

June 26, 2025



MINUTES OF THE FINANCE-AUDITING COMMITTEE

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, June 26, 2025, at 11:23 a.m., with Vice Chair Pahre presiding. A remote audio option for public participation was available.

- (1) **Call to Order:** 11:23 a.m.
- (2) **Roll Call:** Secretary of the District Amorette Ko-Wong. **[00:41 Minute Mark on the Audio Recording]**

Committee Members Present (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

Committee Members Absent (2): Chair Rabbitt; Director Hernández.

Other Directors Present (2): Directors Hill and Snyder.

[Note: On this date, there were two vacancies on the Board of Directors.]

Staff Present: General Manager Denis Mulligan; Auditor-Controller Jennifer Mennucci; District Engineer John Eberle; Secretary of the District Amorette Ko-Wong; Attorney Kimon Manolius; Deputy General Manager/Bus Division Les Belton; Deputy General Manager/Ferry Division Michael Hoffman; Executive Administrator to the General Manager Justine Bock.

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** [01:24 Minute Mark on the Audio Recording]

PFM Asset Management (PFMAM) Managing Director LLC Monique Spyke presented the Investment Report.

(a) **Action by the Committee**

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve the following actions:

- (i) There are no commitments and/or expenditures to ratify for the period of May 1, 2025 through May 31, 2025;
- (ii) Ratify investments made during the period May 13, 2025 through June 16, 2025;
- (iii) Authorize the reinvestment, within the established policy of the Board, of any investments maturing between June 17, 2025 and July 14, 2025, 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 May 2025.

Action by the Board at its meeting of June 27, 2025 – Resolution
CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

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

(a) **Authorize Budget Transfers and Adjustments to the FY 24/25 Operating Budget** [09:28 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the staff report.

Director Mastin requested clarification about the correlation of fringe benefits and payroll. Ms. Mennucci and Mr. Mulligan responded.

(i) **Action by the Committee**

Staff recommended and the Committee concurred by motion made and seconded by

Directors COCHRAN/GIUDICE to forward the following recommendation to the Board of Directors for its consideration:

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors authorize operating budget transfers of \$8,105,000, or 3.0%, of total FY 24/25 Operating Budget Expenses as detailed in Attachment A of the staff report, and summarized below:

1. The Bridge Division will transfer \$820,000 between budget categories in the Bridge Division. Additionally, the Bridge Division will transfer \$675,000 between budget categories to the Ferry Division.
2. The Bus Division will transfer \$200,000 between budget categories in the Bus Division. Additionally, the Bus Division will transfer \$2,595,000 between budget categories to the Ferry Division.
3. The Ferry Division will transfer \$2,525,000 between budget categories in the Ferry Division.
4. The District Division will transfer \$1,290,000 between budget categories in the District Division.

Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

(5) Authorize Actions Related to Grant Programs [13:43 Minutes Mark on the Audio Recording]

(a) Approve Actions Relative to the State of Good Repair (SGR) Program

Auditor-Controller Jennifer Mennucci presented the staff report.

(i) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve actions necessary to secure FY 25/26 State of Good Repair (SGR) Program funds to support projects that maintain the public transit system in a state of good repair for the Golden Gate Bridge, Highway and Transportation District (District):

FINANCE-AUDITING COMMITTEE
JUNE 26, 2025/PAGE 4

- 1) Authorize the General Manager or his designee to execute for and on behalf of the District any documents necessary relative to the FY 25/26 SGR Program; and,
- 2) Approve submission of the Ferry Division Capital Project #2443, *San Francisco Ferry Terminal (SFFT) West and East Berth Rehabilitation*, for the FY 25/26 proposed project list to the Metropolitan Transportation Commission.

Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

(6) Approve Renewal of the Liability and Property Insurance Programs [14:57 Minutes Mark on the Audio Recording]

Director of Risk Management and Safety Kelli Vitale presented the staff report.

Director Giudice inquired about the District's environmental liability insurance. Ms. Vitale responded.

(a) 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 recommends that the Board of Directors approve the Liability Insurance Program, effective July 1, 2025, as follows:

- (i) Renew the Excess General and Automobile Liability Insurance including Public Officials and Employment Practices Liability with Terrorism Risk Insurance Act (TRIA) coverage, in the amount of \$4,415,324 for a one-year term. The Golden Gate Bridge, Highway and Transportation District's (District) insurance brokers have negotiated with various potential insurers (some of which currently provide coverage to the District) including Safety National, Inigo, MAP, Westchester, Bowhead, Westfield, Hiscox, Canopus, Convex, Hamilton Re, Aspen, Sompco, Apollo, Liberty, Genesis, Everest, Munich Re, and others to secure the best coverage options available.

