



Agenda Item No. (6)(A)

**REPORT OF THE GENERAL MANAGER
BOARD OF DIRECTORS
MEETING OF OCTOBER 25, 2024**

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

Honorable Members:

UPDATE ON TRAVEL IN THE GOLDEN GATE CORRIDOR

Travel in the Golden Gate Corridor by Bridge, bus and ferry remains well below pre-pandemic levels. Bridge tolls are the District’s largest funding source, so Bridge traffic levels are particularly important to the District’s financial health.

While total southbound Bridge traffic in July and August was slightly less than traffic in July and August of 2023, this concerning trend was reversed in September when traffic was about two (2) percent above September 2023 traffic.

Commute Bridge traffic (weekdays from 5:00 – 9:00 a.m. southbound) continues to average about 28 percent below 2019 commute traffic, which contributes greatly to the District’s financial challenges.

Encouragingly, we continue to see some modest growth in bus and ferry ridership. September bus ridership was two (2) percent above September 2023, and ferry ridership was fifteen (15) percent above September 2023. The District continues to adjust bus and ferry service levels to provide first-class, efficient service that meets ridership demand.

DISTINGUISHED BUDGET PRESENTATION AWARD

We are pleased to announce that the District’s FY24/25 Budget document has been awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA). This award represents a significant achievement by the District and is the highest form of recognition in governmental budgeting. This is the nineteenth year in a row that the District has won this award.

The Finance Office would like to send a special thanks to the District Officers, the Deputy General Managers and their respective staff for contributing to achieving this success. It would also like to highlight the contributions of the Budget and Capital Grants offices represented by Directors, Jennifer Mennucci and Amy Frye, Eric Reeves, Principal Budget Program Analyst, Lauren DePaschalis, Budget Programs Analyst and Kris Rogers, Finance Administrative Analyst.

FEDERAL TRANSIT ADMINISTRATION (FTA) GRANTS AT RISK

In February 2023, the United States District Court for the Eastern District of California (District Court) entered summary judgment in *Amalgamated Transit Union International v. U.S. Department of Labor*, which permanently enjoined the United States Department of Labor (USDOL) from failing to process federal grant applications submitted by California transit agencies to the extent required under 49 U.S.C. Section 5333(b) [commonly referred to as “Section 13(c)”] of the federal Urban Mass Transportation Act (UMTA) of 1964 and implementing regulations and relying on California’s Public Employees’ Pension Reform Act (PEPRA) of 2013 as the basis for denying, withholding, delaying, or otherwise limiting the certification of such grants.

This judgment directly responded to USDOL’s October 28, 2021 determination letter, which argued that “...PEPRA effectively precludes certification under Section 13(c) for those transit agencies subject to its reforms...” and which noted that “...PEPRA’s impact on transit workers’ collective bargaining rights is material and significant even if it does not eliminate collective bargaining over pension benefits altogether or alter collective bargaining procedures.”

In March 2023, USDOL and ATU filed appeals of the District Court’s February 2023 judgment with the United States Court of Appeals for the Ninth Circuit (Appellate Court).

On July 29, 2024, the Appellate Court, issued its ruling in the appeal, which determined that neither it nor the District Court has jurisdiction over the case, because USDOL’s 2021 Determination “*was not a decision in response to any pending grant application,*” and thus, not prudentially ripe.

Importantly, the ruling vacates the earlier judgment in favor of the State and the injunction issued by the District Court (which has facilitated the flow of federal transit grants to California transit agencies); and remands the case to the District Court with instructions to dismiss the case for lack of jurisdiction.

While the District Court responds to the Appellate Court’s instructions, we will continue to see federal transit grants owed to California transit agencies certified by USDOL. However, after the District Court responds (expected as soon as September 19, 2024), California transit agencies *may* again see their federal transit grants withheld prospectively, if subject to PEPRA-based objections by the unions representing its transit employees.

Recognizing the risk to critical funding, staff submitted three grants to FTA totaling about \$28 million, and on September 10th the USDOL certified the grants. These grants will support several projects including ferry rehabilitations, replacement of the MV Del Norte, purchasing the MV Liwa, and purchasing five zero emission buses (ZEBs). Kudos to our Capital Grants staff.

