



Agenda Item No. (6)(A)

**REPORT OF THE GENERAL MANAGER  
BOARD OF DIRECTORS  
MEETING OF JANUARY 24, 2025**

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

Honorable Members:

**GOLDEN STATE WARRIORS COMMUNITY ACTIVATION DAY**

The Golden State Warriors held a Community Activation Program at the Golden Gate Bridge on Monday, January 13, 2025. The Warriors partnered with Girls, Inc., Rakuten, Engineering Alliance for the Arts and the Golden Gate Bridge, Highway and Transportation District (District) in bringing a group of middle school girls from the East Bay to the Bridge as part of a program to inspire and equip young girls with the skills and confidence to excel in science, technology, engineering, art, and math (STEAM).

This initiative aims to create a more equitable playing field, fostering curiosity, passion, and a love for learning. The students came to the Bridge for a presentation and walking tour given by District Engineers Carolina Wallin and Elizabeth Moran-Williams, and returned to the Bridge for a panel discussion and Q&A session moderated by Betty Yu from television station KTVU with Carolina Wallin and Su Li Rivera (SVP, Growth Marketing & Consumer Analytics at Rakuten), followed by presentation given by Michelle Lehman, Executive Director, Engineering Alliance For The Arts & Claire Killian, Structural Engineer, Degenkolb Engineers). We look forward to continuing our partnership in the years to come.

**EQUITY IN INFRASTRUCTURE PROJECT PLEDGE**

At its December 2024 meeting the Board of Directors (Board) authorized the General Manager to sign the Equity in Infrastructure Project (EIP) Pledge. This action underscores the Bridge District's dedication to creating inclusive and equitable opportunities for minorities, women, veterans, and small business owners in our community.

On January 13, 2025, I joined 18 other agencies in signing the Pledge at the BART Milpitas station. We collectively affirmed our shared commitment to expanding opportunity among underrepresented communities and closing the racial wealth gap.

## **CALIFORNIA AIR RESOURCES BOARD's (CARB) COMMERCIAL HARBOR CRAFT RULE**

CARB adopted amendments to its Commercial Harbor Craft Rule, effective January 1, 2023. However, the ultimate implementation of CARB's amendment requires an exemption from the U.S. Environmental Protection Agency (EPA).

These amendments are applicable to the District's ferry boats, so the District's ongoing procurement of new and replacement boats comports with the CARB amendment.

CARB had been working with EPA to obtain the requisite exemption. On January 6, 2025, EPA issued a *partial* approval of CARB's Commercial Harbor Craft amendments. Then on January 14, 2025, CARB withdrew its request for the portions of the regulation that the EPA did not address in its January 6th authorization decision. Staff is currently consulting with legal counsel, industry partners and CARB to assess the implications of the partial approval on the District's ferry fleet and future fleet planning.

## **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. That having been said, travel in the Golden Gate Corridor continues to trend upward.

In December 2024, southbound Bridge traffic was 2 percent above December 2023 traffic, Bus ridership was 5 percent above December 2023, and Ferry ridership was 15 percent above December 2023 ridership. The District continues to add back bus and ferry service incrementally as we see a return of our customers travelling in the Golden Gate Corridor.

Bridge tolls are the District's largest funding source, so Bridge traffic levels are particularly important to the District's financial health. Recently, commute Bridge traffic (weekdays from 5:00 – 9:00 a.m. southbound) continues to average about 25 to 30 percent below 2019 commute traffic, which contributes greatly to the District's financial challenges.

## **FEDERAL TRANSIT ADMINISTRATION (FTA) GRANTS AT RISK**

On October 24, 2024, the United States Court of Appeals for the Ninth Circuit issued a mandate, putting into effect its July 29 judgment, which remanded *ATU International v. USDOL* to the United States District Court for the Eastern District with direction to dismiss the case for lack of jurisdiction.

As expected, the District Court processed the Appellate Court's mandate and vacated the District Court's injunction. This injunction had protected the flow of federal transit grants to California transit agencies subject to California's Public Employees' Pension Reform Act (PEPRA). That protection is now gone, and 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.

Staff is working with the California Transit Association (CTA) to respond to the threat to federal funds for California transit agencies. 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 intended to bring longer term stability to the GGTARP. The District will cover the costs of any*

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

*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 22, 2024. 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. The Team is meeting regularly, and Buck has prepared projections for various scenarios to improve the Plan’s funded status.

The GGTARP Retirement Board was advised last November that the Plan's funded status continues to deteriorate. At the November 7, 2024 GGTARP Retirement Board meeting, the Plan’s Actuary, Cheiron, presented the Plan’s actuarial valuation report as of January 1, 2024.<sup>1</sup> The Report is available at the web link in the footnote below.