Their coverage will retain its \$85 million limit and a self-insured retention of \$7.5 million for Auto Liability and \$3 million for General Liability, including legal defense costs within the self-insured retention. The annual premium for this policy is \$4,415,324;

- (ii) Renew the Excess Workers' Compensation and Employers' Liability Insurance Program with Safety National, for a one-year term, in excess of a Self-Insured Retention of \$1,250,000 for each accident, with a \$25 million limit, for an annual premium of \$409,719;
- (iii) Renew the Public Officials'/Employment Practices Liability Insurance Program with Ironshore, for a one-year term, with a liability limit of \$2 million for each occurrence/annual aggregate. The program has a Self-Insured Retention of \$250,000 for each Director's and Officer's claim, and \$250,000 for Employment Practices Liability claims. The annual premium for this policy is \$139,736;
- (iv) Renew the Fiduciary Liability Insurance Program for the Other Public Employee Benefits (OPEB) Trust Board with Chubb Insurance Company for a one-year term, with a \$5 million limit for each occurrence, and a \$25,000 deductible, for an annual premium of \$15,105;
- (v) Renew the Crime Insurance Program with F&D/Zurich Insurance Company, for the first year of a three-year term with a \$10,000 deductible and \$1 million limit for an annual premium of \$3,597; and,
- (vi) Renew the Cyber Liability Program with Resilience for a one-year-term. The program has a \$5 million limit and \$250,000 for Social Engineering Fraud. The coverage has a \$50,000 Self -Insured Retention for a premium of \$54,529.

The Finance-Auditing Committee also recommends that the Board of Directors approve the Property Insurance Program, effective July 1, 2025, as follows:

- (i) Renew the property insurance program with AIG for buildings and facilities with a \$500,000 deductible for a premium of \$784,168, and the excess earthquake and flood insurance program for a premium of \$194,649;
- (ii) Renew authority to purchase the Marin Transit Bus Property Damage Program with actual cash value basis and a deductible of \$50,000 with Markel for a premium of \$29,053, and,
- (iii) Continue to allocate monies to the Restricted Contingency Reserve, for FY 25/26 as self-insurance for costs associated with Bridge Physical Damage and Loss of Revenue.

These recommendations are made with the understanding that the requisite funds will be available in the Adopted FY 25/26 Operating Budget for the Bridge, Bus, Ferry, and District divisions.

Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

- (7) **Authorize Execution of a Professional Services Agreement Relative to Request for Proposals No. 2025-D-031, Third Party Administrator for Public Liability, Fleet Claims Investigation and Adjustment Services, with George Hills Company** [23:17 Minutes Mark on the Audio Recording]

Director of Risk Management and Safety Kelli Vitale presented the staff report.

(a) **Action by the Committee**

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors authorize execution of a Professional Services Agreement relative to Request for Proposals (RFP) No. 2025-D-031, Third Party Administrator for Public Liability, Fleet Claims Investigation, and Adjustment Services, with George Hills Company, Inc. (George Hills Company-incumbent) located in Rancho Cordova, California, to provide third party administration services for all liability, property, and fleet claims, which will include investigations, cost containment, litigation management, and resolution of said claims for a three-year term, with two additional one-year option terms, to be exercised at the General Manager's discretion for a total not-to-exceed amount of \$1,141,452. The requisite funds for Year 1 of the Agreement are included in the FY 25/26 Operating Budget, and funds for future years will be budgeted accordingly.

Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

- (8) **Adopt the Title VI Equity Analysis of the No-Cost or Reduced Cost Interagency Transfer Pilot Program** [27:40 Minutes Mark on the Audio Recording]

Principal Planner Barbara Vincent presented the staff report.

(a) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors (Board) adopt the findings of the Title VI Equity Analysis associated with the No-Cost or Reduced Cost Interagency Transfer Pilot Program (Pilot Program) proposed by the Metropolitan Transportation Commission (MTC).

**Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR**

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

(9) **Approve Actions Relative to the Execution of the Fourth Amendment to Contract No. 2014-FT-19, Collection of Parking Fees at Larkspur Ferry Terminal, with Parkmobile USA, Inc. and Parkmobile, LLC [30:14 Minutes Mark on the Audio Recording]**

Auditor-Controller Jennifer Mennucci presented the staff report.