I will continue to update the Board on this situation as it potentially affects our access to federal transit grants.

UPDATE ON THE EFFORT TO IMPROVE THE FINANCIAL CONDITION OF THE GOLDEN GATE TRANSIT AMALGAMATED RETIREMENT PLAN (GGTARP)

District employees participate in one of four different pension plans based on their collective bargaining agreement. Current and retired District bus operators are participants in the Golden Gate Transit Amalgamated Retirement Plan (GGTARP). GGTARP is unique in many ways, including its current funding status and its governance.

Among other things, a fiscally sound approach to pensions necessitates that a retiree's ultimate pension payments are reasonably correlated to the contributions made on behalf of the participant taking into account the accompanying investment returns. Not surprisingly considering GGTARP's woefully underfunded status, GGTARP has not historically followed this approach. It has been and continues today to be an outlier among pension plans in its funding status, in its response to being woefully underfunded and in its governance.

For example, the trustees of other pension plans have established a strong correlation between the age at retirement and the monthly pension payment paid to a retiree. In other pension plans, a participant who retires early receives a lower monthly amount than they would receive with a regular pension. The monthly amount is reduced to account for the fact that the early retiree's payments begin earlier and are expected to be paid for a longer period. This is a fiscally sound approach. Please note, GGTARP does not do this.

Fortunately, some progress has been made within the last five years, including: increased contributions, replacing the Plan professionals (e.g., the attorney and plan administrator) with firms with pension experience, replacing the investment advisor who consistently underperformed both rising and falling markets, and correlating a year of pension credit to contributions received on behalf of a participant. Then on February 15, 2024, the GGTARP Trustees voted to eliminate the spousal subsidy; however, at that meeting they did not adopt the requisite tables to implement the change.

On May 16, 2024 the GGTARP met and approved a Plan amendment that revised Table D-1 factors to finalize the elimination of the spousal subsidy. Although the Plan administrator posted a copy of the Plan amendment to the GGTARP participant website, the Plan amendment does not explain to members that the spousal subsidies were eliminated, and the Plan administrator did not provide a "plain language" summary of the Plan modifications to members. Because the Trust is not subject to the same ERISA disclosure requirements as the Taft-Hartley pensions plans covering other District employees, the GGTARP Trustees would need to direct the Plan administrator to send a written explanation of the changes and their effects to GGTARP members.

Most significantly, the ATU and the District have agreed to prepare a "Rehabilitation Plan". Below is the relevant language from the MOU regarding this vital task, including the underlining as it appears in the signed Tentative Agreement:

"A pension working group composed of equal number of District GGTARP Trustees, Union GGTARP Trustees and attorneys for both sides will begin meeting immediately to discuss a rehabilitation plan to address future underfunding, akin to those required of jointly-trusteed defined benefit pension plans in "endangered or critical funding status" under the Pension Protection Act. Experts will be brought in as needed for consultation and calculations of scenarios

UPDATE ON THE EFFORT TO IMPROVE THE FINANCIAL CONDITION OF THE GOLDEN GATE TRANSIT AMALGAMATED RETIREMENT PLAN (GGTARP) (continued)

intended to bring longer term stability to the GGTARP. The District will cover the costs of any experts or consultants, and it will have the final authority to determine which expert/consultant is selected.”

The District hired an actuary, Buck, to assist the Working Group in the development of the Rehabilitation Plan. The Working Group and Buck, collectively, “the Team”, had its kick-off meeting on February 22nd. The Team discussed, among other ideas, the need to look at all possible strategies (funding AND benefit cuts) which would help the Plan get back to solvency. Working Group members and the GGTARP’s actuary have provided relevant documents and information to Buck. As requested by Buck, District staff has provided additional payroll information and other data regarding current bus operations for Buck’s projections. The Team is meeting regularly, and Buck is preparing projections for various scenarios to improve the Plan’s funded status.