The valuation report shows that the Plan's Unfunded Actuarial Liability, which is the excess of the Plan’s Actuarial Liability over its Actuarial Value of Assets, increased from \$103.2 million on January 1, 2023 to **\$105.2 million** on January 1, 2024. The Plan’s funded ratio decreased from 48.0% as of January 1, 2023 to **47.2%** as of January 1, 2024.

Although the valuation report reflects a \$3 million decrease in benefit liability as a result of the Plan amendment to remove the spousal subsidies, it was offset by a \$4.2 million increase in benefit liability, which primarily resulted from covered employees' salaries being significantly higher than expected.

The following excerpt is from the GGTARP investment performance report presented to the GGTARP Retirement Board for the period ending September 30, 2024, which shows that the Plan’s investment returns have consistently underperformed against the benchmark.

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
<b>Total Plan</b>	<b>88,852,008</b>	<b>100.0</b>	<b>4.1</b>	<b>9.6</b>	<b>16.2</b>	<b>3.5</b>	<b>6.4</b>	<b>5.7</b>
<i>Policy Index</i>			<i>5.6</i>	<i>10.1</i>	<i>19.4</i>	<i>3.1</i>	<i>7.0</i>	<i>6.9</i>

The GGTARP’s 10-year return of 5.7% is notably lower than the 10-year return of 8.2% reported by the District’s OPEB Investment Advisor (which the GGTARP Board could have hired) as of September 30, 2024. For a Plan with \$100 million in assets, a 2.5% lower return over a 10-year period equals approximately \$28 million in lost investment earnings.

Over the years the District Trustees have advocated for numerous changes to improve the financial condition of GGTARP. However, the GGTARP governance process has stymied many of these efforts, including the hiring of the subpar investment advisor. The governance process that led to GGTARP’s decision to hire and stay with a subpar investment advisor (earning \$28 million less

<sup>1</sup> GGTARP Actuarial Valuation as of January 1, 2024, can be found on pages 30-80:  
[https://www.goldengate.org/assets/1/14/ggtarp\\_meeting\\_no\\_202\\_packet\\_11.07.2024.pdf?12003](https://www.goldengate.org/assets/1/14/ggtarp_meeting_no_202_packet_11.07.2024.pdf?12003)

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

over 10 years), highlights the need for governance changes as part of efforts to provide long term solvency for our bus operators' pensions.

**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.

In December the District made progress on *Initiative 4* when the District received Statements of Qualifications from shipyards for the construction of new ferry boats. The vessel design included in the RFQ accommodates 70 bicycles on each ferry vessel. Work is also ongoing with partner agencies with respect to *Initiatives 8 and 9*; and work continues with respect to *Initiative 39* via the pension Working Group.

**PRESENTATIONS BY DISTRICT STAFF FOR THE MONTH OF DECEMBER**

District staff made the following speeches and/or presentations:

<b>PRESENTATION TO:</b>	<b>DATE:</b>	<b>PRESENTED BY:</b>
Marin County Civil Grand Jury	December 4, 2024	General Manager Denis Mulligan
Road Environment Division, Land Development Department, Chiba Prefectural Government, Japan	December 10, 2024	Deputy General Manager Bridge Division David Rivera and Facilities and Equipment Maintenance Superintendent Antoine Davenport.

**SPECIAL EVENT/EXPRESSIVE ACTIVITY REQUESTS**

No applications for permits were received since last reported to the Board in the December 20, 2024 Report of the General Manager:

**VEHICLE TRAFFIC INCIDENTS FOR THE MONTH OF DECEMBER**

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

<b>Vehicle Traffic Incident</b>	<b>Vehicles</b>	<b>Injuries</b>	<b>Fatalities</b>	<b>Location</b>
HB – Hit Barrier	1	0	0	Plaza
HB – Hit Barrier	1	0	0	Plaza
RO – Roll-Over	2	1	0	Waldo
C - Collision	1	0	0	Waldo
HB – Hit Barrier	1	0	0	Bridge
HB – Hit Barrier	1	1	0	Bridge
HB – Hit Barrier	2	0	0	Bridge
<b>TOTAL</b>	<b>9</b>	<b>2</b>	<b>0</b>	

**BICYCLE INCIDENTS FOR THE MONTH OF DECEMBER**

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

<b>Bicycle Incidents</b>	<b>Bicycles</b>	<b>Injuries</b>	<b>Fatalities</b>	<b>Location</b>
SO - Solo	1	1	0	Bridge
BB – Bicycle/Bicycle	2	0	0	Bridge
<b>TOTAL</b>	<b>3</b>	<b>1</b>	<b>0</b>	

**FERRY BICYCLE COUNTS THROUGH THE MONTH OF DECEMBER**

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

<b>Larkspur Southbound Bicycle Counts</b>	
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
2024 Annual Total	20,086

