDICE** to forward the following recommendation to the Board of Directors for its consideration:

**RECOMMENDATION**

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors approves the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of March 1, 2024 through March 31, 2024;
- (ii) Ratify investments made during the period March 12, 2024 through April 15, 2024;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between April 16, 2024 and May 13, 2024, as well as the investment of all other funds not required to cover expenditures that may become available; and,
- (iv) Accept the Investment Report for March 2024.

**Action by the Board at its meeting of April 26, 2024 – Resolution  
CONSENT CALENDAR**

**AYES (11):** Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rodoni, Thériault and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

**NOES (0):** None.

**ABSENT (8):** Directors Conroy, Dorsey, Engardio, Grosboll, Moulton-Peters, Safaí, Snyder and Stefani.

(4) **Authorize Budget Adjustment(s) and/or Transfer(s)**

- (a) **Budget Increase in the FY 23/24 Bridge Division Capital Budget for Project #1923, Golden Gate Suspension Bridge Seismic Retrofit Project** [02:19 Minutes Mark on the Audio Recording]

(i) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by **Directors GIUDICE/MASTIN** to forward the following recommendation to the Board of Directors for its consideration:

**RECOMMENDATION**

The Finance-Auditing Committee/Committee of the Whole recommends, in concurrence with the Building and Operating Committee at its meeting on April 25, 2024, that the Board of Directors authorize an increase in the FY 23/24 Bridge Division Capital Budget, in the amount of \$229,737 for Project #1923, *Golden Gate Suspension Bridge Seismic Retrofit*, to be funded from District reserves, to finance the costs of providing environmental compliance services, for a the total Project budget of \$20,075,275.

**Action by the Board at its meeting of April 26, 2024 – Resolution**  
**Refer to Building and Operating Committee Meeting of April 25, 2024**  
**NON-CONSENT CALENDAR**

**AYES (11):** Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rodoni, Thériault and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

**NOES (0):** None.

**ABSENT (8):** Directors Conroy, Dorsey, Engardio, Grosboll, Moulton-Peters, Safaí, Snyder and Stefani.

- (b) **Budget Increase in the FY 23/24 Ferry Division Capital Budget for Project #2441, Larkspur Terminal Fuel Hose Replacement** [03:29 Minutes Mark on the Audio Recording]

Ferry Maintenance Manager Todd Leitsch presented the staff report.

[06:03 Minutes Mark on the Audio Recording]

Chair Rabbitt expressed appreciation for the staff report.

Director Giudice inquired about the requirement and frequency of the hose replacement.

Mr. Leitsch and Mr. Mulligan responded to the inquiry. Mr. Mulligan reviewed that the hoses are located over salt water, which is a corrosive environment, and he stressed the preventative aspect of the work.

(i) Action by the Committee

Staff recommended and the Committee concurred by motion made and seconded by **Directors HERNÁNDEZ/GIUDICE** to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee/Committee of the Whole recommends that the Board of Directors authorize an increase in the FY 23/24 Ferry Division Capital Budget in the amount of \$57,500 for Project #2441, *Larkspur Terminal Fuel Hose Replacement*, to be funded with 100% District funds.

Action by the Board at its meeting of April 26, 2024 – Resolution  
NON-CONSENT CALENDAR

**AYES (11):** Directors Garbarino, Giudice, Hernández, Mastin, Pahre, Rodoni, Thériault and Thier; Second Vice President Rabbitt; First Vice President Hill; President Cochran.

**NOES (0):** None.

**ABSENT (8):** Directors Conroy, Dorsey, Engardio, Grosboll, Moulton-Peters, Safaí, Snyder and Stefani.

(5) Authorize Actions Related to Grant Programs

No actions required authorization.

(6) Annual Review of the District's 457(b) Deferred Compensation and 401(a) Defined Contribution Programs [07:03 Minutes Mark on the Audio Recording]

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was required. He highlighted MissionSquare's expertise with public sector employees and the District's history with the company.

**[12:03 Minutes Mark on the Audio Recording]**

Chair Rabbitt asked whether the fees are net of the returns.

Director Hernández inquired about the Neuberger Berman Fund (on page 36) and the Returns Analysis (on page 40). She stated the fund appears to be a low performer and inquired about the inclusion of the fund in the Core Lineup.

Chair Rabbitt expressed appreciation for the report. He commented about the value of looking at long-term results and opportunities for growth.

Mr. Wire responded that the Neuberger Berman Fund followed the market, which had a

downturn during the three-year period. He indicated that staff would follow up and review the fund's performance.

(7) **Status Report on the FY 23/24 Budget [15:26 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken. He pointed out the results and stated revenues are higher and expenses are lower than projected (pages 43 and 45).

**[17:12 Minutes Mark on the Audio Recording]**

Director Mastin asked about the status of the American Rescue Plan Act (ARP) funding.