(a) Action by the Committee

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

RECOMMENDATION

The Finance-Auditing Committee recommends that the Board of Directors approve the following actions relative to the execution of the Fourth Amendment to Contract No. 2014-FT-19, *Collection of Parking Fees at Larkspur Ferry Terminal*, with Parkmobile USA, Inc. (“Parkmobile”) and Parkmobile, LLC as follows:

- (i) Authorize execution of the Fourth Amendment to Contract No. 2014-FT-19, *Collection of Parking Fees at Larkspur Ferry Terminal*, with Parkmobile USA, Inc. (“Parkmobile”) and Parkmobile, LLC, for maintenance and administration of the existing system for the collection of parking fees at the following locations: Larkspur Ferry Terminal, Golden Gate Bridge East and West Parking Lots, and additional parking facilities at the Golden Gate Bridge through July 31, 2026; and,

- (ii) Authorize the General Manager, or their designee, to approve amendments to Contract No. 2014-FT-19, *Collection of Parking Fees at Larkspur Ferry Terminal*, with Parkmobile USA, Inc. (“Parkmobile”) and Parkmobile, LLC to allow for future renewals, provided that funding has been allocated in the annual budget and such renewals are in the Golden Gate Bridge, Highway and Transportation District’s best interest.

Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni; President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

(10) Presentation Update of the 10-Year Capital Plan [34:03 Minutes Mark on the Audio Recording]

Budget and Programs Analyst Lauren dePaschalis presented the staff report, which was for informational purposes only, and no action was taken.

(11) Approve the Proposed FY 25/26 Operating and Capital Budget [44:40 Minutes Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the staff report.

Director Snyder inquired about the cycle of dredging in Larkspur. Mr. Mulligan responded.

(a) 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 recommends that the Board of Directors approve the Fiscal Year 2024/2025 (FY 24/25) Proposed Operating and Capital Budget, as follows:

- (i) Authorize the following items as contained in the budget:
 - 1. District Goals, Projects, and Accomplishments;
 - 2. The Reserve Structure;
 - 3. Proposed Changes to Positions; and
 - 4. Proposed Updated 10-Year Capital Plan;
- (ii) Include salary increases for the Coalition, Non-Represented, Painter, and ATU-Administration employees. Does not include salary increases for ATU Bus

FINANCE-AUDITING COMMITTEE
JUNE 26, 2025/PAGE 9

Operators as they are under negotiation, which will be considered at a later date;

- (iii) Include a Capital Contribution amount of \$21 million;
- (iv) Authorizes budget increases for eight Capital Projects by a total of \$7,882,067 to be funded with 56% District Reserves and 44% with grant funds; and
- (v) Authorize the following items not currently included in the Proposed Budget but will be included in the Adopted Budget:
 - 1. Any Board-approved actions through June 30, 2025, that have a fiscal impact to the FY 25/26 Capital and/or Operating Budget;
 - 2. Carryover any incomplete projects in the FY 24/25 Capital Budget to FY 25/26 as authorized by the General Manager;
 - 3. Move any capital projects from the FY 25/26 list to the FY 25/26 budget, authorized by the General Manager, as staff resources become available in FY 25/26; and,
 - 4. Include final FY 24/25 budget transfers needed to comply with the Board's budget policy will be implemented in the FY 25/26 Adopted Budget Book.

Action by the Board at its meeting of June 27, 2025 – Resolution
NON-CONSENT CALENDAR

AYES (6): Vice Chair Pahre; Directors Devlin, Giudice, Mastin and Rodoni President Cochran.

NOES (0): None.

ABSENT (2): Chair Rabbitt; Director Hernández.

(12) Status Report on the FY 24/25 Budget [51:15 Minute Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the informational staff report, and no action was taken.

(13) Monthly Review of Golden Gate Bridge Traffic/Tolls and Bus and Ferry Transit Patronage/Fares (for Eleven Months Ending May 2025) [53:06 Minute Mark on the Audio Recording]

Auditor-Controller Jennifer Mennucci presented the informational staff report, and no action was taken.

(14) Monthly Review of Financial Statements (for Eleven Months Ending May 2025) [54:19 Minute Mark on the Audio Recording]

- (a) **Statement of Revenue and Expenses**
- (b) **Statement of Capital Programs and Expenditures**

Auditor-Controller Jennifer Mennucci presented the informational staff reports, and no actions were taken.

(15) Public Comment

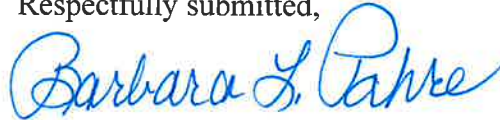
There were no public comments.

(16) Adjournment [57:12 Minute Mark on the Audio Recording]

All business having been concluded Directors GIUDICE/DEVLIN moved and seconded that the meeting be adjourned at 12:20 p.m.

Carried

Respectfully submitted,



Barbara L. Pahre, Vice Chair
Finance-Auditing Committee

BLP:AMK:tnm