\*The Larkspur December bicycle count was 1,211

**FERRY BICYCLE COUNTS THROUGH THE MONTH OF DECEMBER (continued)**

<b>Sausalito Southbound Bicycle Counts</b>	
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
2024 Annual Total	53,128

\*The Sausalito December bicycle count was 1,663

<b>Tiburon Southbound Bicycle Counts</b>	
2022 Annual Total	9,204
2023 Annual Total	9,481
2024 Annual Total	8,993

\*The Tiburon December bicycle count was 327

<b>Angel Island Northbound Ferry Bicycle Counts</b>	
2021 (December service start) Annual Total	39
2022 Annual Total	4,807
2023 Annual Total	4,556
2024 Annual Total	3,712

\*The Angel Island December bicycle count was 74

**PRESENTATION OF TWENTY-FIVE YEAR SERVICE AWARD TO RODOLFO V. GALANG, DIRECTING CIVIL ENGINEER, DISTRICT DIVISION**

We are pleased to announce that Directing Civil Engineer Rodolfo Galang celebrated twenty-five years of service with the District on January 3, 2025.

Mr. Galang joined the District on January 3, 2000, as a Junior Civil Engineer assigned to the Seismic Retrofit Program. In 2001, he was promoted to Assistant Civil Engineer; in 2002 promoted to Associate Civil Engineer; in 2004 promoted to Senior Civil Engineer, and in 2022 promoted to his current position of Directing Civil Engineer. Mr. Galang was the Employee of the Month for April 2007.

Prior to District service, Mr. Galang was a Registered Professional Civil Engineer in the Philippines and worked as an office engineer and estimator on building construction projects and highway and bridge construction projects from 1983 to 1989. He has also worked in the San Francisco Bay Area as a construction inspector on mid to high-rise building construction projects from 1989 to 1999.

**PRESENTATION OF TWENTY-FIVE YEAR SERVICE AWARD TO RONALD C. WILLITS, FERRY MAINTENANCE PLANNER, FERRY DIVISION**

We are pleased to announce that Ferry Maintenance Planner Ronald Willits celebrated twenty-five years of service with the District on January 3, 2025.

Mr. Willits joined the District on January 3, 2000, as a Heavy Duty Mechanic for the Bridge. He promoted to his current position, Ferry Maintenance Planner, in July of 2024.

Prior to District service, Mr. Willits worked at a magic shop, was a line mechanic at various dealerships including Oldsmobile, Nissan and Saturn, and for the past 24 years, has taught the next generation of mechanics as an adjunct Automotive Instructor at College of Marin.

Mr. Willits received his Bachelor's Degree from Sonoma State University in 2012, is certified with the Bureau of Automotive Repair as an Advanced Level Emission and Smog Instructor, completed the Management Training Certificate Program at Sonoma State University in 2013, and in 2024 was awarded his Master Degree in Education from the University of the People.

In his free time, Mr. Willits enjoys restoring classic vehicles, building full size replicas of robots from movies and television, playing the Ukulele, travelling, and spending time with his wife, Shantina and his two daughters, Shelby and Sarah.

**PRESENTATION OF TWENTY-FIVE YEAR SERVICE AWARD TO STEPHANIE KEMP LARUE, HUMAN RESOURCES MANAGER, DISTRICT DIVISION**

We are pleased to announce that Human Resources Manager Stephanie LaRue celebrated twenty-five years of service with the District on January 18, 2025.

Ms. LaRue joined the District on January 18, 2000, as an Office Clerk and held various positions within the Human Resources Department until promoting to her current position of Human Resources Manager in 2013, which then reclassified in 2019, increasing managerial and oversight responsibilities as well as program management responsibilities. Ms. LaRue was Employee of the Month for May 2002 and November 2012.

Ms. LaRue attended Santa Rosa Junior College and went on to achieve a B.A. in Human Resource Management from Dominican University of California.



## **EMPLOYEE OF THE MONTH – JANUARY 2025**

After reviewing nominations submitted by District employees, the Employee of the Month Committee selected Paint Superintendent Fred Mixon in the Bridge Division, as the Employee of the Month for January 2025.

Mr. Mixon is recognized for his professionalism, exemplary work ethic and dedication. His management of the lead paint and abrasive sand projects at the Bridge is exemplary. He works with his foremen to educate new staff regarding the technical and regulatory complexities of painting the Bridge.

Of special note, Mr. Mixon's colleagues mention that he is very knowledgeable and approachable and a pleasure to work with.

Mr. Mixon joined the District on March 28, 2011, as a Bridge Painter and promoted to Chief Bridge Painter on August 4, 2014. Mr. Mixon promoted to his current position as Paint Superintendent on December 10, 2018. Prior to joining the District, Mr. Mixon was a Painter at Caltrans, a Painter at Gillig, and an Aircraft Painter at the Navel Aviation Depot in Alameda, CA.