DISTRICT FULL-TIME EMPLOYEE SEPARATIONS JULY 1, 2024 – SEPTEMBER 30, 2024

Between July 1, 2024, and September 30, 2024, the District processed 4 full-time employee separations, exclusive of retirement, termination, death, and casual/temporary assignment. This represents about .61% percent of the District’s typical workforce. Out of the 4 full-time employee separations, 1 employee resignation was a result of new employment (approximately .15% of our workforce).

The Human Resources Department reviewed the separation document of the employee who resigned as a result of new employment, and the following chart depicts the impact by division:

Division	Total Resignations Due to New Employment	Moving to Other Governmental or Transit Agency	Moving to Non-Governmental Business	Did Not Disclose
Bridge	0			
Bus	0			
Ferry	0			
District	1	1		
TOTAL	1	1	0	0

PRESENTATIONS BY DISTRICT STAFF FOR THE MONTH OF SEPTEMBER

District staff made the following speeches and/or presentations:

PRESENTATION TO:	DATE:	PRESENTED BY:
Burlingame Rotary Club	September 11, 2024	Deputy General Manager, Bridge Division David Rivera
NASEM (National Academies of Sciences, Engineering and Medicine) Washington DC, via Zoom	September 18, 2024	Bus Operators Program Manager Krystalyn O’Leary

SPECIAL EVENT/EXPRESSIVE ACTIVITY REQUESTS

Below are the dates and sponsoring agencies of special events and expressive activities for which permits have been sought. The following applications were received since last reported to the Board in the September 27, 2024, Report of the General Manager:

Event Date	Event Title	Location	Type*	Expected No. Participants
October 19, 2024	Rotary International Golden Gate Bridge Run/Walk to End Polio Now	East Sidewalk	SE	100-200
October 19, 2024	A21 A Walk for Freedom SF	East Sidewalk	EX	100-350
November 3, 2024	Golden Gate Half Marathon	East and West Sidewalk	SE	4,000-5,000
November 23, 2024	Spartan GGTC 50 Mile & 50K Race	Under GGB @ Under GGB @ tunnel	SE	450
November 24, 2024	Spartan GGTC 21K & 10K Race	Under GGB @ Tunnel & E- Sidewalk	SE	750

*Permit Types: EX – Expressive Activity and SE – Special Event

VEHICLE TRAFFIC INCIDENTS FOR THE MONTH OF SEPTEMBER

For the month of September, there were the following vehicle traffic incidents to report:

Vehicle Traffic Incident	Vehicles	Injuries	Fatalities	Location
RE – Rear Ender	3	1	0	Bridge
RE – Rear Ender	2	1	0	Waldo
RE – Rear Ender	2	2	0	Lateral
HB – Hit Barrier	1	1	0	Plaza
RE – Rear Ender	2	0	0	Waldo
HB – Hit Barrier	1	1	0	Other
HB – Hit Barrier	1	0	0	Doyle
C - Collision	1	0	0	Waldo
RO - Roll-Over	2	0	0	Bridge
C - Collision	2	0	0	Waldo
SS – Side-Swipe	1	0	0	Waldo
C - Collision	3	0	0	Bridge
HB – Hit Barrier	1	0	0	Bridge
HB – Hit Barrier	1	0	0	Waldo
RE – Rear Ender	2	0	0	Doyle
TOTAL	25	6	0	

BICYCLE INCIDENTS FOR THE MONTH OF SEPTEMBER

For the month of September, there were the following bicycle incidents to report:

Bicycle Incidents	Bicycles	Injuries	Fatalities	Location
SO = Solo	1	1	0	Bridge
SO = Solo	1	1	0	Alexander
SO = Solo	1	1	0	Conzelman
BB = Bicycle/Bicycle	2	1	0	Bridge
SO = Solo	1	1	0	Bridge
SO = Solo	1	1	0	Bridge
BB = Bicycle/Bicycle	3	1	0	Bridge
TOTAL	10	7	0	

FERRY BICYCLE COUNTS THROUGH THE MONTH OF SEPTEMBER

Ferry Bicycle Counts through the month of September are as follows:

Larkspur Southbound Bicycle Counts	
2019 Annual Total	29,828
2020 Annual Total	7,422
2021 Annual Total	4,716
2022 Annual Total	13,312
2023 Annual Total	15,453
January - September	15,226