Mr. Wire responded that the District expects that the ARP funds have been used to provide transit services and will be expended by the end of the fiscal year. As a result, the District has not had to spend toll revenue and has set aside more into District reserves.

(8) **Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Nine Months Ending March 2024) [18:30 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken. He reviewed the traffic, ridership and revenue (page 55). He highlighted the seasonal nature of the results and the increase over the prior year.

**[21:59 Minutes Mark on the Audio Recording]**

Director Mastin inquired about Bus ridership and revenue.

Mr. Wire explained that Bus revenue can be delayed and will likely be reflected in the following month. He also pointed out Bus has more local ridership and lower fares. Mr. Mulligan added that about one third of Bus ridership is local trips in San Francisco and spoke about the benefits of this ridership.

(9) **Monthly Review of Financial Statements (for Nine Months Ending March 2024) [23:55 Minutes Mark on the Audio Recording]**

(a) **Statement of Revenue and Expenses**

(b) **Statement of Capital Programs and Expenditures**

Auditor-Controller Joseph Wire presented the staff report, which were for informational purposes only and no actions were taken. He highlighted the results (page 61) and reviewed progress made on capital projects (page 71).

Chair Rabbitt expressed appreciation for Mr. Wire's and his staff's work.

(10) **Review of the District's FY 23/24 Third Quarterly Report of Judgments or Settled Claims [27:38 Minutes Mark on the Audio Recording]**

Risk Management and Safety Director Kelli Vitale presented the staff report, which was for informational purposes only and no action was taken.

Chair Rabbitt, Directors Pahre, Hernández and Thier expressed appreciation to Ms. Vitale and her staff for their efforts on workers' compensation claim matters.

Director Hernández inquired about the patterns in the claims and ways to mitigate potential safety issues.

Director Garbarino expressed appreciation for Ms. Vitale's enthusiasm for her work.

Chair Rabbitt stated he has brought some of the District's workers' compensation practices to the County of Sonoma.

Director Thier commented about the number of resolved claims.

Ms. Vitale expressed appreciation for the comments. She responded that when she was hired, the District had over 400 open workers' compensation claim cases and now, there are only 181. She said that the District proactively teaches about body mechanics. She spoke about a new process to expedite authorization and treatment. She reviewed her background and philosophy about spending to save on workers' compensation cases for the long term.

**(11) Review of the Auditor-Controller's FY 23/24 Third Quarterly Report on Authorized Budget Adjustments and Budget Transfers Under the General Manager's Authority [33:43 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken.

**(12) Review of the Auditor-Controller's FY 23/24 Third Quarterly Report on Procurement Actions Under the General Manager's Authority [34:22 Minutes Mark on the Audio Recording]**

Auditor-Controller Joseph Wire presented the staff report, which was for informational purposes only and no action was taken.

Director Pahre inquired about the District's procurement process and financial incentives provided by contractors and consultants.

Mr. Wire and Mr. Mulligan responded. Mr. Wire spoke about the District's procurement process, the Board's role and the District's goals to purchase quality goods and services. He said that if contractors or consultants really want the District's business, they may reduce their prices in order to be more competitive. Mr. Mulligan added that the contractors/consultants do not pay fees for doing business with the District.

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Chair Rabbitt said he would like to take public comment before the closed session.

**(13) Public Comment**

There were no public comments.

**(14) Closed Session [37:48 Minutes Mark on the Audio Recording]**

**[Director Grosboll arrived.]**

Attorney Kimon Manolius, at the request of Chair Rabbitt, stated that the Committee would convene in Closed Session, as permitted by the Brown Act, to discuss the following matter listed on the Agenda as Item No. 13(a):

- (a) Conference with Legal Counsel – Existing Litigation  
Pursuant to Government Code Section 54956.9(a)  
Report of Athens Administrators, Inc.
- (i) *Linda Lee Green-Danzy v. Golden Gate Bridge, Highway and Transportation District.*
  - (ii) *Nicholas Gomez v. Golden Gate Bridge, Highway and Transportation District*

**[52:53 Minutes Mark on the Audio Recording]**

After Closed Session, Chair Rabbitt called the meeting to order in Open Session with a quorum present. Attorney Kimon Manolius stated that the Committee had met in Closed Session, as permitted by the Brown Act, to discuss the above listed matters. He reported that the Committee gave guidance to legal counsel about how to proceed with both matters.

**(15) Adjournment [53:07 Minutes Mark on the Audio Recording]**

All business having been concluded Directors MASTIN/GIUDICE moved and seconded that the meeting be adjourned at 10:36 a.m.

**Carried**

Respectfully submitted,

David Rabbitt, Chair  
Finance-Auditing Committee

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**[52:53 Minutes Mark on the Audio Recording]**

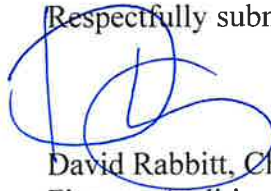
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