Mr. Mixon was born in San Francisco, CA and attended Pittsburg High School and went on to attend Los Medanos College in Pittsburg, CA. Mr. Mixon has been a resident of Brentwood, CA since 2000, where he lives with his wife, Rebekah Mixon. They have four children (Jessikah, Sierra, Kevin, and Isaiah) and six grandchildren. He coached Youth Football for many years and in his spare time he enjoys spending quality time with family.

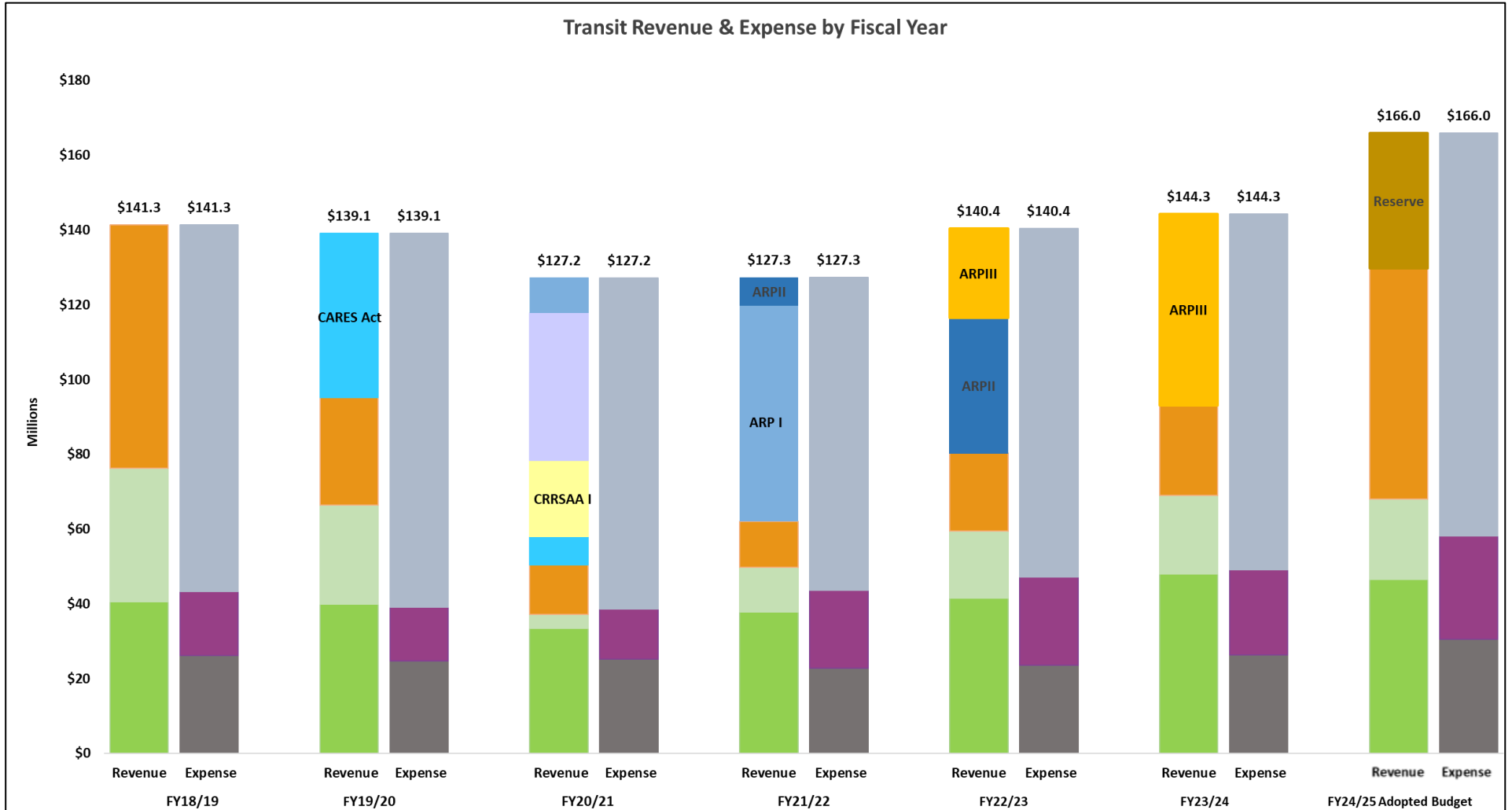
Denis J. Mulligan  
General Manager

DJM:jb

Attachment: 2025-0123-FinanceComm-No9-Attachment C – Transit Funding & Expense Comparison

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2025-0123-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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