*The Larkspur September bicycle count was 1,968

Sausalito Southbound Bicycle Counts	
2019 Annual Total	95,590
2020 Annual Total	9,415
2021 Annual Total	8,845
2022 Annual Total	64,952
2023 Annual Total	64,852
January - September	44,520

*The Sausalito September bicycle count was 5,790

Tiburon Southbound Bicycle Counts	
2022 Annual Total	9,204
2023 Annual Total	9,481
January - September	7,175

*The Tiburon September bicycle count was 814

Angel Island Northbound Ferry Bicycle Counts	
2021 (December service start) Annual Total	39
2022 Annual Total	4,807
2023 Annual Total	4,556
January – September	3,210

*The Angel Island September bicycle count was 366

UPDATE DISTRICT STRATEGIC PLANNING EFFORT

On May 24, 2024, the Board adopted the 2024 Strategic Plan. The Strategic Plan contains 39 initiatives that are focused on achieving the Board's goals and as such, also serves as a work plan for staff.

On October 24, 2024, the first annual review to the Board of Directors (Board) of the status of the 39 initiatives in the 2024 Strategic Plan (Plan) was presented to the Finance-Auditing Committee Meeting. Strategic Plan activities are also included in the General Manager's monthly report to the Board.

PRESENTATION OF THIRTY-YEAR SERVICE AWARD TO ANA M. ARAYA, PAYROLL/HRIS SYSTEMS ANALYST, DISTRICT DIVISION

We are pleased to announce that Payroll/HRIS Systems Analyst, Ana Araya will celebrate thirty years of service with the District on October 31, 2024.

Ms. Araya joined the District on October 31, 1994, as an Office Specialist in the District Services Department. Ms. Araya promoted to Traffic Audit Specialist in the Auditor-Controller's Department on April 10, 1995. Subsequently she held the position of Payroll Coordinator from October 21, 1999, until her promotion on August 15, 2005, to an HRIS/FMIS Payroll Analyst. On April 23, 2007, Ms. Araya promoted Assistant Payroll Manager and in promoted to her present position on August 24, 2020.

Ms. Araya enjoys being part of a great team and is proud to work alongside her co-workers in the IS Department. Known as the District's IFAS "Super User" as they utilize IFAS to retrieve the data needed to do so. Ms. Araya is also well versed in the various Memorandum's of Understanding for the bargaining units in the District. She was also a part of the IFAS Implementation Team from 2004 to 2005. Of a special note, Ms. Araya was Employee of the Month for January 2009 and again in June 2015, as part of the Payroll Team who were honored as Employees of the Month.

Prior to District service, Ms. Araya worked for Prudential-Bache Securities in their Public Trust Department as an Administrative Assistant from 1985 through 1990; and then for Bank of America, in their Public Trust Department as a Trust Assistant from 1990 thru 1993. Ms. Araya is a graduate of Mission High School, class of 1984.

In her free time, Ms. Araya enjoys spending time with her husband who is her biggest fan, her kids and pets. She enjoys caring for her succulents, being part of a book club that she credits for helping to keep her sane and especially enjoys finding one-of-a-kind treasures at local swap meets and estate sales...“one man's garbage is another woman's treasures”.

PRESENTATION OF TWENTY-FIVE YEAR SERVICE AWARD TO JAY P. SEAMAN, PAINTER, BRIDGE DIVISION

We are pleased to announce that Painter, Jay Seaman will celebrate twenty-five years of service with the District on October 28, 2024.

Mr. Seaman joined the District on September 30, 1999, as a temporary part-time Laneworker and on October 28, 1999, he achieved regular part-time Laneworker status. Mr. Seaman promoted to regular full-time Paint Laborer on July 30, 2003, and on March 27, 2009, Mr. Seaman became a full-time Bridge Painter. Since joining the District, Mr. Seaman has been the Shop Steward representing Laborers International Union of North America AFL-CIO, Local Union 261 for two years and for the Public Employees Union, Local 1 for three and a half years.

Prior to District service, Mr. Seaman was an Auto Mechanic, a Heavy Equipment Operator and Laborer.

In his free time, Mr. Seaman enjoys 4-wheeling in Death Valley and scuba-diving in Lake Tahoe.

EMPLOYEE OF THE MONTH – OCTOBER 2024

After reviewing nominations submitted by District employees, the Employee of the Month Committee selected Chief of Roadway Services Dominique Gabriel in the Bridge Division, as the Employee of the Month for October 2024.

Mr. Gabriel is recognized for his dedication to his position and the pride he takes in his work. Mr. Gabriel has exceeded requirements requisite for his position time and time again. He has done so, all while maintaining a professional and courteous working relationship with those in and outside of his department. A former Bridge Sergeant, when asked about the opportunity for him to apply for Bridge Lieutenant, he stated that his career plan was to apply for the Chief of Roadway Services position. There is no doubt that he is passionate about making positive changes within the department to ensure operations at the Bridge are as streamlined and proactive as possible. Mr. Gabriel has attributed much of his work ethic to his father, former Paint Superintendent, Herb Gabriel. Carrying on his father's legacy of hard work, he has worked diligently towards maintaining and enhancing the collaborative working relationships within his department, and with the respective union business agents, other District managers, and many Security Coalition agency personnel. With the ever-increasing amount of electric vehicles (EV) on the road, Mr. Gabriel recognized the urgency and importance of implementing Bridge-specific EV Fire response protocols. Not only has he worked with the District's Procurement Department to obtain equipment to help battle EV fires, but he has also worked diligently with our partner fire agencies to ensure procedures are consistent with industry standards for EV firefighting. Additionally, he has implemented on-going training with Roadway Services and Bridge Patrol for responses to EV fires, since it is paramount an EV fire on the Bridge deck be dealt with expeditiously.

Of special note, his colleagues mention that even in his role as Bridge Chief over the Roadway Services Department, he still is an asset to the Bridge Patrol Department. Chief Gabriel's willingness and ability to cover the Sergeant's Office when operationally necessary speaks to his versatility and professionalism. This support for his former department as well as his peers, is

EMPLOYEE OF THE MONTH – OCTOBER 2024 (continued)

appreciated more than he may know. He consistently demonstrates a true team player approach which speaks to his character. Mr. Gabriel has proven himself to be a dedicated District employee who takes the utmost pride in the Roadway Services Department. Working his way up from the position of Laneworker to his current position as Chief. His consistent professionalism in service to the District and to the public is exemplary.

Mr. Gabriel joined the District on July 16, 2004, as a Laneworker part-time in the Bridge Division, promoting on to Laneworker full-time, Bridge Service Operator, Bridge Service Supervisor, Bridge Service Operators, Roadway Services Supervisor, Bridge Sergeant; and then to his current position on October 17, 2022. Prior to joining the District, Mr. Gabriel was an Aviation Mechanic at Ameriflight. Mr. Gabriel also coaches youth soccer.

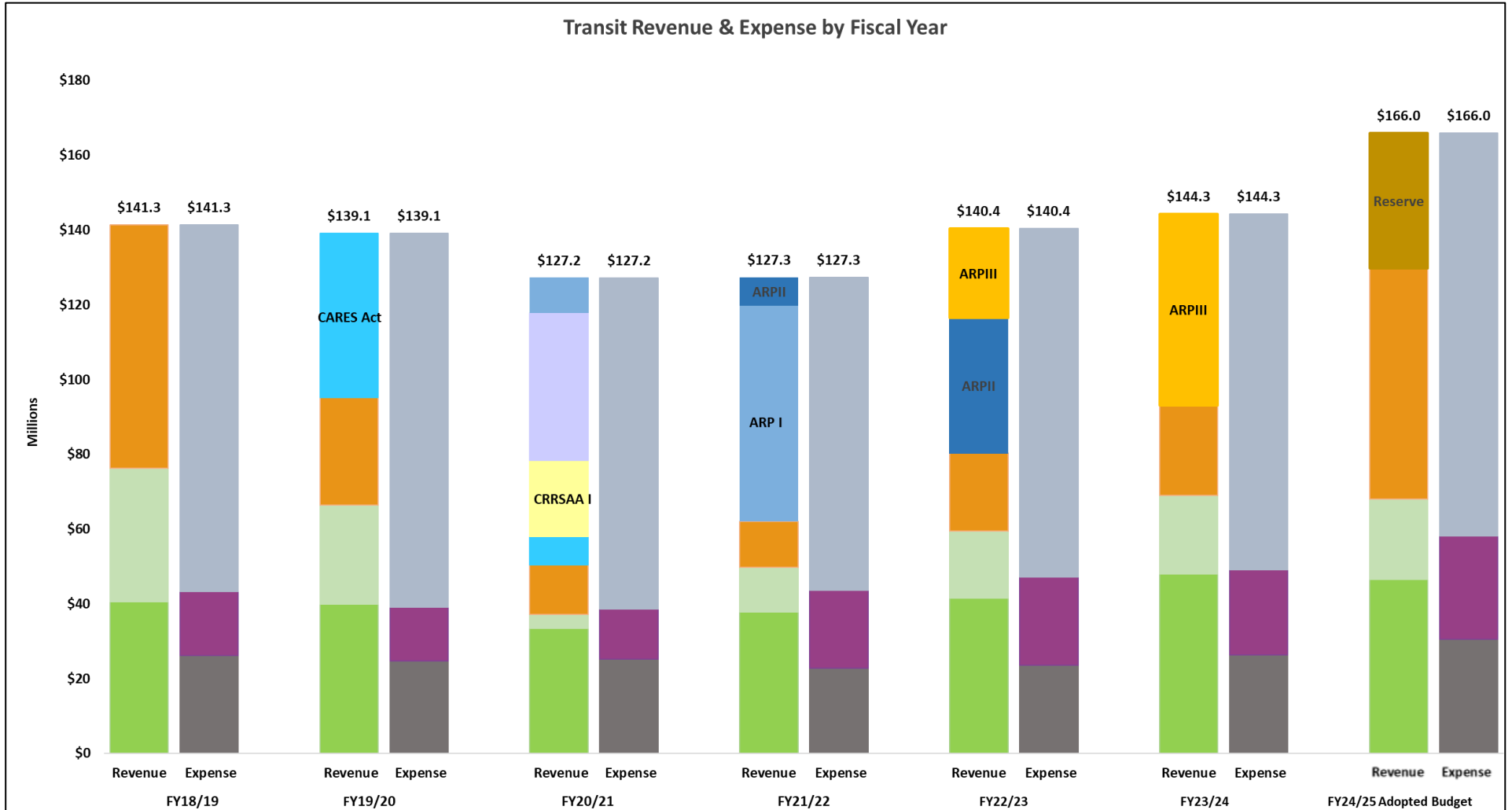
Mr. Gabriel was born in Oakland, CA and attended Jesse Bethel High in Vallejo, CA and went on to attend Sierra Academy of Aeronautics receiving an Air Frame and Power Plant Degree. Mr. Gabriel has been a resident of Vacaville, CA since 2017, where he has three children, Jaylen, Jayla and Janelle and his life partner, Latoya Akil. In his spare time, he enjoys fishing, camping, and coaching his daughters' soccer team.

Denis J. Mulligan
General Manager

DJM:jb

Attachment: 2024-1024-FinanceComm-No9-Attachment C – Transit Funding & Expense Comparison

2024-1024-FinanceComm-No9-Attachment C – Transit Funding & Expense Comparison



REVENUE

- ARP I (One time Federal COVID relief)
- ARP II (One time Federal COVID relief)
- ARP III (One time Federal COVID relief)
- CRRSAA II (One time Federal COVID relief)
- CRRSAA I (One time Federal COVID relief)
- CARES Act (One time Federal COVID relief)
- Tolls for Transit
- Fares
- Other Revenue

EXPENSE

- Employees - Salaries/Benefits
- Services-Professional Services, Maintenance services, Insurance
- Facilities and Materials - Fuel, Supplies, Materials, Capital Contribution, Facilities, Other

Does not include CalPERS/OPEB GASB Adjustment.

Excludes Contribution to other grants in FY 19/20.

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